

January 12, 2007

To Our Members:

Medica recently announced a new program that will require providers to receive an outside consultation when they prescribe an outpatient high-tech CT scan or MRI. The requirement does not apply to doctors ordering scans for patients in the emergency room or hospital inpatients. Whatever the outcome of the consultation, you and your doctor still make the final decision about the test you need.

We didn't anticipate stirring up such a hornet's nest when we introduced this program, but if recent media coverage and letters to the editor are any indication, we have done just that! We want to provide you with a brief explanation of why this program is necessary and respond to some misperceptions that have cropped up in the media.

It has been well-documented that 10-20 percent of prescribed high-tech scans are either unnecessary or the wrong test. In other words, if the most up-to-date clinical guidelines from The American College of Radiology had been followed, a different test – or no test – would have been performed.

What does this mean to you, if you are one of the 17,000 to 34,000 Medica members who could receive an unnecessary scan in 2007? First of all, you would waste your money. These are expensive tests: your coinsurance would likely be hundreds of dollars. More significantly, you could be exposed to powerful radiation needlessly. A CT scan of the pelvis is equivalent in terms of radiation exposure to 350 x-rays and has approximately the same cancer risk as smoking 2,100 cigarettes.

After more than a year of developing an approach and working with providers to test it, we felt the time had come to implement a plan to bring down the error rate in ordering scans. The financial costs and health risks are too high to delay. We recognize that it imposes a modest additional administrative burden on providers. We've worked hard with a pilot group of providers to make the consultation process simple, quick and straightforward.

The media coverage you may have seen included judgments and assertions we want to correct.

- Medica's new program *does not* require doctors to have the scan they order approved.

Doctors are required to get a "second opinion" but they (along with you) make the final decision about what test is ordered. It's worth noting that many of these tests are ordered by primary care doctors who typically order only a handful of scans in any given week or month. Providing quick access to the most current clinical guidelines strikes us as prudent and worthwhile.

- Medica's new program *will not* delay anyone who needs a scan immediately.

The program does not apply to doctors ordering scans in the emergency room or for hospital inpatients.

- *Medica is not* just doing this to cut our costs.

We don't apologize for trying to cut costs *for all of us*. With health care costs rising rapidly, none of us can afford to pay for expensive tests that are not needed. But as noted above, many of these tests involve exposure to large amounts of radiation. For your best health, unnecessary tests should be avoided.

- *Medica is willing* to work with others on long-term solutions.

We agree that our approach is imperfect. But it's worth noting that there is near-universal agreement that there is a problem with unnecessary scans. We are pleased that a number of care providers are currently working on clinic-based solutions. In the long run, we hope to phase out our program entirely as clinics build this clinical review process into their own practices.

We hope this clarifies our program and addresses any questions or concerns you may have as a result of the media coverage.

Sincerely yours,

A handwritten signature in black ink that reads "Charles Fazio, MD, MS". The signature is written in a cursive, flowing style.

Charles Fazio, M.D.  
Chief Medical Officer