



THE COPA CONNECTION

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PRESIDENT'S MESSAGE RALPH NOBBE, CPO

Orthotic and Prosthetic Colleagues:

COPA is now moving into our 2010/2011 fiscal year. If you are not already a member, there is no time to lose. COPA needs your membership to continue building upon its recent success and ensure a vital marketplace for O&P in California.

The COPA Board of Directors continues to work diligently on behalf of the California providers and populations we serve. Our recent success in preserving the O&P benefit under the California Medi-Cal Program underscores our commitment to this underserved population. This is not a permanent solution for O&P and the battle will likely be replayed in other financially strapped states. COPA expects to defend these benefits again in the 2011/2012 budget year, due to the California on-going budget dilemma.

Several areas of recent COPA activities include a sponsored insurance product for California-

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Ralph Nobbe, CPO

UNDER THE DOME

BRYCE W.A. DOCHERTY, EXECUTIVE DIRECTOR/LOBBYIST

"COPA Continues to Keep O&P Off the State Budget Chopping Block!"



COPA remains ecstatic that Gov. Schwarzenegger has **RESTORED** O&P in Medi-Cal via his "[May Revise](#)" Budget for 2010-2011. Major "kudos" goes out to all of our members, patients and national partners including the Amputee Coalition of America who helped during the "Call to Action" over the last several months. Gov. Schwarzenegger's original budget proposal would have eliminated O&P as an "Optional" benefit in the California Medi-Cal Program.

However, we all must remain vigilant and committed to ensure that O&P stays off the chopping block! The real difficult budget ne-

gotiations have begun among Gov. Schwarzenegger and the legislative leadership continues to hammer out a budget compromise. O&P benefits were one of a handful of other "Optional" benefits that were slated to be eliminated. COPA has also been a part of a larger coalition of all optional benefits that was one key to success in addition to our individual efforts.

Much of the blow to the Health and Human Services Agency Budget was spared to due \$4.8 billion in federal funds even though \$6.9 was requested. However, California's budget deficit is nearly \$20 billion. Now is certainly not the time to take a victory lap for O&P but this is for sure a positive step in the right direction.

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BOARD MEMBERS[Ralph Nobbe, CPO](#)**President**[Lars Jensen, CP](#)**Vice President**[Rick Chavez, CPO](#)**Immediate Past President**[John Crane](#)**Secretary/Treasurer**[Tom Beall, CPO](#)**Board Member**[Kel Bergmann, CPO](#)**Board Member**[Harry Brandt, CO, BOCO](#)**Board Member**[Mark Conry, CPO](#)**Board Member**[Jeff Collins](#)**Board Member**[Robert Jensen](#)**Board Member**[Karl Lindborg, CPO](#)**Board Member**[Bryce W.A. Docherty](#)**Executive Director/
Lobbyist*****President's Message, cont'd.***

based and national providers and manufacturers. This program includes workers' compensation and business liability. Intercare Specialty Risk Services can provide comprehensive insurance services which include internal risk management services to control escalating premiums. California has enjoyed a "soft market" for workers' compensation which has held premium cost in check. This trend appears to be reversing with significant premium increases projected in California over the next few years.

OPA will also be hosting a COPA exclusive continuing education program at CSUDH in Southern California in October 2010. This two-day program will include several business related topics with the formal agenda to follow shortly. Space will be limited for this venue and will continue the COPA commitment to industry education. CSUDH remains the only California based O&P educational option. COPA will also again partner with WAMOPA in Reno next May 2011.

National healthcare reform issues already are impacting California and will require a strong voice to maintain equitable coverage. Implementation of interstate insurance exchange programs poses a significant risk to prosthetic parity legislation such as our California sponsored AB 2012 (Emmerson) from 2006.

Our outreach to other groups continues. COPA Executive Director Bryce Docherty will be exhibiting at the Amputee Coalition of America meeting in Irvine, CA on August 26-27, 2010. We continue to build grassroots support and contacts with other professional associations, support groups and consumer organizations.

This is becoming another busy year for COPA. Your membership will ensure your access to the benefits COPA provides its membership.

Thank you and I hope you enjoy this issue of *The COPA Connection*.

Under the Dome, cont'd.

Democrats recently released their latest plan for closing the budget gap. The proposal avoids some deep spending cuts proposed by Gov. Arnold Schwarzenegger in part by including revenues from a new oil production tax and an increase in the income tax and the vehicle license fee. Lawmakers say the latter two would be offset for individuals by federal tax deductions and a permanent state sales tax cut.

However, Gov. Arnold Schwarzenegger declared the plan dead before it was even officially released. Legislative Republicans dismissed the plan as a tax increase, saying they would rather stick to the spending cut-heavy "blueprint" laid out in Schwarzenegger's May budget revision.

Senate President pro tem Darrell Steinberg said he plans to put the proposal up for a vote ... at some point. "We've hit as close to a sweet spot as you will ever find," he said. For now, Steinberg says, the hope is to get Republicans to "engage" in the budget process.

Bottom Line: The plan, which you can read [here](#), seems to be little more than yet another starting point for budget negotiations (and a source of continued bickering).

Please stay tuned as this continues to unfold and visit the "Legislation" tab on the COPA website by clicking [here](#) for much more information on our campaign.

"If you miss a day "Under the Dome" – you miss a lot!"



AMERICAN ORTHOTIC & PROSTHETIC ASSOCIATION

SERVING THE O&P FIELD FOR OVER 90 YEARS

AOPA Announces New Region D RAC Audit on Prosthetic Fee

AOPA recently learned that the Region D Recovery Audit Contractor, Health Data Insights, will be conducting an audit on the following K3 functional level codes: L5973, L5976, L5980, L5981 and L5987. The intent of the audit is to ensure that facilities have the proper documentation on file to support the patient's designated functional level of K3. This means that they will be looking for specific medical documentation of that specific patient's need for a K3 device, in accordance with Medicare medical policies. Health Data Insights has told AOPA that letters informing providers of the audit were expected to be mailed last week, but you may have already noticed an increase in denials of these codes, even on previously paid claims. Unfortunately, if you receive a letter, it will mean that you have been targeted for the audit. Click [here](#) for more information.

AOPA Announces CMS Release of Updated Interest Rate for Overpayments and Underpayments

The Centers for Medicare and Medicaid Services has announced that effective July 21, the interest rate for Medicare overpayments and underpayments increased from 10.85 percent to 11 percent. This interest is applied every 30 days until the underpayment or overpayment is paid in full. The interest rate is recalculated on a quarterly basis and the interest rate in effect at the time the under or overpayment was discovered remains in effect unless the provider misses two consecutive payments, in which case the prevailing rate will become the new interest rate. Click [here](#) for more information.

Did You Know?

WHERE THE MONEY GOES: UNDERSTANDING THE MEDI-CAL HIGH-COST BENEFICIARIES

Nearly two million adults will be newly eligible for Medi-Cal in 2014 under the new federal health care reform law. Enrolling them and paying for their care will be significant hurdles. Also key to success: attracting sufficient numbers of physicians to meet patient demand, while slowing spending for high-cost enrollees. Two new California HealthCare Foundation (CHCF) reports examine the sizeable challenges. Click [here](#) to view the CHCF reports.



National Association of Health Underwriters Summarizes Federal Health Care Reform

If you are feeling confused about health care reform ... you are not alone! Although the rules for how the new health care reform law will be implemented are still being written, see below for a basic summary provided by the National Association of Health Underwriters of what is included in the Patient Protection and Affordable Care Act (PPACA).

Happening Now, in 2010

- First, if you're a small business that offers coverage to employees, and the average wages of your employees are less than \$50,000 per year, you may be eligible for a tax credit to help with the cost of coverage, even if you don't owe income taxes. The credit will start at 35% of health insurance premiums in the first year and will vary depending on your circumstances. Talk to your health insurance agent or broker about how it works, or go to the IRS Website for more information www.irs.gov. To locate an agent or broker in your area, go to www.nahu.org and click on the "Find an Agent" feature.
- You may have heard that some of your benefits may be improving because of the new law. A number of new benefits will be required on all health plans starting as early as September 23, 2010. The effective date of these new benefits will vary depending on what month your plan went into effect (this is called your plan year or your renewal date), but it's coming soon for everyone.
- One of the new benefits is that overall limits on the benefits that can be paid for eligible expenses on your health plan as well as limits on how much can be paid each year will be eliminated. For example, if your plan had a \$1 million maximum, it would change to an unlimited maximum. And, if it limited prescription drugs to \$1,000 per year, that limit would go away. However, medical services still have to be medically necessary before they will be covered by your policy.
- Another new benefit is that if you cover dependents on your health plan, they will have to be covered until the age of 26, even if they are not full-time students, or are married. Many people are looking forward to this benefit but have questions about what it might mean for their children who may be coming off of their policies before September. Guidance from the Department of Health and Human Services is coming soon to answer many of the questions people have about this benefit.
- The new law now provides enhanced coverage for preventive services. This means that benefits for prevention will be covered at 100% with no deductible. This benefit applies to most but not all plans and the exact benefits that must be covered will be announced very soon. If your plan is "grandfathered," which means it is exactly the same as before the bill was enacted on March 23rd, 2010, the new preventive benefit provisions will not apply until 2014.

Keep in mind that although these new benefits may be beneficial, there may also be a cost associated with them. Unfortunately you don't have a choice on this as they are required to be included in all health coverage now.

Happening Next Year, in 2011

- If you have a health savings account (HSA) and you withdraw funds for non-medical reasons, your penalty will be larger this year. The cost for using HSA funds on non-medical expenses will be that the money you spend will now be taxable income to you, plus a 20% fine.
- If you have an HSA, or you have an employer-sponsored FSA or HRA, you will no longer be able to turn in expenses for over the counter drugs, unless you have a prescription.

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In 2012 and 2013

- If you are an employer who provides coverage for employees, you will notice a new tax for comparative effectiveness research beginning in 2012. The cost will start at \$1 and go to \$2 per enrollee and is to cover the cost of research on which medical treatments work the best.
- If you are an employer who offers FSAs for employees or an employee who participates in an employer FSA, you will only be able to set aside \$2,500 each year starting in 2013.
- Employers will be required to provide several different notices to employees about changes that will be coming in 2014 as a result of the new law.

In 2014

This is the biggest year for change. Whether you're an individual buying coverage on your own or a small employer (up to 100 employees) buying coverage for your employees, many rules for how that coverage works will be different.

- First, beginning this year, health insurance companies can't turn anyone down for health insurance coverage or ask any questions about their health when coverage is applied for. In addition, strict rules for how much premiums can vary from one person to another will go into effect.
- Second, there will be a new market for health insurance in each state, in addition to the sources of coverage that exist today. These new markets will be called "Exchanges." If a person doesn't have employer-sponsored coverage, he or she may be eligible for a subsidy to help pay for the cost of the coverage, and in some cases, an increased level of benefits with lower deductibles and copays.

Although these benefits sound good, you should be aware that they may increase the cost of coverage, and they are not optional – all plans are required to have them. Whether they result in a cost increase for you or your employees will depend on your specific situation. Your agent or broker can help you determine what the most cost-effective options are in your state.

- To go along with these changes, there will also be a requirement that everyone carry a minimum level of health insurance coverage, or be subject to a fine. Some people will be exempt from this requirement if they have a very low income.
- Employers with more than 50 employees GENERALLY will be required to carry OFFER A MINIMUM THRESHOLD OF HEALTH INSURANCE coverage or potentially be subject to one or more fines.

A variety of taxes go into effect at different times between 2011 and 2014 that may increase tax liability for certain individuals or increase the cost of your health plan.

For more information about what health reform means to you, contact your agent or broker. As a member of The National Association of Health Underwriters www.nahu.org, he or she will have the most up to date information about what health reform means for you.

ANNOUNCEMENTS & ALERTS



Save the Date: October 29-30, 2010

COPA Announced EXCLUSIVE Educational Event

COPA is ecstatic to host an outstanding clinical and business meeting for O&P practitioners on Friday-Saturday, October 29-30, 2010 at CSU Dominguez Hills in Long Beach, California. This EXCLUSIVE event will only be open to the first 70 attendees and exhibitor options are ONLY available to COPA corporate supplier members! For more information, please contact the COPA office at (916) 446-4343.



First Volley Adaptive Tennis Clinic

As a sponsor for the [First Volley™ Adaptive Tennis Clinic](#), Cascade Orthotic Supply is seeking your assistance in reaching out to individuals served by the orthotics and prosthetics community for the chance to participate in an upcoming clinic to be held in **Portola Valley on September 18, 2010**. This event is open to all ages and is free of charge to participants. All equipment will be provided and refreshments will be served. There will also be prizes! If you could post the event details in your office and distribute them to interested patients, you would be supporting a great opportunity for personal achievement, physical fitness and social interaction. Event details and registration forms are available online at http://opfund.org/assets/pdf/2010_first_volley_cascade.pdf. Contact Rebecca Larson at 800-847-9180 or rlarson@cascade-usa.com for more information.

MEMBERSHIP APPLICATION

MISSION

Promoting the art and science of Orthotic and Prosthetic practice to create and communicate innovative solutions for a positive patient experience.

CORPORATE MEMBERSHIP CATEGORIES: \$1,200 Annual Dues (please check applicable category)

- Corporate – Patient Care:* Any firm or corporation that is principally engaged in the business of providing O&P direct services is eligible for this membership category.
- Corporate – Supplier:* Any firm of corporation that is principally engaged in supplying O&P businesses is eligible for this membership category.
- Corporate – Allied Health:* Any organization, firm or corporation that is engaged in the allied health field that serves O&P clients and businesses is eligible for this membership category.
- Corporate – Associate:* Any organization that represents consumers of orthotic and prosthetic care or other professionals who may also provide services to orthotic and prosthetic consumers is eligible for this membership category.

INDIVIDUAL MEMBERSHIP CATEGORIES: \$120 Annual Dues (please check applicable category)

- Individual – Associate:* Any non-practicing clinician with a professional interest in orthotics and prosthetics is eligible for this membership category.
- Individual – Student:* Any person enrolled in an accredited school or resident program pursuing a course of study in orthotics and/or prosthetics is eligible for this membership category.

(Name, Company)

(Address, City, State, Zip)

(Phone, Fax, Email)

NOTE: Please check here ___ if you decline to have 25% of your annual dues dedicated to the COPA Political Action Committee. Contributions or dues payments to COPA or COPA PAC are not deductible as charitable contributions for Federal income tax purposes. COPA estimates that 10% of your membership dues will be allocated to lobbying expenditures for the fiscal year 2010/2011, and are not deductible as business expenses.

Please make checks payable to: **COPA**

***SHARE** this membership application with your colleagues so they can become a member of the premier orthotics and prosthetics association in California.*

Click here to view:
[Membership Registration Online!](#)

POLITICAL ACTION CONTRIBUTIONS

COPA POLITICAL ACTION COMMITTEE *CORPORATE* CONTRIBUTION FORM

MISSION

To help elect and reelect members of the California Legislature that believes in the unique skills and knowledge base of Orthotists and Prosthetists and also understands the business climate in California for orthotic and prosthetic companies.

OPPORTUNITIES FOR THE CORPORATE SPONSOR:

- ❑ ***President’s Club (\$2,500-\$6,500)***: These prestigious members include manufacturers, patient care businesses and individuals who want to be constant and consistent actors in the issues surrounding the O&P industry. In addition to receiving all of the benefits provided to Leadership Board and Golden State Club members also receive a specially designed President’s Club lapel pin; complimentary admission to all COPA events and Complimentary admission for one guest to attend a President’s Club event. In addition, President’s Club members may be included in “invitation only” receptions and functions with legislators whenever possible.
- ❑ ***Leadership Board (\$1,000-\$2,499)***: These members receive a specially designed Leadership Board lapel pin; invitations to legislative briefings and receptions featuring key legislators who are active in healthcare policy and special recognition throughout the year at events and in COPA publications.
- ❑ ***Golden State Club (\$500-\$999)***: These members receive a specially designed Golden State Club lapel pin and special recognition throughout the year.

STATE LAW REQUIRES THE FOLLOWING:

(Name, Company)

(Employer or Occupation)

(Address, City State, Zip, Phone)

NOTE: The California Political Reform Act (Prop. 34) places limits on contributions to candidates for state office and imposes certain prohibitions. This request does not seek a contribution in excess of applicable limits from prohibited sources. Contributions to the COPA Political Action Committee are voluntary and shall not exceed \$6,500 per calendar year. Contributions are not deductible for tax purposes.

Please make checks payable to: **COPA PAC (ID#791961)**

Click here to view:

[*COPA/PAC
Corporate
Contribution
Pledge Form*](#)

*Click here to
view: [COPA/
PAC Individual
Contribution
Pledge Form](#)*

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We're on the web!
[www.oandp.com/
copa](http://www.oandp.com/copa)

COPA'S MISSION...

Promoting the art and science of Orthotic and Prosthetic practice to create and communicate innovative solutions for a positive patient experience.

A PLACE FOR EVERYONE AT COPA...

Strength is measured by numbers. COPA has galvanized support from the O&P business community by encouraging businesses of all sizes to join as corporate members. Today the organization is moving forward in representing the needs of the individual practitioner in all areas of career development, including educational seminars and a renewed commitment to licensure for California. In order to facilitate individual contributions to support COPA, new membership categories have been added to allow students, technicians and practitioners at all levels of the career path to join COPA and share in the march toward professional recognition in California.

STANDING ON SUCCESS...

COPA has a proven track record in legislation, association governance and membership responsiveness. Representing the field since 1970, COPA is an organization that has the resources to bring the community of O&P together as one voice to strengthen and solidify the unique characteristics that typify O&P professionals today. An Uncertain Future Without Your Support... For many years, the few have supported the many while all have prospered. The burden has now become too great and the pool of resources must be widened to ensure continued success.

The threats to the O&P community are real. This year alone, practitioners have been sanctioned by the Board of Pharmacy and the Physical Therapy Licensing Board. Individual lawsuits have been brought against practitioners who now stand in legal limbo with no statutory scope of practice.

Limited state resources to treat the poor and those injured on the job are being bargained away to those with stronger voices and wider support.

What will history say about your commitment to O&P?