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Can't I just be a doctor any more?

NO

End of presentation Any questions?

You have two choices

Here's the deal...

- Comply with the <u>law</u>
- 2. Gamble (house usually wins!)

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Scary Facts (Sorry...I just report the truth!)

"I'm feeling great."

HIPAA/OSHA/FRAUD/HR
/DME/PATIENT RIGHTS

DOESN'T CARE

WHY THE INCREASE???
Whistleblowers Bon jovi-ism

PLUS

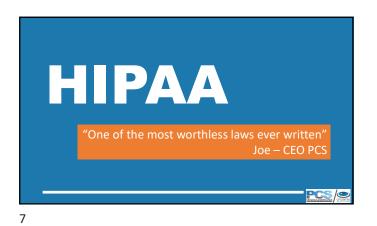
Plus

Plus

Plus

Plus

1





Penalties for Losing the Game

Update... \$10,000 MINIMUM fine for ANY, even minor HIPAA violation

"Reckless indifference"

That can cost you up to \$250,000.00

The \$1.5M cap is off...the courts have gone crazy with this – new prize was \$26.5M!



Think its just hospitals and big clinics?

Cyber / Compliance Insurance?

Great idea – but cyber-insurance does NOT cover you for breaking the law! If you need information on cyber insurance, ASK US!

PCS/

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Confusion Regarding Security Risk Assessment

- FLEXIBILITY the Security Standards do not prescribe a specific policy, software and other course of action
- **SCALABILITY** and do not hold large and small business to the same standard!
- UNIQUE your risk analysis is unique to your business

Be wary of "experts" telling you that you MUST do certain things under the Security Rules – that is NOT the way the rules were written!



WHAT IS A SECURITY RISK ANALYSIS?

SECURITY IS MORE THAN COMPUTERS

SECURITY IS ABOUT YOUR OFFICE LAYOUT, LOCKS, ALARMS, FLOODS, HURRICANES, BACK UPS, LOCATION, PASSWORDS, PAPER RECORDS, EMPLOYEES, OFFICE POLICIES

COMPUTERS ARE JUST ONE COMPONENT OF THAT
Unfortunately, few HIPAA compliance companies provide a
TRUE security risk assessment!



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Most Common Security Risks Found in Optometry Practices

- · Reckless indifference!
- Storage of paper data esp. paper medical records
- Inadequately trained or untrained staff
- Use of weak passwords
- Usernames/passwords stored on or in device
- Ransom attack (poor email management training)
- EMR security issues
- · OSHA compliance issues



What's New from the Current Administration?





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HIPAA

- Line-item budget increase for investigations and enforcement
- Enhanced patient access to medical records allowing digital capture of records and direct access to records through an EMR Personal Health Application (portal)
- Expanding the definition of healthcare operations "an exchange of information that does not require patient authorization" — MEANS?





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Example: HIPAA Landmine #1

Use of outdated Business Associate Agreement format

Two doctor group in NC is visited by HIPAA officers based on patient complaint that practice released PHI improperly (they provided patient information to marketing company without consent or a BAA). Investigators asked to see the practice BAAs which were non-existent. When brought to the owner's attention, the owner argued the investigators were being picky and should be happy the practice had any kind of compliance since HIPAA was a huge "pain in the a.."



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HIPAA Landmine #1

What was wrong

- ! HIPAA has been amended fourteen times since it was implemented in 2004 *biggest one coming in 2022*
- ! BAAs are mandatory
- OCR considers not up to date, not in compliance
- HIPAA has very specific rules about marketing and use of patient information
- NEVER, EVER, EVER argue and disrespect officers of the Office of Inspector General (federal police!)...geez





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HIPAA Landmine - The Worst

Father has his hot new girlfriend bring kids in for eye exams to doctor in small rural community. The girlfriend signs all new patient forms including ANPP – tells office the ex-wife has VSP and is responsible for payment. Doctor sees the kids who both need new glasses. Office processes VSP and sends mother bill for balance.

Mother calls office in a rage.



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What was the result

doctor - still pending

doctor's unfortunate story



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Human Resources

One of the most complicated, most dangerous and potentially most financially devastating compliance issues facing doctor employers



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Let's Start With What Has NOT Changed **How Most Doctors See HR** By EEOC (government) statistics, at least 77% of you listening are NOT HR compliant!

WE ARE HR COMPLIANT!

COULD THIS HAVE BEEN AVOIDED?

(a) Mother filed HIPAA privacy breach against the

(3) Mother filed child molestation charges against

the doctor – charges eventually dropped

(a) Local newspaper publishes the small town

HR issues you MUST understand

- Necessity of employee manual
- · Contract labor laws Legal hiring / firing · Breaks, meals, time off requirements
- What you CAN interview
 - And COVID has done
- · Checking cre
- Criminal back WHAT in the HR
- · New Hire rep Discrimination
- world???
- · Smoking law
- Guns on property la
- · Avoiding embezzlement
- Employee poster requirements • FLSA - salary vs hourly
- · Social media regulations
- CORRA
- · Legal / proper terminationsand many more..



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Four most important HR issues

- 1. ALL these laws are written to "protect and serve" your employee – NOT YOU. We are in the age of "Minimal" **Employer Rights"**
- 2. HR laws are Federal AND State and moving more Federal
- 3. Your employees likely know more about HR laws than you do. And what they do not know attorneys are willing to teach them
- 4. Never believe the great employer myth!



Most Important Slide on HR

- You MUST have a complete, <u>state law specific</u> employee manual – and you have to keep up with the <u>frequent changes</u> (HR is fastest changing compliance area in small business law)
- Policies must be enforced fairly, consistently and without discrimination
- If you delegate HR responsibilities, that person MUST know what they are doing (and they should be glad they don't work in California!)



Most Significant Current HR Issues

- Lack of employee manual (policies)
- Discrimination
- Harassment "me too"
- Improper employee classification
- Contract labor
- I-9 regulations
- AND A HOST OF OTHER ISSUES



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What's New from the Current Administration?





Main 2021 focus on:

HR

- ✓ Federal minimum wage
- ✓ Aggressive pursuit of employers violating labor laws -Funding for a "dramatic" increase in investigations
- Enhanced employee rights (partnership with OSHA)
- ✓ Significant focus on discrimination and harassment
- ✓ Federal definitions
- ✓ Significant expansion of employee rights
- ✓ Mandatory training



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HR

Main 2021 focus on:

- ✓ Significant focus on "wage thieves" misclassification of exempt / non-exempt employees
- ✓ Federal legislation restricting use of contract labor (independent contractors)
- ✓ Federal mandatory sick pay
- ✓ Federal mandatory leave of absences (expansion of pregnancy benefits, abuse leave, school leave, military leave)

Says it all. President's new Deputy Department of Labor? Julie Su – former California Secretary of Labor...a terrifying regulatory agency





HR Landmine #1

Reliance / belief in "at will"

Mary, a single, Latino, 48 year old mother of four children has worked at an office for six months. Due to COVID related decrease in business, Mary is terminated. When asked why, she is told no reason is required because of at-will doctrine. Mary files for unemployment but the employer protests stating Mary was late to work all the time and overall wasn't doing a good job. When asked for documentation, the employer said they didn't keep a paper trail of this because it could hurt Mary's likelihood of getting another job.



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HR Landmine #1

What was wrong (what WASN'T?)

- At will does NOT mean you can fire someone indiscriminately
- · At will does NOT mean you can discriminate
- At will does **NOT** mean you can ignore disabilities
- At will does **NOT** mean employee cannot sue you for wrongful termination
- At will does **NOT** mean you can violate your HR policies
- At will does **NOT** mean the employee will not be eligible for unemployment benefits ESPECIALLY IN THE PANDEMIC
- UNHAPPY FORMER EMPLOYEES BECOME WHISTLEBLOWERS!!!





HR Landmine #1

The insidious deception that is "employment at will"

Employment and Labor Inside Constangy Brooks Smith &

In progress...

What was the result

- Mary has a "team" of attorneys who have filed wrongful termination lawsuit against employer
- In the past six months doctor has run up \$45,000 in legal fees
- Wrongful termination suits general reward in six figures
- · Mary is on unemployment because doctor had no documentation to justify a termination with cause (may not have mattered in the era of pandemics!)



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HR Landmine #2

Paying employees on a salary basis

Mary is a "supervisor" for 10 years at a San Antonio optometry clinic (she was in charge of all three insurance staff). She is paid a salary of \$49K a year. She is made to clock in and out like the other twelve employees but takes work home which she is led to believe is "part of her job". Mary talks to a friend who tells her she should talk to an attorney because she saw a billboard saying people shouldn't be paid a salary.





HR Landmine #2

What was wrong

- Must pass salary test (>\$38K a year)
- X Must pass duties test
 - > Can they buy equipment without your approval?
 - > Can they borrow money without your approval?
 - > Can they hire/fire without your approval?
 - > Can they **come and go** pretty much whenever they want to?
- ➤ Minimum **50%** of day spent on EMPLOYEE MANAGEMENT?
- STATED NATIONAL FOCUS OF PRESIDENT BIDEN "wage thieves"



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HR Landmine #2

What was the result

- © Court determined Mary definitely not an exempt employee
- (NO proof required - practice must prove she is lying)
- S166K settlement attorneys got \$64K and Mary took home \$102K

STRONG ADVICE: It is EXCEPTIONALLY rare for ANY employee of a small healthcare practice to qualify as an exempt / salaried employee.







Use of contract labor

In CA, four associate doctors are each paid \$500 per diem under a contract labor agreement. They have set schedules, set fees, set office protocols and all their services are billed by and collected by the practice. One of associate doctors attends a CE program where this is stated to be illegal. This doctor talks to the other four and they ask owner to change the way they are paid.



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HR Landmine #3

What was wrong

- Contract labor has VERY limited application Only very short term fill in work
- Otherwise, your contract labor employee must be able to
 - > Set their own fees
 - > Set their own schedule
 - ➤ Use their own "tools of the trade"
 - > Independently bill and collect for their services
- Another "wage thieves" issue under Biden administration



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COULD THIS HAVE BEEN AVOIDED?

Maybe...but in CA "ABC" test rules and was declared by CA Supreme Court retroactive to 2018 ABC

- 1. Free from ANY control by company
- 2. Work performed outside company's normal business
- 3. Contractor works in/for an established business

Washington is proposing the CA "ABC" rules be the NATIONAL standard

HAZARD (OSHA/CDC)

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Let's Start With What Has NOT Changed



By PCS survey, at least 80% of you listening are NOT OSHA/CDC compliant!

Optometrists have to comply with OSHA, CDC and CLIA?

Many/most optometrists are just confused! No business in US is exempt – much less healthcare

Non-compliance penalties can include

- Fines in excess of \$10,000 \$50,000 \$129,336 for "reckless indifference" (they learned from HIPAAI) or "repeat" violations
- > civil law suites AND criminal charges
- ➤ termination of your third party payor contracts including VSP and EyeMed (it's in your provider contract!).



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Hazard Requirements

- Must have written policies that comply with OSHA safety and CDC guidelines
- Must have documented evidence that your staff is trained on Federal and YOUR policies in these two areas (trained AND TESTED)
- Must now meet the extensive requirements of the new Standard Precaution Protocols (replaces Universal Precautions (focus on respiratory contagions - go figure!)



What's New from the Current Administration?





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Hazard (OSHA/CDC)

OUTSIDE of the pandemic...

- ✓ Significant emphasis and budgetary assistance to track down "bad actors" (President's "reckless indifference") with proposed fines increased to high as \$500,00.00
- ✓ Increase in inspections onsite and now VIRTUAL
- ✓ Implementation of "public shaming" programs –

Says it all. President's appointment to head OSHA? Doug Parker – former Chief of California OSHA...one of the most terrifying regulatory agencies in US



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Hazard Landmine #1

More "reckless indifference"

Employee slips on step-stool putting up supplies. Continues work in pain but ends up at emergency care center later that night. Nurse starts discussing how they see a lot of ladder injuries from offices without OSHA ladder policies. Employee asks what OSHA is – nurse advises employee to contact OSHA and let them know she was hurt on the job. Employee talks to HR Manager the next morning who tells her that small offices like theirs are exempt from OSHA regulation.



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Hazard Landmine #1

What was wrong

- ✓ NO business of any kind in the US is exempt from OSHA
- ✓ OSHA compliance is a requirement of medical payers AND VSP and EyeMed
- ✓ OSHA requires extensive WRITTEN policies designed to protect employees and patrons of businesses

NOTE: OSHA is likely the most powerful regulatory agency in the US government





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Hazard Landmine #1

What was the result

Doctor got off easy!!!

- Fined \$12,500 for failure to have formal OSHA compliance
- Additional fine of \$10,000 for failure to provide OSHA staff training
- (a) Required to provide evidence of OSHA compliance within 30 days or face business closure



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Hazard Landmine #2

What happens in OSHA stays in OSHA

Whistleblower files a claim against the doctor for failure to provide a safe patient environment – claimed the doctor did not have lights in the parking lot and caused patient to back into another lady's car. OSHA sent a nice letter asking for information – which the doctor didn't get around to answering in the time allowed because he felt the claim was ludicrous.



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Hazard Landmine #2

What was the result

- (3) The claim was dropped against the doctor who provided evidence of decent OSHA compliance
- (3) Under the 2016 Tattle Tale Act OSHA passed the doctor's name on to OCR, CMS, EEOC and IRS
- (incomplete HIPAA) compliance) and IRS (multiple issues) exceeded \$140K.
- Currently focusing on a CMS general audit.



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How ya feeling about Compliance?

Hazard Landmine #2

Well...the claim WAS ridiculous as the doctor's office

But...NEVER fail to answer a government request for

was in a strip center and the parking lot was not his

responsibility – even more unfounded because the

What was wrong

parking lot DID have lights

information in the time allowed



So if you survive being non-compliant with our Federal laws...what does the future of

healthcare look like?

Let's turn our attention to the future

A future that is already here



Let's start with some TRUTH!

(rare commodity these days – check out social media!)

If ODs don't stop thinking like doctors and start thinking like patients and businesspeople, the next decade is going to be very rough on their pocketbook!

PCS OF TOWER

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Everyone has to stop thinking this is all doom and gloom and start realizing this is simply change



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What Will The Next Decade Bring?

- What will healthcare look like?
- What will your patient want?
- What will technology offer?



Forces that will drive change?

- Doctors
- · Pharmaceutical industry
- Healthcare payer system
- Government



PCS/S

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Forces that WILL drive change

- · Global disruption
- Consumer
 - "Patient centric medicine" medicine will become more "marketing mindful"
- Technology

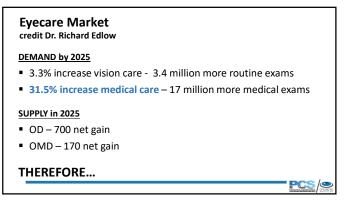


What will the new system look like?

- Socialized Healthcare limited access, essential care system
- Medicare-for-all or likely different central payer concept
- Universal healthcare Obamacare hybrid that will attempt to work
- An expanded bipolar healthcare system free / low cost to many, more expensive for others (that's YOU)



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Will this work???

700 total NEW optometric providers to see:

3.4 million more wellness exams

4,857 exams per provider

16.3 million more medical exams

23,286 exams per provider

Obviously IMPOSSIBLE – unless every licensed optometrist

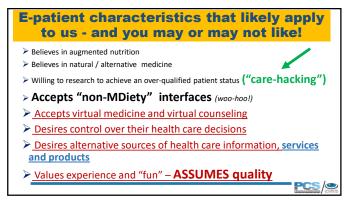
ALSO increases their capacity by 1680 patients/year – that's about 10-12 patients every day

61 62

A New Kind of Patient And Patient-Centric Care



63 64





65 66

Do you know your customers wants or do you insist on providing what you want?

Why Do Bo SOUNDS GREAT!!!

• 1946-1964

WHAT'S THE PROBLEM?

- Traditional, savvy buyers value must be proven
- Busy at work or busy in retirement movement toward online spending
- More brand loyal
- Rely on personal recommendation more than online reviews
- Drawn to family / household values and environmental issues more than issues related to society
- HEALTH CONCIOUS AND HEALTH SPENDERS



Why Do Gen X Buy?

• 1965-1981

67

69

- Deals, deals, deals
- · Conservative emphasis on discretionary spending
- Schizophrenic buyers LOVE brands but 86% will switch brands based on almost any discount/deal/coupon
- Online and/or onsite wherever the deal is but HEAVY emphasis on online
- Pay close attention to online reviews



Why Do Millennials Buy?

• 1982-1996

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- Value PRICE focus on discounts. Tend to ASSUME quality.
- · Heavy on peer influence
- Buying experience must be EFFICIENT BUT FUN
- Somewhat wasteful spenders spend more on hobbies, clothing, cell phone, restaurants; less on TV, travel and HEALTHCARE
 - Ex: 60% of boomers spend more than \$5 on single cup of coffee; Spend 4X more on alcohol than healthcare
- Like and are drawn to brands but not brand loval
 - 70% will switch brands for a 30% discount
- Drawn to environmental / social consciousness
- Value authenticity savvy shoppers ("don't "BS" me)



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Why Do Gen Z Buy?

- 1997-2015
- Digital focus of Millennials on steroids
 - BUT...digitally savvy and will NOT purchase from sluggish, difficult to use apps and websites
- Looking for value, availability and CHOICE
- More likely to trade down will accept lower quality for lower price for MOST items, but...
- More likely to spend money on "unique" definitely NOT brand conscious
- More likely to trade with companies who are out to change the world into a better place





Public perception of optometry should be blamed on

WHO?





MORE EXPLOSIONS: THE WORLD OF **TECHNOLOGY**

Let's get this over with first...

- When you ask AOA about online eye exams you get stories of inaccuracy, disfigurement and blindness
- · When you ask the Academy of Ophthalmology, WebMD or other similar non-optometry sources of information you get recommendations on the best online eye examinations

WHY IS THAT?



BOTTOM LINE...

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If Dr. Edlow is anywhere close to accurate - every person in this room needs to find a way to see around 1700 more patients a year.

If that doesn't happen, THE MARKET THROUGH CHANGE will find a way to supply the need.



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Primary Care as a "loss leader"

Marketing is marketing. Loss leader marketing has always worked - The public doesn't go to particular grocery store because bread is on sale for a buck?



OPTOMETRY'S

NEW LOSS LEADER?

Who is driving the primary care loss leader concept?

- Wellness plans in major medical
- The vision plan "race to the bottom"
- · Some companies like ones who say they are "Best"

And now... **TECHNOLOGY**

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Want to see adaption to change at work?

Coming soon to a pharmacy near you

The top kiosk "self care center" in development has 19 stations including color vision, pupil assessment, refraction, tonometry and cognitive analysis of external and internal photographs.

And those "shysters" are a joint venture between IBM and the Mayo Clinic and the brain behind it all is called Watson – already shown to be statistically as accurate for most disease detection and management as the average medical doctor

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AND KIOSK CARE?

Surely people won't fall for that!

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Meet Grace Grace can Speak four languages Take temperature and a host of other bio readings Grace: Analyze diagnostic data and make The World's First recommendations for treatment Human-like Discuss therapy and treatment with Medical Nurse Assistant patients Prescribe and conduct physical therapy Teach meditation Emotionally comfort patients Specifically designed to care for infectious disease patients PCS CATUME



Better yet...eye care NOW

- ONLINE diagnostic acuity testing, pupil testing, color vision testing, PD / seg height measurement, EOM analysis
- ONLINE cognitive analysis of retinal photo (IDx 87% sensitivity for DR – three others waiting FDA approval, one with 95% sensitivity for ALL retinal disease)
- ONLINE optic nerve analysis (Pegasus sensitivity of TWO glaucoma experts)
- ONLINE threshold visual field test 85% HFV accuracy
- ONLINE retinal cardiovascular risk assessment (Google Brain 70% accuracy, humans are 72%)

AND...OCTs and sensorimotor evaluation just around the corner from ability to go online!

PCS/

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Fundus AI on steroids

Pegasus by Visulytix

ANOMALY	SENSITIVITY	SPECIFICITY
Grading DR (normal, mild, moderate, severe)	94%	94%
Performance by OMD/OD	86-89%	79-80%
Diabetic macular edema	94%	94%
Glaucoma Performance of OMD/OD	84% 81%	95% 94%
Dry AMD	97%	85%
West AMD	96%	79%
		PCS

Did I just make you sad about the future of eye and health care?

THEN YOU ARE STILL THINKING **LIKE AN OPTOMETRIST!**



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OPTOMETRY'S OPPORTUNITIES

BUT THEY WONT BE LOOKING FOR A TRADITIONAL EYE EXAM EXPERIENCE THAT LASTS HALF AN HOUR OR MORE FLIPPING DIALS THEN DISCUSSING LITTLE JIMMY'S **MIRACULOUS SOCCER GOAL LAST SATURDAY**

AN OPTICIAN SITTING THEM IN A CHAIR AND SHOWING THEM TWO FRAMES AT A TIME TRYING TO CONVINCE THEM THEIR PROGRESSIVES ARE BETTER THAN EVERYONE **ELSES AND THEIR FRAMES HOLD UP BETTER AND MAKE** THEM LOOK YOUNGER THAN EVERYONE ELSES

And we combat I SAY WE DON'T!

- Past the baby boomers, patients will be looking for an "experience" NOT A "TRADITIONAL" EYE EXAMINATION. That will likely include"
 - >Online testing and extensive use of technology
 - ▶Telehealth
 - ➤ Efficiency ("I'm busy!")
 - ➤ Something other than your traditional dispensary experience
- Quit thinking like optometrists **NO ONE thinks all this stuff** is a bad idea except US!!
- Consider not talking against it just reinforce the ultimate need for professional care – maybe figure out a way to USE it in their practice



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Profile of those likely to win

- EMBRACE and USE change to their benefit
- · Understand their market
- Understand their customer's needs and DESIRES
- Incorporate new technology into their business
- · EXPAND their product offering

IS IT TIME TO REDEFINE WHAT OPTOMETRY DOES?

IS IT TIME TO REDEFINE WHAT AN EYE EXAM IS?

IS IT TIME TO DEVELOP "PRACTICE CENTRIC" MENTALITIES IN YOUR DISPENSARY?

IS TIME SLIPPING AWAY???



