The Patient Protection and Affordable Care Act is one of the most significant—and divisive—pieces of legislation in recent history. Designed primarily as a measure to reform health insurance and improve accessibility to coverage, the law has sparked much controversy on Capitol Hill as well as across the country. In recent months, rollout of the law has been plagued with website and registration problems, once again triggering widespread conjecture regarding the law’s efficacy and role in the American healthcare system.

For physicians practicing aesthetics, many questions remain unanswered as to the Affordable Care Act’s (ACA) direct impact on cosmetic procedures. Many cosmetic procedures fall outside the realm of reimbursement, but given the ACA’s sweeping influence on the overall healthcare system, it stands to reason that the practice of aesthetic medicine will also be affected by the law’s implementation.

It may be too early to say whether the impact of the ACA will be positive or negative in the aesthetics sphere, much less the healthcare system at large. Nevertheless, the onus is on physicians to understand the law as deeply as possible, so as to avoid pitfalls and take advantage of any opportunities it presents. Ahead, Anup Patel, MD, MBA, author of a recent piece entitled “Protecting plastic surgery under the affordable care act,” published in the February edition of *Plastic Reconstructive Surgery*, offers insight on how the law will impact physicians who perform cosmetic procedures.

**Can you explain how aesthetic medicine may change under the ACA?**

“The ACA will engender a two-tier system, i.e., cash pay vs. reimbursement, with more consumers paying out-of-pocket for insurance premiums and other healthcare-related expenses,” Dr. Patel observes. While the majority of purely cosmetic procedures are out-of-pocket, many physicians maintain a careful balance of out-of-pocket versus reimbursed procedures. “Approximately 80 percent of American Society of Plastic Surgeons (ASPS) member surgeons who perform cosmetic surgery also perform some type of reconstructive surgery,” says Dr. Patel.

From the standpoint of effects on the wider practice of aesthetics, the law’s mandate that all individuals have insurance will result in more spending on the part of patients (premiums, co-pays, etc.). Thus, the economic effect of the ACA will mean that patients could have less disposable income, which could impact the demand for out-of-pocket procedures physicians perform. “Patients, particularly the middle-class, may have less expendable income to use towards cosmetic procedures. Given that middle-class Americans make up the vast majority of cosmetic surgery patients, we may witness a decrease in the number of cosmetic procedures being performed annually,” says Dr. Patel. “Thus, this income in the past that could have been put forth for aesthetic surgery would not be available.”
HOW WILL IMPLEMENTATION OF THE ACA IMPACT THE BALANCE OF COSMETIC PROCEDURES IN THE US?

With patients having less income and physicians experiencing lower insurance reimbursements, this shift could have a significant adverse impact on the overall practice of aesthetic medicine, according to Dr. Patel. “This will affect the surgeons who perform the procedures, as the majority of board-certified plastic surgeons perform both cosmetic procedures and reconstructive procedures,” Dr. Patel explains.

While reconstructive plastic surgery remains the crux of plastic surgery, Dr. Patel notes that many practitioners in various specialties currently want a piece of the cosmetic surgery market due to the self-pay nature associated with these procedures. If the ACA reduces the demand for aesthetic surgery, then physicians who also perform reconstructive surgery may either shift their practice towards reconstructive surgery, or remain with the same aesthetic/reconstructive balance, albeit facing increased competition from those not qualified to perform aesthetic surgery, according to Dr. Patel. “The latter will compromise patient safety, as physicians not appropriately trained will enter the aesthetic market to supplant their income with self-paying procedures,” says Dr. Patel. “If patients are not appropriately educated about who can perform aesthetic surgery, the supply of physicians who will be offering aesthetic interventions will rise and the price for these procedures will drop. While lower aesthetic surgery rates may appear favorable on a cursory level, a higher long-term price will be paid for jeopardizing patient’s safety and outcomes.”

A “COSMETIC” TAX WAS PROPOSED EARLY ON IN THE LEGISLATIVE BATTLE. DO ANY BURIED DETAILS IN THE LAW CONCERN COSMETIC PROCEDURES?

“The proposed cosmetic surgery tax was defeated, as it was proven that it would not bring in the projected revenue estimates,” says Dr. Patel. It was replaced with a “tanning tax,” which has been applied to all indoor tanning procedures. In 2010, Dr. Patel co-authored a piece about the cosmetic tax in the Aesthetic Surgery Journal, wherein he chronicled the problematic origins of “Bo-tax.” He explains that there were two main problems with the tax that led to its undoing. “It was demonstrated to be discriminatory against women and the middle-class, as evidenced by New Jersey’s failed taxing experience on cosmetic procedures,” says Dr. Patel. But apart from being discriminatory, the fact that lawmakers considered the cosmetic tax may reflect a myopic view in that the tax was expected to raise revenues. “From an economic standpoint, this would occur if the good, i.e., aesthetic surgery, behaved as an inelastic good. Yet, aesthetic surgery behaves more like an elastic good, where as its price goes up, consumers react by decreasing the quantity purchased,” says Dr. Patel. Thus, a cosmetic tax would inevitably raise the price of aesthetic surgery, driving down the quantity obtained by potential patients and, in turn, fail to generate additional revenue.

The current version of the law does not incur any additional taxes that may directly impact aesthetic patients or physicians, Dr. Patel notes. “As far as I am aware, there is not anything in the ACA that influences cosmetic procedures specifically, from a taxation perspective, since the proposed cosmetic surgery tax was nullified.”

HOW CAN PHYSICIANS SOFTEN ANY NEGATIVE IMPACT OF THE ACA? MAY ANY ASPECTS OF THE LAW POSITIVELY AFFECT AESTHETIC PRACTITIONERS?

In short, the ACA seeks to improve outcomes while decreasing costs. “This is certainly feasible, albeit challenging,” Dr. Patel notes. “The ACA is full of value-based incentives: the more efficient your practice is, the better your reimbursement.” Therefore, “We need to run our practices more efficiently by incorporating quality control measures,” Dr. Patel explains. “For example, physicians should practice evidence-based medicine, such as providing prophylactic antibiotics only when the literature demonstrates its efficacy in reduction of surgical-site infections. Simultaneously, the judicious use of prophylactic antibiotics can reduce the likelihood of increasing bacterial resistance in the community. Furthermore, cost-effective studies evaluating treatment modalities are becoming commonplace in the literature, e.g., Plastic and Reconstructive Surgery Journal and the Aesthetic Surgery Journal, guiding surgeons not only how to treat patients effectively, but also efficiently under the fiscal constraints of the healthcare system,” Dr. Patel observes.

It would seem that practicing cost-effective measures based on these types of studies would assist in lowering costs, while not compromising the quality of care provided to our patients. “On the flip side,” says Dr. Patel, “less efficient practices will be penalized under the ACA.”
That’s why Dr. Patel strongly recommends that physicians streamline and adjust their practices to adhere to measures outlined in the ACA.

Since many practitioners who practice aesthetics are accustomed to a cash pay vs. reimbursement model, Dr. Patel believes that clinicians in the core aesthetic specialties are uniquely positioned to help the government build a new lifestyle sector of healthcare, characterized by proactive healthcare, prevention, and wellness.

“The ACA provides the opportunity to reward physicians who can provide alternatives that lower healthcare costs and increase healthcare efficiency, two traits that many aesthetic surgeons derive from the self-pay nature of aesthetic medicine,” says Dr. Patel. “Admittedly, it will be difficult for physicians to get to a zero percent complication rate. There are times when all the evidence-based guidelines have been stringently adhered to but a minor complication still occurs.” Yet, he notes, those physicians who have a checklist to ensure that these guidelines (venous thromboembolism prophylaxis, beta-blocker therapy, etc.) are followed every time will decrease the complication rates and, in the process, lower costs.

Can You Offer Colleagues Any Take-Home Tips to Best Prepare for the Affordable Care Act?

According to Dr. Patel, the growing uncertainty regarding the Affordable Care Act and its impact on medical specialists may be justified. “The breadth and depth of a specialist’s training and ongoing education ensures that patients are seeing the most qualified practitioners. Specialists are up-to-date with the scientific evolutions in their field and aware and capable of handling the most challenging cases. Finally, specialists have extensive experience performing procedures in their field of interest, an important measure for patients to consider,” says Dr. Patel.

“When education, expertise and experience are brought together, patients can be sure that they are meeting with a physician, a specialist, who has their best interest at heart and best suited to treat them,” notes Dr. Patel.

Specialists can have higher reimbursement fees to remain financially solvent and for the extra training undertaken to acquire the unique skills necessary for the treatment of patients, according to Dr. Patel. “If these reimbursement rates are not met, then specialists may be coerced to either leave the workforce entirely or see more patients quickly, affecting the quality of care delivered,” he notes. “Either way, a healthcare landscape without specialists would have deleterious consequences for patient care in the United States, as more often than not, specialists are the only physicians with the appropriate expertise to safely and effectively treat that particular disease,” Dr. Patel observes.

“Physicians who practice cosmetic medicine play an integral role in the healthcare system, therefore it is critical that all physicians take heed of how the ACA might affect patients’ access to care,” says Dr. Patel. “It is paramount that medical specialties remain vital in the flux of medicine and that cost efficiencies do not lead to a world of only general practitioners.”

The important task of physicians is to ensure that plastic surgery, dermatology, and all specialties are properly represented as critical components of the healthcare system ensuring quality care for all patients. “Physicians must collaborate with both hospitals and insurers, while remaining vocal in advocacy efforts to permitting physicians to deliver optimal healthcare to our patients,” Dr. Patel advises.