

I Lost My Job!



For the last couple of years I've been writing posts several months in advance and just autoscheduling them to run. Not this one. I wrote this one last Thursday while watching my son's hockey practice and updated it throughout the weekend. It's a real live glimpse into my own current, personal financial situation. In fact, I haven't yet told my wife what you are reading here, although I'm sure she'll hear about it before you do. No sense in spoiling her three day girls trip to Phoenix. She'll be back Sunday before this runs so I can tell her then.

You see, I've lost my ability to earn a living. As of today, I cannot see patients for money. How did this happen you may ask? Well, I'll let the letter itself do the explaining in a moment. But it isn't due to disability. It isn't because my group doesn't like me. Nor was our contract cancelled by the hospital. I haven't been accused of sexual harassment. I still have a license and I'm still board-certified. I haven't been sued or accused of practicing medicine poorly. So what was my great sin that has crushed my ability to earn a living? It was not surrendering my Virginia medical license 6 1/2 years ago when I moved away. Yup. I'm serious. It turns out when you leave a state, you shouldn't just let your license expire. You should actually surrender it. Or bad things can happen. And to

me, they have. I bet many of you have done the same thing. In fact, this isn't even the first time I've done this. When I left Arizona after training I never surrendered my license, and that didn't seem to have any consequences. At any rate, check out the letter:



State of Utah

GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

Utah Department of Health

JOSEPH K. MINER, MD, MSPH, FACPM
Executive Director

Division of Medicaid and Health Financing

NATE CHECKETTS
Deputy Director, Utah Department of Health
Director, Division of Medicaid and Health Financing

11/01 ES
LET
Recd 11/3/16

October 24, 2016

James M Dahle, MD
Emer Salt Lake Reg ER Grp
Attn: Renee P.
PO Box 96398
Oklahoma City, OK 73143-6398

Imposition of Sanctions and Notice

RE: NPI 1811963242

James M Dahle, MD,

FINDINGS: This letter is to advise you that the Provider Sanction Committee has found after an investigation that: James M Dahle, MD, was found to be listed as revoked in the CMS PECOS System.

In a letter dated August 30, 2016, you were provided notice of the Committee's investigative findings and the possible sanctions that could be imposed upon you. You have not provided the Committee with a response to the findings within the 30 day response period.

The Committee finds that your status in the CMS PECOS System remains revoked. Federal law, the Patient Protection and Affordable Care Act (Public Law 111-148), Section 6501(1902 (a) (39) of the Social Security Act) and 42 CFR 455.416 (c), requires Utah Medicaid to deny or terminate your provider agreement.

DECISION: Based on these findings, the Provider Sanction Committee determines that you have violated Utah Administrative Code Rule R414-22-4 (24).



288 North 1460 West • Salt Lake City, UT
Mailing Address: P.O. Box 143106 • Salt Lake City, UT 84114-3106
Telephone (801) 538-6155 • (800) 662-9651 • Facsimile (801) 538-6805 • <https://medicaid.utah.gov>



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SANCTION: Pursuant to Utah Administrative Code Rule R414-22-5 and R414-22-6, the Committee imposes the following sanctions:

(1) Terminated from participation as a provider in the Medicaid Program.

NOTICE: These sanctions become effective on November 7, 2016.

You may challenge the denial by requesting a hearing within 30 days from the date of this sanction letter by following the instructions and timely filing the accompanying Hearing Request form.

Sincerely,

Shandi Adamson, Director
Bureau of Medicaid Operations

Attachments: Request for Hearing/Agency Action
Cc: Provider Enrollment

BMO-071-16



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Dr. Giles, 290 feet
above Upper Emerald
Pool, Zion National
Park

There you have it. Letter sent on 10/24, received 11/3, effective 11/7. It is spelled out succinctly: "Terminated from participation as a provider in the Medicaid program." Now, very few of us would actually lose any sleep over not being able to be in the Medicaid program. They're less than 20% of our patient population and they're our worst payer anyway. However, our contracts with the hospital require us to maintain participation in Medicaid and Medicare. So working without being a Medicaid provider puts the whole group's contract at risk, and in a small democratic emergency medicine group, there is no higher priority than maintaining the contract. So what does that mean? It means I'm not working today and you're reading about job loss instead of college financial aid (don't worry, that post will run next week.)

This seems like a good time to pause and thank Dr. Ryan Giles, one of our nocturnists, for graciously covering my day shift today. Thanks Ryan! I'll go mountain biking in your honor.

At any rate, I go from working as normal on Sunday-seeing all comers, intubating, suturing, wrestling drunks etc, to being

unemployed on Monday. That's the kind of power some government bureaucrat wields over my life, and possibly, over your life.

Not a very comforting thought, is it?

How Did this Happen?

So what happened? Somehow, my status in the "CMS PECOS system" is now revoked because I'm on the Virginia Medicare Sanctioned List for not surrendering my license. Now, I know you've never heard of the CMS PECOS system. You're a doctor, not a government bureaucrat. I certainly had never heard of this. It turns out that PECOS means Procurement, Enrollment, Chain, and Ownership System. Now you understand, right? Of course not. It's like I'm back in the military. Too many acronyms and even if you know what they stand for you still can't make any sense of it.



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PECOS is the electronic portal through which physicians enroll in Medicare. They keep a database of doctors who have enrolled. And apparently, not surrendering my license years ago somehow transferred me onto the "sanctioned" list a couple of months ago. They sent a notice, and (despite what the letter says) they got a response and all the needed documentation was provided by our group's administrative

staff. Then someone in the bureaucracy lost it. So they sent this letter, and I'm out of a job indefinitely. In fact, the worst case scenario is that I'm suspended from the program for a year. Our administrative staff thinks they'll be able to get this all sorted out within a week, but you really never know. They told me it was all taken care of a month ago too. I've got Tuesday through Thursday off (coming to see you folks at Baylor) so by the time I have another scheduled shift on Friday, I hope I'm good to go having had to only swap a single shift. But as of this writing, that's merely the best case scenario. I mean, this could be really bad. It's not like most other EM jobs in the United States isn't going to require me to be a Medicare/Medicaid provider. I can't just go find another job. In some ways, it would have been better to be fired. At least then I would have only had to wait a few months for licensing and credentialing.

The Financial Ramifications of Job Loss

Losing your job is generally considered a financial catastrophe. However, it is a catastrophe against which you cannot insure. My disability insurance doesn't cover this. My umbrella insurance doesn't cover this. You can't even buy insurance for crap like this. But I'm sure I'm not the only doc in this situation, and there are plenty of similar situations (bogus loss of privileges, unfounded allegations of impropriety etc). What can be done on the personal finance side when something like this happens? Well, let's discuss that.

The WCI Plan

First, let's recognize the elephant in the room and talk about why I'm really not all that worried about this. In fact, the first thing I thought when I realized I could be suspended for a year was about all the fun stuff I could do with a year off.

Some of my partners and I have been talking about how to try to implement a sabbatical into our group anyway. But the elephant in the room is that medicine is just a well-paid hobby for me. We're not yet financially independent (because we spend too much), but we're not very far from it. Maybe 3 or 4 years. However, we have a side income that not only pays for our needs, but also all our wants, and also provides plenty of money to continue working toward our financial goals. And plenty to give away. So realistically, this isn't going to affect our lifestyle much at all, even if there is a year suspension involved. WCI has been too successful for that, and even if something dramatic happened to its income, we could almost surely still live on it without even tapping our emergency fund. In fact, it's possible that by being able to dedicate more time to WCI that we could make more without medicine than with it. Especially with all this great new material to write about (you have to admit, my financial life was becoming more boring by the year.) But let's talk for a minute about what we would theoretically do if there was no WCI income.

What To Do In The Event of Physician Job Loss

1 Figure Out Benefits

One of the worst parts for many people about job loss is they lose their benefits, like health insurance. Now, this isn't happening to me because # 1 I haven't actually lost my job, just the ability to work and # 2 I'm self-employed and buy my own benefits on the open market anyway. But in the event of a real job loss, it can be a big deal. If you lose your job, the main benefit to be worried about is probably health insurance. I mean, you don't have the cash to be funding retirement accounts anyway. You can COBRA your health insurance for a few months, which is perhaps the best deal in personal finance, since you don't have to buy it until you actually need it!

Eventually, you can just buy health insurance on the open market/PPACA exchanges. In fact, if you've lost your income, you're probably going to be eligible for a pretty good tax subsidy on that. In this theoretical "no WCI" situation, I would buy my insurance this year through the exchange in hopes of getting a subsidy rather than just renewing my current policy.

2 Cut Spending Dramatically

The next thing that I would do in this theoretical situation is to cut spending dramatically. Any vacation not yet paid for would be cancelled. No more restaurants. We're currently shopping for a snowblower. Looks like we'd be shoveling for another Winter. No buying stuff from Amazon. We'd try to mostly avoid the grocery store and live off the food in the pantry and freezers, at least for a couple of months. We'd probably cancel Netflix, downgrade the cell phone plan, downgrade the internet plan, and turn the target temperature in the house down a bit. While many of the kids' Christmas presents are already purchased, we probably wouldn't purchase anything particularly expensive for each other. I suspect we could reduce our spending by about half.

3 Find a Job

In the event of job loss, one of the top priorities is getting a new job. Now I might not be able to work at a facility that sees Medicaid/Medicare patients, but there are lots of EDs out there that don't see them. Consider a VA hospital, a military hospital, an investor-owned Free Standing Emergency Department, or a foreign hospital. I'd probably call up blog sponsor CHG (CompHealth, Weatherby) and start the process to do some locums. (See the guest post this next Wednesday for more on locums.) I'd call up my friends working in the Air Force ED at Nellis AFB in Las Vegas and see if they could use some shifts covered. I'm sure they do (military EDs are always

looking for contractors) and I wouldn't even need a new license. With fast track credentialing, I could probably be working shifts in a month. I'd probably also look into spending a year in New Zealand or Australia. That would be an adventure.

4 Tap the Emergency Fund

This sort of thing is exactly what emergency funds are for. We have gradually expanded our emergency fund over the last few years to a full 6 months worth of expenses. And that's expenses at our current lifestyle (okay, maybe without the most expensive vacations.) If we cut back, we might be able to stretch that money out for 9 months. That alone would get us through most of the year suspension.

5 Save Up Cash

We are in the process of paying off a mortgage. We owe about \$138K and have a taxable account ear-marked for this debt of about \$150K. Without a reliable income, we would have a bit more of a difficult choice. While it would be nice to drop \$2500 a month off our fixed expenses (the P&I of that mortgage,) the money would probably be more useful as a secondary emergency fund. Now we've got a 2 1/2 year emergency fund instead.

6 Readjust Savings Goals

In addition to our emergency fund, we also have some savings for other goals in our savings account. This might be for the next vacation, the next car, annual insurance payments that are months away, funding the defined benefit plan in a few months etc. That can all be redirected to the emergency fund. That's probably another six months of expenses.

7 Sell Stuff

We could sell the boat and live off the proceeds for 6-9 months. We could downgrade our two Sequoias to a single beater and have a similar amount of money. This would also have the effect of reducing fixed costs. Since it is November, it might be tougher to sell the boat, but the cars would go fast, and for the right price, you can sell just about anything quickly. Our emergency fund is now worth 4-5 years of expenses.

8 Tap the Savings



Many who find themselves unemployed stay that way for some time. They burn right through their emergency fund and start into their savings. Unfortunately for most people, they don't have much savings. Fortunately for us, we have a lot of savings. In fact, even paying taxes and penalties for retirement account withdrawals, I think we could probably live our current lifestyle for at least a decade, maybe two. We're not that far from financial independence at which point our stash would last indefinitely.

9 Alternative Sources of Income

WCI isn't our only alternative source of income. We have the interest, dividends, and capital gains distributions from that taxable investing account and our savings account. We own some real estate as well that kicks off income. Other docs who

lose jobs may also have another side business, a spouse's job, or a military pension. That income can really shield you from the loss of the primary income.

10 Send the Spouse to Work

My wife is a certified teacher. I think she could be employed and earning money within a couple of weeks of starting to look for a job. There is always a teacher shortage around here. I think she'd probably enjoy going back to work, at least for a few months or a year. In fact, we could make it a race to see who could get a job first with the other person being the stay at home parent. Of course, then we might both drag our feet in hopes of getting to stay at home.

11 Deal With The Identity Crisis

This might be one of the hardest aspects for some docs. All of a sudden something that you've spent a great deal of time and effort learning how to do is taken away from you. For most docs, at least part of our identity is wrapped up in being a doctor. To have that ripped away with just a few days notice can be very difficult. I would go mountain biking a lot to console myself.



The worst part about this potential one year suspension is leaving my partners hanging high and dry. While I did recently

cut back from 16 shifts to 12, that's still 12 shifts a month to be covered by 17 docs. Undoable? No. Annoying? Absolutely. And worse than a maternity leave or injury since it will last a full year and no cute baby pictures come out of it. At least they won't have to go through the trouble to hire, since by the time they got someone I'll be almost back due to the long physician hiring cycle.

[Update prior to publication: They got me off the "Virginia Medicare Sanction List" 30 minutes before this post ran, so I'll be working my scheduled shift on Monday after all. Oh well. It was interesting to think about losing my job for a couple of days and I'm going to run the post anyway.]

What do you think? Have you or someone you know lost income for something like this? How did it turn out? What was the worst part of it? How did you/they weather the storm financially? What would your plan be in the event of a sudden job loss you couldn't insure against? Do you feel like beefing up your emergency fund after reading this post? Comment below!