

ONLINE APPENDIXES

3

**Rebalancing Medicare's
physician fee schedule toward
ambulatory evaluation and
management services**

ONLINE APPENDIX

3-A

**Impact of payment rate
increase for ambulatory
evaluation and management
services offset by payment
reduction for all other services**

**TABLE
3-A1**

Impact of a 10 percent payment rate increase for ambulatory E&M services offset by a 3.8 percent reduction for all other services, by specialty, 2016

Specialty	Total fee schedule payments (in millions)	Current payments for ambulatory E&M services (in millions)	Amount of payment increase for ambulatory E&M services (in millions)	Share of total payment increase for ambulatory E&M services (across all specialties)	Net change in fee schedule payments as a result of payment increase for ambulatory E&M services and payment reduction for all other services
Endocrinology	\$478	\$361	\$36	1.5%	6.6%
Rheumatology	546	370	37	1.5	5.5
Family practice	6,000	3,782	378	15.7	4.9
Nurse practitioner	2,867	1,650	165	6.8	4.1
General practice	404	226	23	0.9	3.9
Certified clinical nurse specialist	68	38	4	0.2	3.9
Addiction medicine	8	4	<1	0.0	3.6
Certified nurse midwife	5	3	<1	0.0	3.5
Hematology	68	36	4	0.1	3.4
Geriatric medicine	208	109	11	0.5	3.4
Preventive medicine	15	7	1	0.0	3.2
Medical oncology	437	212	21	0.9	2.9
Hematology/oncology	1,432	689	69	2.9	2.8
Physician assistant	1,814	824	82	3.4	2.5
Geriatric psychiatry	18	8	1	0.0	2.4
Pediatric medicine	62	27	3	0.1	2.3
Sports medicine	82	35	3	0.1	2.1
Sleep medicine	35	15	1	0.1	2.1
Osteopathic manipulative therapy	48	20	2	0.1	2.0
Neurology	1,563	658	66	2.7	2.0
Psychiatry	1,201	497	50	2.1	1.9
Urology	1,813	745	74	3.1	1.9
Obstetrics/gynecology	560	229	23	0.9	1.8
Pain management	387	154	15	0.6	1.7
Internal medicine	10,960	4,349	435	18.0	1.7
Otolaryngology	1,229	472	47	2.0	1.5
Allergy/immunology	242	92	9	0.4	1.4
Podiatry	1,982	744	74	3.1	1.4
Interventional pain management	421	158	16	0.7	1.4
Neuropsychiatry	11	4	<1	0.0	1.1
Gynecologist/oncologist	87	29	3	0.1	0.8
Cardiology	5,701	1,681	168	7.0	0.3
Pulmonary disease	1,751	507	51	2.1	0.2

Note: E&M (evaluation and management). Table includes all clinician specialties with more than \$1 million in total fee schedule payments in 2016. Ambulatory E&M services include office visits, home visits, and visits to patients in certain non-inpatient hospital settings (nursing facility, domiciliary, rest home, and custodial care). The payment increase is applied to allowed charges for ambulatory E&M services. Estimates assume there would be no changes in service volume as a result of changes in payment rates. Analysis includes services billable under the fee schedule for physician and other health professional services.

Source: MedPAC analysis of claims data for 100 percent of Medicare beneficiaries, 2016.

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**TABLE
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Impact of a 10 percent payment rate increase for ambulatory E&M services offset by a 3.8 percent reduction for all other services, by specialty, 2016 (cont.)

Specialty	Total fee schedule payments (in millions)	Current payments for ambulatory E&M services (in millions)	Amount of payment increase for ambulatory E&M services (in millions)	Share of total payment increase for ambulatory E&M services (across all specialties)	Net change in fee schedule payments as a result of payment increase for ambulatory E&M services and payment reduction for all other services
Hand surgery	196	56	6	0.2	0.1
Gastroenterology	1,743	495	49	2.1	0.1
Anesthesiology	601	167	17	0.7	0.0
Physical medicine and rehabilitation	1,103	302	30	1.2	0.0
Orthopedic surgery	3,719	933	93	3.9	-0.4
Unknown physician specialty	46	12	1	0.0	-0.4
Maxillofacial surgery	17	4	<1	0.0	-0.4
Interventional cardiology	795	194	19	0.8	-0.4
Dermatology	3,463	841	84	3.5	-0.5
Surgical oncology	83	19	2	0.1	-0.7
Multispecialty clinic or group practice	7	1	<1	0.0	-0.9
Optometry	1,215	257	26	1.1	-0.9
Oral surgery (dentists only)	40	8	1	0.0	-1.0
Cardiac electrophysiology	551	112	11	0.5	-1.0
Colorectal surgery (formerly proctology)	166	32	3	0.1	-1.2
General surgery	2,058	341	34	1.4	-1.5
Hospice and palliative care	41	7	1	0.0	-1.5
Nephrology	2,256	356	36	1.5	-1.6
Plastic and reconstructive surgery	375	59	6	0.2	-1.7
Peripheral vascular disease	18	3	<1	0.0	-1.7
Neurosurgery	803	114	11	0.5	-1.9
Infectious disease	658	90	9	0.4	-1.9
Critical care (intensivists)	335	36	4	0.1	-2.3
Vascular surgery	1,106	113	11	0.5	-2.4
Thoracic surgery	356	34	3	0.1	-2.5
Ophthalmology	5,679	505	50	2.1	-2.6

Note: E&M (evaluation and management). Table includes all clinician specialties with more than \$1 million in total fee schedule payments in 2016. Ambulatory E&M services include office visits, home visits, and visits to patients in certain non-inpatient hospital settings (nursing facility, domiciliary, rest home, and custodial care). The payment increase is applied to allowed charges for ambulatory E&M services. Estimates assume there would be no changes in service volume as a result of changes in payment rates. Analysis includes services billable under the fee schedule for physician and other health professional services.

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Impact of a 10 percent payment rate increase for ambulatory E&M services offset by a 3.8 percent reduction for all other services, by specialty, 2016 (cont.)

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Certified registered nurse anesthetist	15	1	<1	0.0	-2.6
Cardiac surgery	309	23	2	0.1	-2.8
Emergency medicine	3,197	177	18	0.7	-3.1
Radiation oncology	1,822	83	8	0.3	-3.2
Nuclear medicine	97	4	<1	0.0	-3.2
Interventional radiology	365	9	1	0.0	-3.5
Diagnostic radiology	5,000	14	1	0.1	-3.8
Pathology	1,198	3	<1	0.0	-3.8
Licensed clinical social worker	502	1	<1	0.0	-3.8
Clinical psychologist	749	<1	<1	0.0	-3.8
Registered dietician/nutrition professional	17	<1	<1	0.0	-3.8
Speech language pathologist (private practice)	34	<1	<1	0.0	-3.8
Psychologist (billing independently)	15	<1	<1	0.0	-3.8
Audiologist (billing independently)	66	<1	<1	0.0	-3.8
Occupational therapy	215	<1	<1	0.0	-3.8
Physical therapy	2,937	<1	<1	0.0	-3.8
Chiropractic	747	<1	<1	0.0	-3.8

Note: E&M (evaluation and management). Table includes all clinician specialties with more than \$1 million in total fee schedule payments in 2016. Ambulatory E&M services include office visits, home visits, and visits to patients in certain non-inpatient hospital settings (nursing facility, domiciliary, rest home, and custodial care). The payment increase is applied to allowed charges for ambulatory E&M services. Estimates assume there would be no changes in service volume as a result of changes in payment rates. Analysis includes services billable under the fee schedule for physician and other health professional services.

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