MEDPAC Medicare Payment Advisory Commission

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# 2002 survey of physicians about the Medicare program

MedPAC sponsored a national survey of physicians during 2002 to monitor the impact of the January 2002 Medicare fee schedule changes on physicians' practices and beneficiaries' access to care. The survey—part of a larger, ongoing effort to monitor access—provides data on physician satisfaction, concerns about various aspects of practice, acceptance of new patients, and changes in practice style. The survey was conducted by the Project HOPE Center for Health Affairs. The key findings in each area are summarized here.

## Physician satisfaction and practice concerns

Overall satisfaction with the practice of medicine has held steady since 1999, despite the Medicare payment rate decreases and other often-cited concerns with medical practice.

In general, physicians were most concerned about reimbursement, billing paperwork, and malpractice issues and least concerned about external review of their clinical decisions and the timeliness of claims payment. Practice concerns varied according to payer, however. Relative to HMOs (defined as non-Medicaid HMOs, serving patients with employer-based and Medicare coverage), fee-for-service (FFS) Medicare fared well on billing paperwork and on timeliness of claims payment. Physicians also reported that it was easier to get timely and accurate billing and coverage information for their FFS Medicare patients than for either their Medicaid or HMO patients. Conversely, FFS Medicare was viewed less favorably than private FFS and preferred provider organization (PPO) plans when it came to reimbursement and external review of clinical decisions.

One-quarter of physicians reported that they are extremely concerned about Medicare fraud and abuse investigations. While only a small proportion of physicians have restricted their acceptance of new FFS Medicare patients in direct response to these concerns, more than two-thirds have billed more conservatively than they felt was merited.

## Acceptance of new patients

Acceptance of new patients has held steady since 1999; over 90 percent of all physicians said that their practice is open to new patients. Among these, nearly all accept at least some new patients with private FFS or PPO insurance, and 96 percent accept some new FFS Medicare patients. Nonetheless, the percentage of physicians who are willing to accept all new FFS Medicare patients declined since 1999. This change is similar to that observed for HMO patients, and less pronounced than the pattern seen for Medicaid patients. Access for Medicaid patients has fallen dramatically since

1999, with more than 30 percent of all physicians now refusing to accept any new Medicaid patients.

Decisions about accepting new patients appear to be strongly correlated to levels of concern about aspects of medical practice. Physicians expressing the gravest concerns about the Medicare program overall were the least likely to accept all new FFS Medicare patients. Likewise, physicians with the highest levels of concern about billing paperwork and reimbursement for a given payer were the most likely to limit their acceptance of new patients from that payer.

Under the FFS Medicare program, concerns about billing paperwork and reimbursement led to approximately the same effects on access. Similar patterns were observed for private FFS and PPO patients. However, approximately 40 percent of physicians restricted access for Medicaid patients because of concerns about reimbursement and billing paperwork, and about one-third did the same for HMO patients. In another measure of access to care, physicians reported that it was more difficult to refer their FFS Medicare patients than their private FFS and PPO patients, but easier to refer Medicare than HMO or Medicaid patients.

Reduced appointment priority given to FFS Medicare patients also signaled access changes. One in ten physicians said appointment priority for FFS Medicare patients had changed in the past year.

The survey results indicate that physicians know about FFS Medicare payment changes, are concerned about Medicare reimbursement, and accordingly have tightened access for FFS Medicare beneficiaries somewhat. However, they report limiting access for other types of patients as well (except for the small proportion of patients enrolled in private FFS indemnity plans).

Concerns about both FFS Medicare reimbursement and Medicare's billing paperwork were associated about equally with refusal to accept new Medicare patients. Of somewhat less significance were concerns about the program's fraud and abuse investigations.

In sum, the access restrictions reported for FFS Medicare patients were similar to the restrictions reported for private FFS and PPO patients, and were much smaller than those observed for Medicaid patients or HMO patients.

**Practice changes**

Physicians report taking a number of actions to deal with insurance paperwork. Some practices had hired additional billing and administrative staff in the past year, and others had increased the training given to this staff regarding billing and insurance matters. Physicians also spent more time with patients and families in telephone consultations and less time during visits, and referred more patients to other sources of care after hours. However, these practice style changes did not occur differentially for FFS Medicare patients compared with other types of patients.

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The full report on the results of the survey is available at www.medpac.gov.