

Rebalancing the physician fee schedule towards primary care services

ISSUE: High-quality primary care is essential for a well-functioning health care system. The Commission has a long-standing concern that the Medicare fee schedule for physicians and other health professionals undervalues primary care services relative to other services, contributing to much lower compensation for primary care providers relative to that of specialists. Many of the issues that affect primary care practitioners also affect psychiatrists and some other specialties. For example, a significant share of psychiatrists' fee schedule revenue for ambulatory services comes from the same office visit codes billed by primary care practitioners.

KEY POINTS: The Commission is continuing to examine ways to rebalance the fee schedule towards primary care services.

ACTION: Commissioners should review these issues in preparation for a discussion at the November meeting.