

Mandated report: Geographic adjustment of payments for the work of physicians and other health professionals

ISSUE: The Middle Class Tax Relief and Job Creation Act of 2012 directs the Commission to consider whether certain payments under the physician fee schedule—payments for the work effort of physicians and other health professionals—should be adjusted geographically. In fulfilling the mandate, the Commission is to assess whether any adjustment is appropriate to distinguish the difference in work effort by geographic area and, if so, what the level of the adjustment should be and where it should be applied. The Commission must also assess the impact of the current adjustment, including its impacts on access to care.

KEY POINTS: In the September and October meetings, Commissioners reviewed background on the current geographic practice cost index (GPCI) for work, including the conceptual framework, the GPCI's background and history, and impact of the GPCI on access and quality. In October, the Commissioners discussed the Chairman's draft recommendation.

At the November meeting, Commissioners will consider the following:

- further analysis of the work GPCI's impact on access to care
- analysis of the correlation of reference-occupation earnings, and
- a draft recommendation and its impacts.

ACTION: Commissioners should review the findings presented in the attached briefing material and anticipate a vote on the draft recommendation.

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