

## **Assessing payment adequacy: Physician and other health professional services**

**ISSUE:** In the March 2011 report, the Commission will analyze payment adequacy and fee-schedule updates for physician and other health professional services.

**KEY POINTS:** We examine several factors to determine whether Medicare payments for physician and other health professional services are adequate. These include beneficiary access to physician services, ambulatory care quality, private insurer rates compared to Medicare rates, and volume growth. We also consider other indirect measures of financial performance. In our analysis, we also examine cost changes expected for 2012 and discuss a payment update recommendation.

**ACTION:** Commissioners should review the findings in preparation for making a payment recommendation to Congress.

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