Docs increasingly abandon Medicare

Mass Device

As Congress allowed a 21 percent reduction in reimbursement rates for doctors to come into effect, the number of physicians pulling out of Medicare was already on an upward trend.

The number of individuals enrolling in the program is increasing as Baby Boomers reach age 65 and qualify for Medicare.

Nearly 40 million seniors will have enrolled in Medicare by 2015 and 57.5 million by 2020, compared to 41.4 million in 2008, according to *USA Today* [1] and the 2009 Medicare Trustees report [2] (PDF).

The Centers for Medicare and Medicaid Services says that 97 percent of physicians accept Medicare patients, but the agency doesn't know how many have refused to take new Medicare patients, deputy administrator Jonathan Blum told the newspaper.

The American Academy of Family Physicians said 13 percent of doctors did not participate in Medicare last year, according to the paper, up 8 percent from 2008 and 6 percent from 2004. The American Osteopathic Assn. said 15 percent of its members don't participate in Medicare and 19 percent don't accept new Medicare patients. If the 21 percent cut becomes permanent, the AOA estimated that those numbers would double, *USA Today* reported. The American Medical Assn. cited a survey of 9,000 members [3] that found that 17 percent restrict the number of Medicare patients in their practice. Among primary care physicians, the rate is 31 percent. In 2008 Medicare treated 45 million patients [4] (PDF).

In states such as Florida, where doctors rely on Medicare payments for the majority of their income because most of their patients are elderly, physicians will see a drastic cut in their pay. In other states with smaller elderly populations, however, doctors can opt out of the program altogether. Eighteen percent of Illinois doctors restrict the number of Medicare patients in their practices, according to the newspaper; in North Carolina, 117 doctors have opted out of Medicare since January.

Doctors drop out or refuse to enroll in the Medicare program because its payments are already substantially lower than what private insurers pay. In 2008, Medicare paid doctors an average of 78 percent less than private insurers' rates.

The U.S. Senate voted June 17 not to block the reimbursement rate reduction — an automatic cut mandated by the the Deficit Reduction Act of 2005 [5]. For years, Congress has voted to bypass any reductions to the federal health insurance program for seniors; the measure was designed to enforce a "sustainable growth rate" aimed at keeping Medicare solvent.

The cut went into effect June 18, and although the Senate voted for a six-month reprieve and the House is expected to do the same this week. Democrats were initially unable to muster the 60 votes needed to bypass the cuts one more time, with Sens. Ben Nelson (D-Neb.) and Joseph Lieberman (I-Conn.) voting with Republicans to reject a measure that would have forestalled them for another 19 months.

In a last-ditch effort to stop the cut, the AMA condemned the six-month compromise extension, blasting Congress for breaking a promise to senior citizens and the military.

"Continuing down this path just slaps a Band-Aid on a problem that needs urgent surgery," AMA president Dr. Cecil Wilson said in a press release titled "Senate Fiddles as Medicare Burns [6]."

"Continued short-term actions are creating severe instability that harms seniors as physicians make decisions to protect their practices from Medicare's volatility." Wilson said.

SOURCE [7]

Source URL (retrieved on *04/27/2015 - 2:56pm*):
http://www.mdtmag.com/news/2010/06/docs-increasingly-abandon-medicare?qt-recent_content=0

Links:
[1] http://www.usatoday.com/news/washington/2010-06-20-medicare_N.htm
[2] https://www.cms.gov/ReportsTrustFunds/downloads/tr2009.pdf
[3] http://www.medscape.com/viewarticle/723782
[4] http://www.cms.hhs.gov/ReportsTrustFunds/downloads/tr2009.pdf
[5] http://en.wikipedia.org/wiki/Deficit_Reduction_Act_of_2005
[6] http://www.ama-assn.org/ama/pub/news/news/senate-fiddles-medicare-burns.shtml
[7] http://www.massdevice.com/news/docs-increasingly-abandon-medicare