

Medicaid: physician payment

Summary of research

In 2011 Nearly One-Third of Physicians Said they Would Not Accept New Medicaid Patients, But Rising Fees May Help

Sandra L. Decker, Health Affairs, 31 August 2012.

This study provides data on the percentage of office-based physicians by state who accept new Medicaid patients and examines factors that may influence their decision, including the following: the number of Medicaid beneficiaries in a state, percentage of the Medicaid population in capitated managed care plans, number of physicians per capita in the state, and Medicare-Medicaid fee-for-service ratio in the state. The study found the following:

- Nationally only 69.4 percent of physicians accepted new Medicaid patients in 2011. This is sharply lower than the number of physicians accepting new Medicare patients (83.0%), privately insured patients (81.7%), self-pay patients (91.7%) and any new patients (96.1%)
- Physician acceptance rates were higher in states with higher Medicare-to-Medicaid fee-for-service fee ratios. In fact, a 10 percentage point increase in the fee ratio raised physician acceptance of new Medicaid patients by 4 percentage points.
- The following factors did not have an impact on a physician's willingness to accept new Medicaid patients: percentage of Medicaid population in capitated managed care, number of physicians per capita in the state, or percent of Medicaid enrollees in the state.

Trends in Medicaid Physician Fees, 2003-2008

Stephen Zuckerman, Aimee F. Williams and Karen E. Stockley, Health Affairs, 28 April 2009.

- While physician payment rates for Medicaid increased on average by 15 percent between 2003 and 2008, this was below the general rate of inflation, resulting in a reduction in real fees.

Do Reimbursement Delays Discourage Medicaid Participation by Physicians?

Peter J. Cunningham and Ann S. O'Malley, Health Affairs, 28 January/February 2009. (published online November 2008)

This study examines the impact of payment levels and delays in payment on a physicians' willingness to participate in Medicaid. The study makes the following findings:

- Physicians (both primary and specialists) in states with high payment rates are more likely to participate in Medicaid than physicians in states with lower rates. This is consistent with earlier research on this topic.

- Slow payment times can act as an offset to the effects of high Medicaid fees. For example, in states with high fees and *fast* payment, 64 percent of physicians accepted all new Medicaid patients. However, in states with high-fees and *slow* payment only 51 percent of physicians accepted all new Medicaid patients.
- Payment times were less of a factor in affecting Medicaid participation in low payment states.

A Comparison of Two Approaches to Increasing Access to Care: Expanding Coverage versus Increasing Physician Fees

Chapin White, Health Services Research, April 2012 (published online February 2012)

The article compares the effects of coverage expansion and increased physician payment on utilization of physician services by children.

- Increasing physician payment improves access to care.