

## Low Medicare Payments Below Doctors' Costs

By JAMES COX-CHAPMAN

**M**edicare patients should be paying attention. Many physicians are closing their practices to new Medicare patients because reimbursement rates do not cover their costs, and there are repeated threats of even more cuts. Other physicians have dismissed their Medicare patients because they can't afford to subsidize care to this level. Health care reform holds the promise of increased access, but current government practices don't support that.

Three things must be done by Congress to ensure the continued access of Medicare patients to physicians: The planned Medicare reduction of 21.3 percent must be fixed immediately. The fix must be for a minimum period of 18 to 24 months. We need a long-term solution that reimburses providers based on the cost of providing the care and their performance of quality and cost effective care.

In 2009, the doctors, nurse practitioners and physician assistants at ProHealth Physicians provided more than 100,000 office visits to nearly 35,000 Medicare patients. As experts in primary care, we pride ourselves on being able to provide continuity of care for our patients throughout their lives, and we value the relationships that we've built with our Medicare patients. For the last few years, we and our patients have waited anxiously as Congress determined whether the planned Medicare fee schedule decreases would be implemented or "fixed".

Fortunately, Congress has thus far approved the necessary fixes, avoiding what we consider to be a catastrophic event. But the process took on a life of its own, resulting in: extremely short-term fixes; continuous reconsideration of the issue by the House and Senate; delays in provider payments; provider terminations from Medicare; and growing fear that Medicare recipients will lose access to care.

Last week, all of the Connecticut members of the House delegation voted to avert the cut. Unfortunately, the Senate did not vote prior to the Memorial Day break. So, on June 1, a 21.3 percent decrease in payment went into effect. However, expecting that another patch will be put into place when Congress returns to session next week, Medicare has been directed to hold all payments to health care providers for 10 days. The same thing occurred in April.

Over the last six months, Congress has addressed this issue on four separate occasions, each of which resulted in a fix that lasted about as long as it took Medicare to pay the claims that were delayed based on the last patch. While this is preferable to taking the planned 21.3% decrease in payments, it creates a serious cash flow problem for providers who rely on timely payments to cover expenses that allow them to continue to care for patients.

Underlying these repeated delays is the fact that Medicare payments, even without the 21 percent cut, have not kept up with the cost of providing care to seniors. In fact, under existing Medicare rates, primary care providers lose money on every Medicare patient they see. An average Medicare patient has several chronic medical conditions requiring longer and more frequent visits, which compounds the problem. Without a permanent fix for the outdated Medicare physician payment system, Medicare beneficiaries — many of whom have the greatest need for medical care — may not be able to find a primary care provider to oversee their care.

Primary care has been identified in the recently enacted Health Care Reform law as the key to fixing our health care system. We agree. Yet, without adequate Medicare reimbursement for primary care services, the nation is facing the possibility that physicians may no longer be able to accept Medicare patients.

This is a critical issue that affects our ability to deliver quality, affordable health care for patients of every age. Congress must put a permanent solution in place: one that enables providers to cover the cost of delivering the service and ensures that payments keep pace with the rising costs of the care Medicare beneficiaries need and deserve.

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