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PATIENT ACCESS IN MEDICAID: PROVIDER RESPONSE TO ENHANCED PAYMENTS

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RESEARCH OBJECTIVE

To assess provider response to a temporary increase in Medicaid payments for primary care services.

POLICY

The Affordable Care Act mandated that Medicaid payments for primary care services equal Medicare rates during calendar year (CY) 2013 and 2014. In order to receive the higher reimbursement, providers were required to certify eligibility.

Primary care was defined as services, including vaccinations, provided by a physician who specialized in family medicine, general internal medicine, pediatric medicine, or a subspecialty recognized by one of three national medical boards. Nationwide, reimbursement rates increased, on average, 73%. Reimbursement rates for Georgia providers increased, on average, 48%.¹

Provider locations that attested by August 31, 2013, were eligible for retroactive reimbursements starting on January 1, 2013, and extending through December 31, 2014. Provider locations that did not attest by the due date were eligible for increased reimbursement for eligible services from the month that they attested through the end of the program. Providers who practiced in multiple locations were required to attest separately for each of their locations.

POTENTIAL IMPACTS ON ACCESS TO CARE

The increased reimbursement could have expanded access by increasing:

- Number of participating primary care providers or provider locations
- Number of Medicaid patients seen by participating primary care providers
- Number of services rendered to Medicaid patients

Alternatively, the perception that this enhanced reimbursement was temporary could result in no change in provider behavior.

POPULATION STUDIED

Georgia Medicaid providers eligible to receive enhanced primary care payments and Medicaid enrollees accessing care through these providers.



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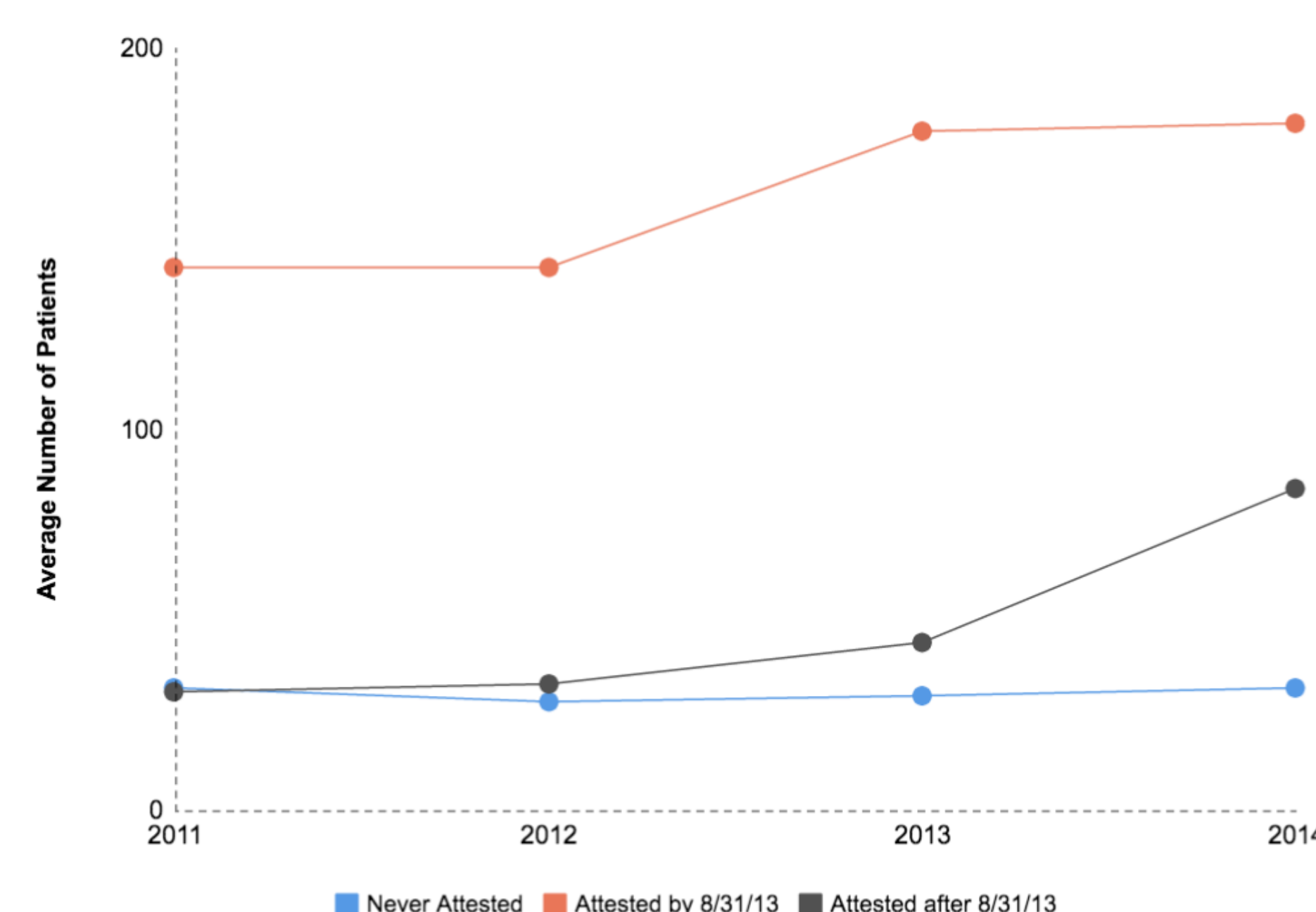
LITERATURE

- Public programs, such as Medicaid, have historically paid physicians less than private insurance.²
- Low reimbursement rates are the most commonly cited reason for low physician participation in the Medicaid program.³
- Increasing provider reimbursements has been shown to increase patient access to health care by increasing the number of available providers⁴ and shortening wait times for appointments.⁵
- Reimbursement increases have also been shown to increase the number of providers who accept Medicaid and who accept new patients.²
- Although no studies were found that looked at temporary fee increases, many providers have expressed uncertainty over future reimbursement levels¹ which may imply that a temporary increase in fees would be less effective than a permanent one.

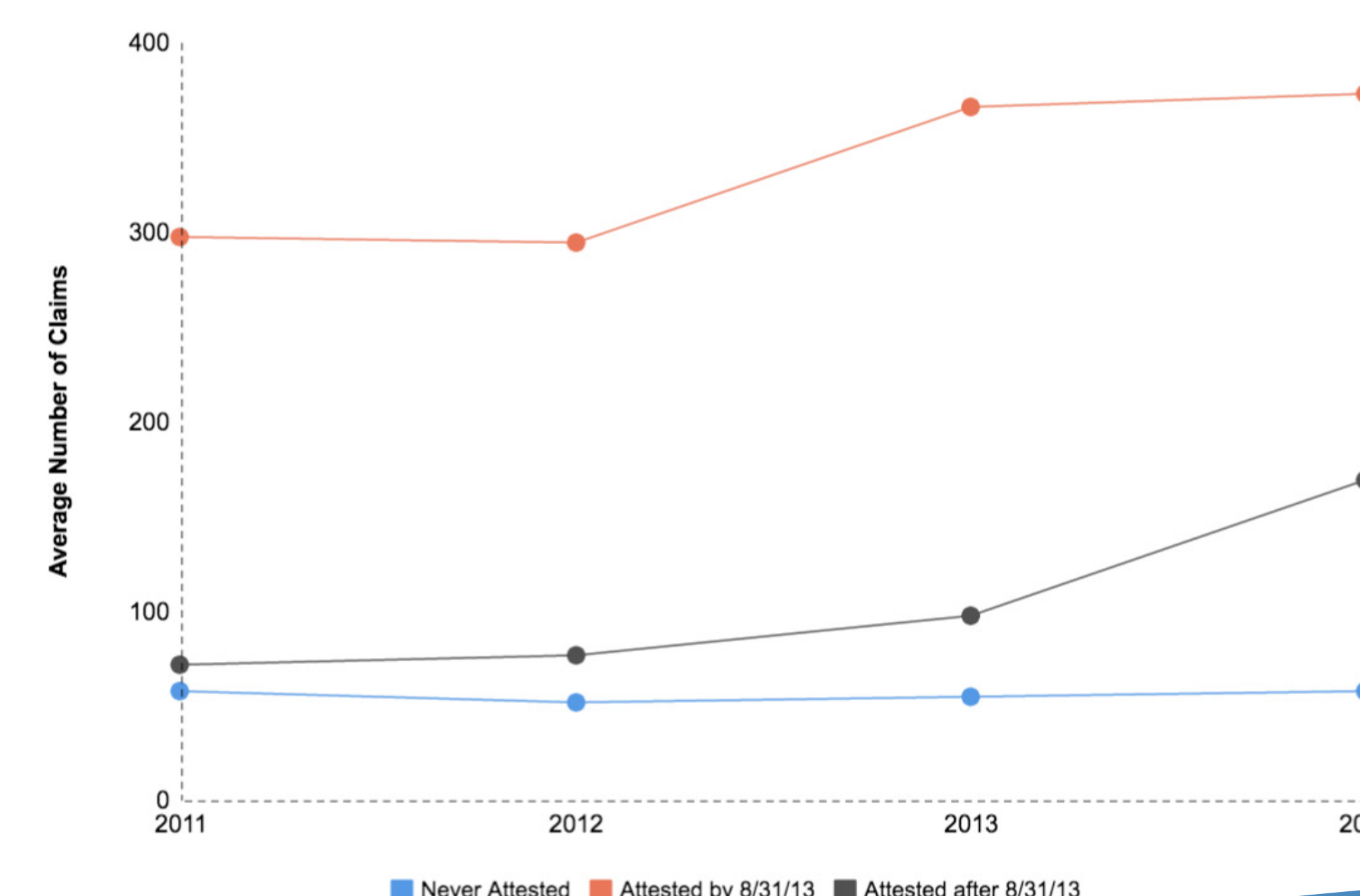
Descriptive Characteristics of Participating "Fee-Bump" Providers and Locations		
	Count	Percent
Unique Providers (by National Provider Identifier)	8,488	
Provider Locations	18,476	
Provider Type		
Physicians	15,706	85.0
Nurse Practitioners	1,736	9.4
Physician Assistants	1,033	5.6
Midwives	1	0.01
Total Attesting Provider Locations	18,476	
Attestation Date		
By 8/31/2013	11,466	62.1
After 8/31/2013	7,010	37.9
Total Attesting Provider Locations	18,476	
Locations with Identified County		
North Rural	2,974	16.1
South Rural	1,721	9.3
Atlanta MSA	8,801	47.6
All Other MSAs	3,100	16.8
Unidentified Locations	1,880	10.2
Total Attesting Provider Locations	18,476	

Mean Differences in Patients and Claims (by year, attestation status, and year/attestation status)				
	Total Patients	Total Claims	Eligible Patients	Eligible Claims
Average Increase - All Providers (per provider location)				
2011-2012	60.43	109.96	40.91	78.13
2013-2014	66.88	120.17	46.72	88.77
Average Increase Pre- Versus Post- Fee Bump	11%	9%	14%	14%
Pre-Fee Bump Differences (2011-2012)				
Non-attesting Providers	51.22	87.84	30.09	54.26
Attesting Providers	120.13	253.36	111.04	232.78
Difference Attesting/Non-attesting	135%	188%	269%	329%
Post-Fee Bump Differences (2013-2014)				
Non-attesting Providers	53.11	88.66	31.34	55.8
Attesting Providers	156.09	324.3	146.35	302.29
Difference Attesting/Non-attesting	194%	266%	367%	442%
Average Increase (between pre- and post-bump periods, attesting vs. non-attesting provider locations)				
Non-attesting Providers	4%	1%	4%	3%
Attesting Providers	30%	28%	32%	30%

Average Eligible Medicaid Patients per Provider Location



Average Eligible Medicaid Claims per Provider Location



STUDY DESIGN

- Analyzed Georgia Medicaid claims data from 2011-2014.
- Produced descriptive statistics on the number of primary care providers (PCP) participating in the Medicaid program in the two years prior to and during the PCP-enhanced payment, provider location, number of eligible claims, and number of unique patients.
- Categorized providers into three groups: never attested, attested prior to August 31, 2013, and attested after August 31, 2013.
- Bivariate analysis to compare provider participation rates and utilization measures for the pre- and post- enhanced payment periods.

PRINCIPAL FINDINGS

- There was a net, 4% increase in the number of providers seeing a patient for eligible services in 2012 compared to 2011. In the year after enhanced payments were in place, the increase was 7.8%, almost twice as high as during the baseline period.
- Provider locations that served a higher concentration of Medicaid patients a priori were most likely to certify eligibility for enhanced payments in the first year of the program (142 Medicaid patients/location versus 32 in locations serving a lower concentration of Medicaid patients). These certifying locations increased their patient loads three-times more than non-certifying locations in the first year of the enhancement (25% versus 8%).
- Locations that certified eligibility for the enhanced payment during the second year increased volumes even more over the prior year (94% versus 33%).
- The number of claims per patient did not change with the enhanced payment.

CONCLUSION

Enhanced Medicaid payments for primary care services was associated with increasing the number of unique providers who participated in the Medicaid program, above what was expected from the baseline growth rate. Additionally, the providers who received these enhanced payments saw more Medicaid patients per location. We found no evidence that the number of claims per patient increased.

IMPLICATIONS FOR POLICY OR PRACTICE

Increasing the reimbursement for primary care providers was designed to enhance access by increasing participation and increasing the availability of appointments for enrollees. Despite its temporary nature, the fee enhancement was associated with an increased provider supply and enhanced access for patients seeking health care services.

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