

# Disheartened Doctors, Patient Problems: AAPS Biannual Survey of Physicians on Medicare and Patients' Access to Care

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## ABSTRACT

The Association of the American Physicians and Surgeons conducts a biannual survey of physicians to measure the effects of Medicare on their practice, and the impact on patients' access to care.

The survey addresses five areas: Access by established Medicare patients, acceptance of new Medicare patients, costs and changes to practices, opting out and private contracts, and assessment of the future of the practice.

The results show increasing physician demoralization and practice changes that will decrease availability of many services to Medicare beneficiaries.

## Methods and Respondents

The survey was included in the June 2003 issue of the monthly *AAPS News* mailed to approximately 3,330 physicians in practice. Respondents were asked to return completed surveys by facsimile or by mail, using their own stamps. The survey consisted of 25 questions, including an opportunity to note "other comments."<sup>1</sup> Respondents are physicians practicing and involved in patient care at least 20 hours week, with an average of 23 years in practice. A breakdown of respondent specialties is listed in Table 1. A total of 344 physicians returned the survey in time to tabulate the results.

Table 1. Specialties of Respondents

| Specialty                     | Number |
|-------------------------------|--------|
| FP/GP/IM                      | 103    |
| Psychiatry                    | 30     |
| Orthopedic Surgery            | 23     |
| Obstetrics/Gynecology         | 20     |
| Dermatology                   | 20     |
| General Surgery               | 19     |
| Anesthesiology                | 18     |
| Ophthalmology                 | 18     |
| No specialty listed           | 16     |
| Other surgical subspecialties | 36     |
| Medical subspecialties        | 17     |
| Other                         | 24     |

## Results

### Services available to patients

Medicare beneficiaries comprise almost one-third of respondents' patient load (31%), but 40% restrict services to both current and new Medicare patients, including difficult surgical

procedures (20%), comprehensive medical work-ups (15%), and elective surgeries (13%).

Further, 32% report that the level of service offered to Medicare beneficiaries compared to five years ago is less, and that 41% have experienced difficulty in finding a physician for a Medicare patient who needed a referral. The most difficult specialty was internal medicine (26%), followed by neurosurgery (15%), orthopedic surgery (13%), ENT (8%), cardiac surgery (6%), and ophthalmology (5%).

Appointments for established Medicare patients are assigned a lower priority than for private patients, and even lower for new Medicare patients. Fifty-three percent report giving the same priority for established and 52% for new Medicare patients. But 11% place a "much lower" or "somewhat lower" priority for established, and 23% for new Medicare patients.

### New patients

One-third (33%) of respondents report that they are not accepting new Medicare patients, and of those who are, 18% report that they do so under "special circumstances/with restrictions." Only 39% reported doing so on the same basis as other patients. Out of four possible responses, "billing and regulatory requirements" was ranked first, with 30%, followed by "hassles and/or threats from Medicare carriers/government" (29%), "fees too low" (28%), and "fear of prosecution or civil actions" (25%).

### Impact on practice

Respondents estimate that they and their staff spend 22% of their time on compliance with Medicare regulations, and that it costs, on average, \$22 to process a Medicare claim, compared to \$14 for a private claim.

In the past three years, 31% have received a demand to refund payment for a coding or other error, and 24% for "unnecessary service." Twenty percent have been the subject of the pre-audit inquiry or full audit, and 2% have been the target of a criminal fraud investigation.

Physicians have made great changes to their practices to avoid the threat of prosecution under Medicare regulations (question #13), most involving less time for patient care or additional cost. Fifty-seven percent spend more time on documentation, 34% deliberately downcode, 28% restrict services CMS might question, 27% restrict more complex services, 21% have hired more compliance and billing staff, and 21% have opted out.

### **Private contracting and opting out**

Twenty-three percent report opting out of Medicare under the provisions of the Balanced Budget Act of 1997, and 63% would be more willing to serve Medicare patients if unrestricted private contracting were allowed. The most frequent responses to “I would opt out if...” were: “if I could afford it” or “if I owned and controlled my own practice.”<sup>2</sup>

### **Implications for the future:**

A majority of respondents (65%) said that if they were starting their practice today, they would not take part in Medicare, and their predictions about Medicare reflect that. When asked their “expectations for Medicare-age patients 10 years from now,” 67% predict more doctors and patients opting out of the system; 58%, severely rationed care; 36%, complete collapse of the system; and 13%, active euthanasia. Only 9% predict that seniors will receive the same treatment as they do today.

A majority (62%) plan to retire from active patient care at a younger age than expected five years ago. The leading cause was “increased government interference in medicine,” followed by “increased regulatory burden” (54%), “decreased control over factors affected medicine” (49%), “increased fear of litigation/prosecution” (48%), “increased hassles with Medicare” (47%), “HIPAA compliance, including electronic claims filing” (40%). Finances ranked number six, at 39%, followed by increased work load (37%). Non-government interference ranked the lowest, with 36% citing hassles with HMOs, and 28% hassles with private patients. (Physicians were asked to “check all that apply,” and most checked several factors.)

### **Trends over past three surveys**

Physicians are accepting new Medicare patients at a 16% lower rate since 1999, down from 73% in that year compared to 62% this year. Of particular note is that physicians prefer uninsured patients, turning them away 50% less frequently than Medicare patients (17% and 33% respectively).

Patients are having more difficulty getting appointments. In 2001, 17% reported giving lower priority for new patients was 17%, compared to 23% this year. Those reporting the same priority have dropped from 62% in 1999, a decrease of 16%.

Restrictions and referral are following the same trend. Restrictions have increased by 15%, from 34% in 1999 to 40%, and problems with referrals have soared – 52% reported no problems in 1999, compared to less than one-fourth this year (21%).

The “hassle factor” for physicians is increasing, with almost a 50% increase in the proportion of physicians ranking it as the primary reason for not accepting Medicare patients (29% in 2003 compared to 19.5% in 1999 for “hassles and/or threats” and a jump from 17% to 30% for “billing and regulatory requirements”).

Time spent on Medicare compliance has held steady at 22%, but the cost of processing a claim has increased by 65%, from \$13.31 in 2001 to \$22.00.

In 2001, 38% of respondents said they were not considering earlier retirement, but in 2003 that number fell to 29%, a decrease of almost one-fourth. Questions on starting practice today and expectations for 10 years from now were new questions, so no comparisons are available.

### **Conclusions**

The survey results suggest the following six conclusions:

1. Increasing fear of prosecution or government retaliation has had a negative impact on Medicare patients’ access to physicians, and their ability to receive referrals and certain services such as surgery.

2. Compliance with Medicare regulations is costly, takes significant time away from patient care, and is an increasing cause of reluctance to treat Medicare-eligible patients.

3. Unrestricted private contracting under Medicare would greatly increase willingness to treat Medicare-eligible patients.

4. Increased fear of retaliation and regulatory burden are causing physicians to make changes in practices that adversely affect patient access and quality.

5. The increasing role of government in medicine results in more difficulty for all patients to access care, not just those who are Medicare-eligible.

6. Physicians are becoming increasingly disheartened and negative about the future of the practice of medicine.

The narrative comments of respondents<sup>3</sup> particularly reflect the final conclusion. Out of 106 optional open-ended comments, the most frequently expressed thoughts are: “I would not become a physician if had it to do over”; “I will quit practicing altogether as soon as possible”, or “I feel coerced into taking Medicare.” As one sums up: “Unless things change soon, the best and the brightest will leave Medicare.... It’s simply not worth it.”

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### **REFERENCES**

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- <sup>2</sup> Biannual Medicare Survey Results 2003. Available at: [www.aapsonline.org/surveys/results03.doc](http://www.aapsonline.org/surveys/results03.doc). Accessed October 30, 2003.
- <sup>3</sup> Comments by respondents to AAPS Biannual Medicare Survey 2003. Available at: [www.aapsonline.org/surveys/comments03.doc](http://www.aapsonline.org/surveys/comments03.doc). Accessed October 30, 2003.