

Nebraska seniors again face Medicare physician access crisis: Congress must act now on a long-term solution

- Nebraska seniors can face significant challenges obtaining access to physicians. These challenges will get much worse unless Congress acts very soon to permanent prevent steep cuts in Medicare payment rates. At just 15 practicing physicians per 1,000 Medicare beneficiaries, Nebraska is well below the national average. Nearly one in ten Nebraska residents is living in a primary care shortage area, and 25 percent of the state's Medicare beneficiaries are living below 150 percent of the federal poverty level.
- On March 1, 2012, Nebraska Medicare physician services face an across-the-board pay cut of 27.4 percent, due to a flawed payment formula, the Sustainable Growth Rate (SGR), created by Congress.
- Congress needs to avert these cuts and eliminate the formula that leads to this annual crisis. SGR legislation would prevent a loss of \$120 million annually for the care of elderly and disabled patients in Nebraska. On average, a cut of this magnitude will reduce 2012 practice revenues by \$28,000 per Nebraska physician, which will worsen access problems and make it extremely difficult to pay for office space and other expenses and avoid staff layoffs.
- 20,712 employees of medical practices, 277,442 Medicare patients and 60,466 Tricare patients in Nebraska will be helped by the legislation that averts these cuts.
- At just 230 practicing physicians per 100,000 population, Nebraska's physician-population ratio is well below the national average.
- 38 percent of Nebraska's practicing physicians are over 50, an age at which surveys have shown many physicians consider reducing their patient care activities.

February 2012

