

6 things to know about Medicare's claim data release

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The Centers for Medicare & Medicaid Services (CMS) Monday released data on the medical services physicians provide and how much they are paid under Medicare Part B fee for service, marking the second annual release of individual physicians' Medicare claims data. These resources can prepare you to talk with your patients and others about your data.

Information that is a part of the data includes billed charges, Medicare payments and the number of different Medicare services provided in 2013. This year's release also includes some trend data and state and specialty comparisons. For doctors who are receiving inquiries from patients or reporters about their charges or payments, giving a response that provides context for the data may be in order.

While circumstances will vary on a case-by-case basis, here are some of the most important points to clarify:

- **Medicare payments aren't the physician's personal income.** These payments are practice revenues that must cover business expenses, including pay and benefits for practice staff, billing and other professional services, office rent, utilities, professional liability insurance, medical equipment and supplies.
- **The majority of physicians don't receive noteworthy Medicare payments.** Although some attention-seeking news headlines may focus on sizeable pay-outs to individual physicians, the average physician doesn't generate that much revenue from Medicare payments. In fact, 75 percent of physicians and other health care professionals receive less than \$85,000 per year in Medicare payments, as reported in last year's CMS data file. The median payment amount was scarcely more than \$30,000.
- **Attribution issues could distort the data.** Because the data is tied to the National Provider Identifier (NPI) under which the services were billed, some physicians who provide Medicare services may not be included in the data at all because their claims were filed using a group NPI. Other physicians may be included in the data release, but the services attributed to them may not reflect the care they actually gave because some of those services were reported using their group NPI. In addition, residents, physician assistants, nurse

practitioners and others under a physician’s supervision can all file claims under that physician’s NPI, which can make it appear that some physicians personally performed far more services than was actually the case.

- **Physicians can’t correct errors in the data.** It isn’t uncommon for Medicare’s database to list physicians with incorrect information, such as wrong addresses or specialties. As of right now, there is no mechanism for physicians to review and correct their information.
- **Patients shouldn’t use the data to determine where they seek care.** The data doesn’t include facility fees, which could change the amount ultimately paid by Medicare. Physicians who provide services in a hospital or hospital outpatient department are paid less by Medicare, but the hospital is also paid, making it seem as though care provided in these facilities is less expensive when in reality it could be more expensive.
- **Remember: This isn’t a whole picture.** The data is an incomplete representation of the services physicians provide. It also only includes Medicare data—nothing for private insurance or Medicaid patients. This means some physicians’ true experiences are underrepresented.

In addition to the raw data, CMS also published some analyses, including regional utilization and specialties with the highest Medicare allowed amounts. Physicians should recognize that these analyses do not include quality information. They also show that a large portion of the costs are due to the costs of drugs, not earned physician income.