



Highlights of [GAO-09-559](#), a report to the Committee on Finance, U.S. Senate

### Why GAO Did This Study

Congress, policy analysts, and groups representing physicians have raised questions about beneficiary access to Medicare physician services. At the same time, high levels of spending for health care in some parts of the country, and rapid increases in spending for physician services, have been identified as factors that threaten the long-term fiscal sustainability of the Medicare program.

GAO was asked to assess beneficiary access to physician services and to identify indicators of potential overutilization of physician services. In this report, GAO (1) examines whether, from 2000 through 2008, beneficiaries had problems accessing physician services; (2) identifies areas of the country in which Medicare beneficiaries are potentially overserved by physicians; and (3) describes characteristics that distinguish the potentially overserved areas from other areas in the nation.

GAO analyzed the most recent data available from several sources, including an annual Centers for Medicare & Medicaid Services (CMS) survey of fee-for-service (FFS) Medicare beneficiaries, Medicare physician claims for services provided in April of each year from 2000 through 2008, the Health Resources and Services Administration's Area Resource File, and the U.S. Census Bureau.

## MEDICARE PHYSICIAN SERVICES

### Utilization Trends Indicate Sustained Beneficiary Access with High and Growing Levels of Service in Some Areas of the Nation

#### What GAO Found

GAO found that Medicare beneficiaries experienced few problems accessing physician services during its period of study. Very small percentages of Medicare beneficiaries—less than 3 percent—reported major difficulties accessing physician services in 2007 and 2008. The proportion of beneficiaries who received physician services and the number of services per beneficiary served increased nationwide from April 2000 to April 2008. (See figure.) Indicators of physician willingness to serve Medicare beneficiaries and to accept Medicare fees as payments in full also rose from 2000 to 2008.

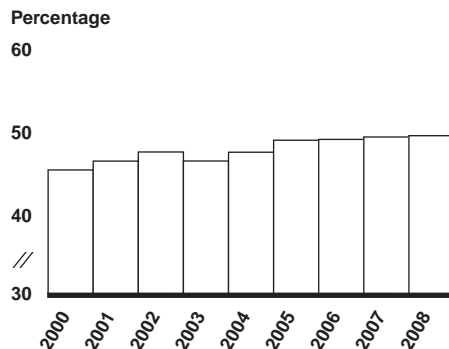
Potentially overserved areas—areas that were in the top half in both the level and growth in utilization of physician services—tend to be in the more densely populated urban regions and the eastern part of the United States. Large metropolitan areas were much more likely to be potentially overserved than rural and small metropolitan areas. Areas east of the Mississippi River were also more likely to be potentially overserved than those in the west.

Potentially overserved and other areas are similar in demographic characteristics and the capacity to provide health care services. The two groups are also similar in Medicare beneficiary satisfaction with health care. In contrast, certain types of physician services, such as advanced imaging and minor procedures, are performed more frequently in potentially overserved areas relative to other areas, suggesting differences in physician practice patterns.

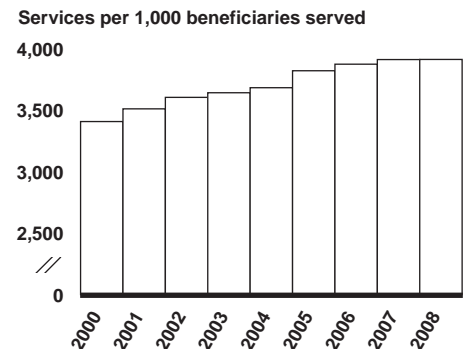
In commenting on a draft of this report, CMS noted the agency's longstanding practice of monitoring the effect of policy changes on beneficiary access to Medicare services, and stated that this report would help in that effort.

#### Trends in Utilization of Physician Services

Percentage of Medicare FFS beneficiaries receiving physician services in April, 2000-2008



Number of physician services provided per 1,000 Medicare FFS beneficiaries served in April, 2000-2008



Source: GAO analysis of Medicare Part B claims and enrollment data from CMS.

View [GAO-09-559](#) or [key components](#). For more information, contact A. Bruce Steinwald at (202) 512-7114 or [steinwalda@gao.gov](mailto:steinwalda@gao.gov).