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Blastfax!

Georgia AAP Legislative Alert...

DCH/Medicaid Budget Moves to Senate; Contact Your Senator This Week & Urge Them to Support the Medicare-Medicaid Parity Issue!

Our advocacy efforts to increase Medicaid payment rates to physician practices continues this week as the budget has moved to the Senate. (We are doing this as part of a Coalition with the FP, OB-Gyn, IM, and DO associations.)

The House version of the budget added \$26.2M dollars to the Medicaid budget to increase 18 common CPT codes to Medicare levels. That was a huge gain for us! Now it is the Senate's turn on the budget.

Here's what we're asking you to do this week:

1. If you contacted your House member on this issue, please THANK them for the House action—either by email or phone message. The House addition was significant.
2. **Next, contact your Senator THIS WEEK** and urge them to support efforts in the Senate version of the budget to get Medicaid rates back up to Medicare levels. (Where they have not been since 1995.)
3. If you don't know your state Senator's phone or email, **go to the Chapter website** & under the Advocacy tab, click Legislative and it will provide a site to look up your Senator's info. (Or, if you're reading this as an email, **just click here**.)
4. Once you're at your Senator's information page, the rest is easy. It will give you their phone number and a way to send them an email right then.
5. **Ask them** to support efforts in the State Budget to address the huge disparity in Medicare vs. Medicaid reimbursement to physician practices. Ask them to talk to Appropriations Committee Chairman Sen. Jack Hill on this important issue. And thank them for their interest.

Also, we have attached the Fact Sheet we are using with legislators at the state Capitol. This week is crucial for us. Please take time to do this. We can make a difference with all our voices. For more information, call the Georgia AAP at 404-881-5091 or email: jrice@gaaap.org. Thank you.

Evelyn Johnson, MD
President

Melinda Willingham, MD
Legislative Committee Chair

Hugo Scornik, MD
Medicaid Task Force Chair

PATIENT-CENTERED PHYSICIANS COALITION OF GEORGIA
FAMILY MEDICINE – INTERNAL MEDICINE – OB/GYN – PEDIATRICS

Low Medicaid Payment Rates: A Continuing Problem for the Health of Georgia Citizens & Our Business Climate

- **The Issue:** With the exception of the 12 services rate increases in the FY 2016 budget, for which we are very grateful to the General Assembly for so doing, Medicaid payment rates to physician practices have not been increased by the state **in 16 years**.
- Our Coalition requests that the General Assembly add \$29.8M in the FY 2017 DCH budget to increase payment levels for 28 additional service codes to *Medicare* levels. This would bring Georgia Medicaid rates **to Medicare parity on about two-thirds of the services which primary care physicians provide**.
- On average, the Georgia Medicaid program currently pays **only about 65%** of what Medicare pays for the same service and **only about 50%** of what regular commercial insurance pays:

Code	Service	Georgia Medicaid	Medicare	Commercial Insurance
99214	Sick visit, Office, Established Patient	\$62.71	\$108.19	\$134.50
99203	Sick visit, Office, New Patient	\$76.53	\$107.72	\$129.75
99218	Initial Observation Care, In hospital	\$60.29	\$98.12	\$116.61
99460	Normal Newborn Exam, In hospital	\$64.90	\$90.21	\$103.12
90460	Vaccine Administration, 0-18 years	\$10.00	\$25.25	\$31.50

- ✓ These are 5 typical services performed by primary care and OB/Gyn physicians and the reimbursement rates paid to these practices for the same service by Georgia Medicaid, Medicare, and a typical commercial insurance plan.
- ✓ Last year, the General Assembly added \$23M in new state funds in the FY 2016 DCH budget to increase Medicaid reimbursement rates on 12 services which primary care and OB/Gyn physicians provide. We were very appreciative of this important action as a critical first step towards Medicare parity.

The current low Georgia Medicaid reimbursement rates have a detrimental impact on primary care physician practices and the citizens they serve:

- **Reduced access to care for patients:** Medicaid payment levels directly impacts a physician's participation in the Medicaid program, and is a key factor in ensuring access to care for Medicaid patients. Low Medicaid payment rates force physicians to make the difficult decisions to limit or stop seeing Medicaid patients altogether.
- **Weakens our efforts to stabilize Rural Health in Georgia which degrades the business climate for those communities:** Physicians practicing in rural Georgia are disproportionately impacted by low Medicaid reimbursement rates because they generally serve a larger percentage of Medicaid patients in their practices —children, pregnant women and other fragile adults. Physicians must have adequate payment in order to maintain a viable practice. A strong healthcare system is vital to a community's viability and its capacity for economic growth. And last year, three more obstetric & nursery hospital units closed in our state (bringing the total to 35 closures) evidence that access to care in rural Georgia is continuing to diminish. No one is going to put a factory in a town without doctors.
- **Hurts Georgia's ability to retain an adequate physician workforce:** Strong physician practices are fundamental for the health systems in our communities, especially in non-metro areas. Georgia already has a shortage of Primary Care physicians in 75% of its counties (119 out of 159). Additionally, low Medicaid reimbursement rates discourage medical school graduates from choosing primary care specialties and act as a deterrent to new doctors completing their residency training to remain in Georgia to practice.
- **Physician practices, in addition to being critical to the community's healthcare system, are also vital contributors to the area's economy:** The AMA reported last year that Primary Care physicians' practices are significant economic engines in Georgia. The study found that these practices: Supported 62,000 jobs in Georgia and provided over \$4.3 billion in wages and benefits to their employees.

We urge the General Assembly to increase Medicaid payment levels to physician practices to Medicare levels for these selected services. The health of Georgia's citizens, our healthcare system & our state's ability to grow economically depend on it.

Thank you.

The Patient-Centered Physicians Coalition of Georgia is comprised of the Georgia Academy of Family Physicians; Georgia Chapter-American Academy of Pediatrics; Georgia Chapter-American College of Physicians (Internal Medicine); Georgia Osteopathic Medical Association; and Georgia OB-Gyn Society. Comprised of more than 9,000 physicians, the Coalition represents the primary care and OB-Gyn specialties who provide the overwhelming majority of medical care to Medicaid patients in Georgia.

For more information _____