



MEDICAL SOCIETY OF VIRGINIA Issue Backgrounder

Virginia Medicaid: Physicians reimbursed less than the cost of care

Nationally, Virginia ranks 22nd for highest Medicaid enrollment, but with a ranking of 48th in Medicaid expenditures per capita, Virginia’s health care system is strained to provide care to a high volume of Medicaid patients with very limited resources. Cuts to physician Medicaid reimbursement further jeopardize access to care for the most vulnerable of Virginia’s patients. With an increase of nearly 10 percent in Virginia Medicaid enrollment since the start of the recession in Dec. 2007, the challenge of finding patients the care they need continues to overburden Virginia’s health care system – and without legislative action, the problem will only get worse.

In a recent MSV physician survey, **75 percent of respondents indicated they will have to make changes to the number of Medicaid patients they care for – like reducing the number of Medicaid patients they see or stop seeing Medicaid patients all together – if payments are reduced by 5 to 10 percent.**

To visualize how current Medicaid reimbursement impacts the financial viability of Virginia’s medical practices, MSV and the Virginia Medical Group Management Association (VMGMA) surveyed several groups to detail their Medicaid discount – the losses they incur by participating in the Medicaid program.

SELECT MEDICAID RATES FOR COMMON PROCEDURES IN VARIOUS SPECIALTIES¹

	Cost to Treat	State Pays	Uncompensated Care	
			Rate	Amount
· Preventive well-visit, infant	\$84.73	\$67.74	20%	\$16.99
· Preventive well-visit, ages 1-4	\$94.62	\$73.59	22%	\$21.03
· Preventive well-visit, ages 5-11	\$93.76	\$73.26	22%	\$20.50
· Preventive well-visit, ages 12-17	\$105.37	\$82.65	22%	\$22.72
· New patient OB/GYN visit (Level II)	\$57.29	\$50.90	11%	\$6.39
· Established patient evaluation (Level II)	\$44.30	\$29.79	33%	\$14.51
· Established patient evaluation (Level III)	\$69.25	\$49.16	29%	\$20.09
· Established patient evaluation (Level IV)	\$104.94	\$74.03	29%	\$30.91
· Outpatient consultation (Level II)	\$82.03	\$72.87	11%	\$9.16
· Skin biopsy	\$83.00	\$72.04	13%	\$10.96
· Destruction of pre-malignant lesion	\$63.15	\$54.81	13%	\$8.34
· Flu test	\$34.13	\$24.13	29%	\$10.00

¹Survey respondents were asked to provide the cost of providing a service to their patients excluding physician compensation for their practices’ most common procedures.

Protect patient access. Prevent physician Medicaid cuts.