

## **MEDIA ADVISORY**

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### **ACP Pleased with Rule to Increase Medicaid Payment Rates**

Will Apply to both Fee-For-Service and Managed Care Medicaid Plans

Attribution:

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Washington — The American College of Physicians (ACP), representing 132,000 internal medicine specialists and medical student members, is pleased to see the Centers for Medicare and Medicaid Services' (CMS) release of the proposed rule to increase Medicaid payment rates for certain primary care services to the level of Medicare, which will apply to both fee-for-service and managed care Medicaid plans. This increase in payments is a critical element of the Affordable Care Act (ACA). Primary care physicians, including general internists, will be particularly affected by the Medicaid expansion that will take place in 2014, when the ACA will result in Medicaid access to all individuals with incomes below 133 percent of the federal poverty level. At that time, it is expected that millions of new patients will enter the health care system, including through Medicaid, and many will have complex health care needs. And, presently, many practices do not accept Medicaid patients because reimbursement rates are relatively low and the administrative barriers are significant. Therefore, enhanced payment rates may induce more physicians to participate in Medicaid, making the health care system better equipped to meet the needs of these new patients.

ACP is particularly pleased that CMS is proposing that all physicians with the specialty designations of family medicine, general internal medicine, or pediatric medicine—as well as all subspecialists within those three specialty designations, as recognized by the American Board of Medical Specialties—be eligible for increased payment. This is encouraging because while primary care physicians do provide the bulk of services accounted for by the specified evaluation and management (E&M) and vaccine administration codes, there are a significant number of internal

medicine and pediatric subspecialists that also provide these services—and they should be included as well.

In addition, ACP is encouraged that CMS is proposing to include non-Medicare covered primary care services in the list of specified codes because these services do represent a core component of services commonly delivered in the Medicaid program. These services include comprehensive preventive medicine, counseling for risk factor reduction and behavior change, and non face-to-face interactions.

Finally, it is important to note that for 2013-2014 states will receive 100 percent payment by CMS for their expenditures equal to the difference between the Medicaid state plan rate for primary care services and the Medicare rate. Because CMS will be paying for the increase with federal dollars as authorized by the ACA, the increased Medicaid payments for primary care will not result in offsetting cuts in payments to other (non-eligible) physicians and specialties. After December 31, 2014, states are permitted to continue funding Medicaid primary care reimbursement rates at or above Medicare levels—but without additional federal funds, unless the program is reauthorized through new legislation. ACP will be urging Congress to extend the program.

ACP will be submitting detailed comments to CMS on this proposed rule in the coming weeks, with the intent of providing meaningful feedback on ways improve the rule prior to it being finalized.

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The American College of Physicians ([www.acponline.org](http://www.acponline.org)) is the largest medical specialty organization and the second-largest physician group in the United States. ACP members include 132,000 internal medicine physicians (internists), related subspecialists, and medical students. Internists specialize in the prevention, detection, and treatment of illness in adults. Follow ACP on Twitter ([www.twitter.com/acpinternists](http://www.twitter.com/acpinternists)) and Facebook ([www.facebook.com/acpinternists](http://www.facebook.com/acpinternists)).