

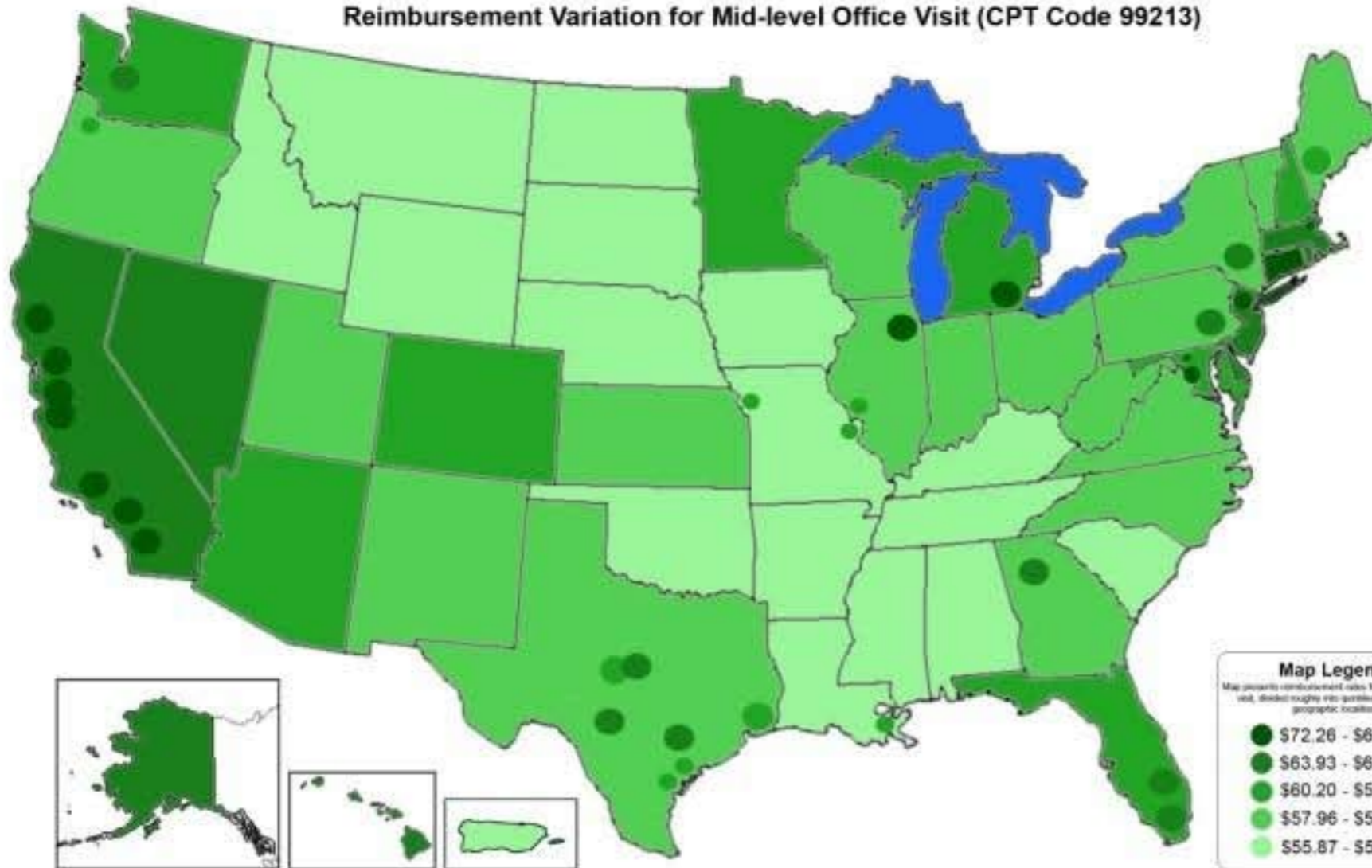
Geographic Inequity in Medicare Reimbursement

Effect of Geographic Practice Cost Indices (GPCIs) on Physician Reimbursement and Patient Access

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Physician Reimbursement

Reimbursement Variation for Mid-level Office Visit (CPT Code 99213)



Degree of Reimbursement Variation
Identical Service - Reimbursement Amount Modified by GPCIs

	Payment Amount	% of Average Payment	% of Highest Payment
High (CA Santa Clara)	\$76.26	1.265	1
Low (Puerto Rico)	\$50.56	.839	.663

Effect of Geographic Variation on Patient Access to Physician Care

Comparison of Geographic Adjustment Factor (GAF) with Physician / Population Ratio

2007 GAF, Ratios exclude physicians located in the Possessions*

High Reimbursement Locations

Locality	2007 GAF Rank	GAF	Physician per Population	
	(out of 89 localities)		Rank (by entire state / out of 51)	Individuals per 1 Private Physician
NY - Manhattan	4	1.184	4	295
MA - Boston	8	1.153	2	260
DC - MD / VA Suburbs	10	1.132	1	152

Low Reimbursement Locations

Locality	2007 GAF Rank	GAF	Physician per Population	
	(out of 89 localities)		Rank (by entire state / out of 51)	Individuals per 1 Private Physician
Idaho	83	.922	50	616
Mississippi	85	.919	49	607
Oklahoma	86	.913	51	635

Source: U.S. Census Bureau, Population Division, Annual Population Estimates and Estimated Components of Change for the United States and States, April 1, 2000 to July 1, 2005; Physician Characteristics and Distribution in the U.S., Dept. of Physician Practice and Communications Information, Division of Survey and Data Resources, American Medical Association, 2006 and prior editions.