



Association of American Physicians & Surgeons
The Voice for Private Physicians Since 1943

BIANNUAL MEDICARE SURVEY RESULTS June 2003

OUR PAST SURVEYS HAVE BEEN QUOTED EXTENSIVELY IN NEWS ARTICLES, AND CITED IN CONGRESSIONAL TESTIMONY, THE FEDERAL REGISTER, AND ACADEMIC PAPERS.

344 RESPONSES

1. WHAT PERCENTAGE OF YOUR PATIENT LOAD IS MEDICARE PATIENTS? 31% AVG Five years ago? 33% AVG

2. WHAT IS YOUR NET PROFIT OR LOSS ON YOUR MOST COMMON MEDICARE BILLINGS? Profit/loss \$ _____
Insufficient data to calculate an average answer for question number 2.

3. ARE YOU ACCEPTING NEW MEDICARE PATIENTS? Yes 62% No 33%

4. ACCEPTING NEW UNINSURED PATIENTS? Yes 77% No 17%

5. IF NOT ACCEPTING NEW MEDICARE PATIENTS, WHY NOT? (Check all that apply.)
Hassles and/or threats from Medicare carriers/government 29% Fees too low 28%
Billing & regulatory requirements 30% Fear of prosecution or civil actions 25%

6. IF YOU ARE ACCEPTING NEW MEDICARE PATIENTS, ON WHAT BASIS?
Same as other patients 39% Special circumstances/with restrictions 18%

7. ARE YOU RESTRICTING SOME SERVICES TO MEDICARE PATIENTS? Yes 40% No 39%

If YES, which have contributed to that decision? (Check all that apply.)
Hassles and/or threats from Medicare carriers/government 28% Fees too low 30%
Billing & regulatory requirements 27% Fear of prosecution or civil actions 24%

8. WHAT SERVICES ARE YOU RESTRICTING? (Check all that apply.)
Difficult surgical procedures 20% Elective surgery 13%
Comprehensive medical work ups 15%

9. WHAT PRIORITY DO YOU GIVE APPOINTMENTS FOR MEDICARE V. PRIVATE PATIENTS?
NEW PATIENTS: ESTABLISHED PATIENTS:
Much lower 13% Much lower 4%
Somewhat lower 10% Somewhat lower 7%
Same 52% Same 53%
Somewhat higher 1% Somewhat higher 1%
Much higher 0% Much higher 2%

10. LEVEL OF SERVICE YOU OFFER TO MEDICARE BENEFICIARIES COMPARED TO 5 YEARS AGO:
More 3% Same 50% Less 32%

11. HAVE YOU EXPERIENCED DIFFICULTY IN FINDING A PHYSICIAN FOR A MEDICARE PATIENT WHO NEEDED A REFERRAL? YES 41% NO 21%

If YES, in what specialty? (Check all that apply.)
Internist 26% Cardiac surgeon 6%
Neurosurgeon 15% Ophthalmologist 5%
Orthopedic surgeon 13% ENT 8%

12. IN THE PAST THREE YEARS, HAVE YOU RECEIVED OR BEEN THE SUBJECT OF: (Check all that apply.)
Demand to refund payment for coding/other error 31% Medicare audit 8%
Demand to refund payment for "unnecessary service" 24% Criminal fraud investigation 2%
Pre-audit inquiry 12%

2003 AAPS MEDICARE SURVEY

Written Responses to Question 15:

I WOULD OPT OUT IF:

- If I were in solo practice.
- I was satisfied that the government would be truly off my case.
- I knew I could survive without it.
- I have too many Medicare/Medicaid patients.
- I was sure my patients would stay with me.
- If I had the money for it.
- If I could selectively file for some services.
- I am opting out by attrition - have not been accepting Medicare for 2 years.
- I could bill directly in my group.
- I would be assured of continued income.
- If my community had someone to serve these patients. It is rural so it doesn't.
- I am an anesthesiologist and all surgeons in my hospital accept Medicare. Hospital contract mandates Medicare participation.
- Patients would pay fairly for services.
- I didn't have to eat.
- Everyone else did.
- I was not hospital based (AN) and unable to choose patients.
- I could still practice
- Not so many patients were on Medicare.
- I could afford it.
- I could afford to do so.
- Hospital allowed me to.
- Medicare allowables fell by more than 15% during the next 3 years.
- My partners would agree to it.
- I were in solo practice.
- There were no restrictions or penalty.
- I could get Medicare patients to see me on a cash basis. Around here they won't.
- The surgeons I work with opted out.
- Other payors in my market area were not the same as Medicare.
- Things get much worse.
- My patients could understand Medicare and afford health care.
- I practice in a larger more affluent community.
- I could do it with some patients, not all.
- I had the guts. I have Medicare patients that I've befriended over the years who could not afford to see me if I opted out.
- I had a different job - currently I am an academic clinician.
- 2 year restriction removed.
- If I could maintain cash flow and no likelihood of being flagged.
- I knew my practice wouldn't tank.
- A smaller percentage of pts. were Medicare.

- Patients' families would pay me.
- No restrictions or retribution.
- My patients understood the financial implications.
- Medicare increased physician office audits, prosecutions.
- Reimbursement decreases much further and fewer political repercussions.
- I could pick and choose which patients to treat for Medicare.
- We can find enough patients willing to pay cash at time of service to support our medical practice. Most want to pay nothing.
- Income stayed at present level.
- I had to go back in because CMS was sending payments to Medicare ER patients not to me.
- I wasn't a tertiary care giver.
- Patients could afford it.
- we had enough private pts. to treat. Ours is a poverty zone and everyone has Medicare/Medicaid.
- financial penalties were less
- I had the time and energy to explain to my long-term Medicare pts. the reasons why.
- I could do so w/o diminishing my services to MC patients.
- I had many non-Medicare pts.
- Medicare reimbursement continues to drop.
- I was not a hospital bound radiologist.
- No restrictions.
- not for fear of reprisal by government
- reimbursement drops farther
- All my referring internists participate, it is a courtesy to them.
- I could continue to see MC pts and just have them pay me (they would file with govt. for reimbursement.
- fees do not increase 8-10% in 1-2 years.
- If it would be less hassle to get out.
- I weren't an AN.
- Medicare rates get any lower.
- process were less complex.
- My hospital would let me.
- I were busy enough to practice w/o seeing MC pts.
- I owned the practice
- I could be sure patient's wouldn't flee to the cheapest option.
- No contract was required.
- No long term penalty.
- Nursing home pts. had another payment source.
- I hit the lottery and don't want to see so many patients.
- not for Hippocratic Oath.
- reimbursement dropped
- It was not so complex.
- There were more alternatives for my Medicare patients.
- fee cut back much more on the necessary items

- other physicians would support me and not black-list me
- Everything else would stay the same.
- my patients would.
- you could make a living in rural TX as the only surgeon
- I had a bigger nest egg
- I had enough money to limit my practice.
- fees go lower or I decide to work 50% or less
- I still would be able to serve the patients and get paid.
- I could survive.
- I wasn't in a referral practice.
- I was forced to bill electronically
- My non-Medicare population becomes adequate.
- I thought patients would pay themselves.
- I could survive without it.
- had more private pay patients
- I didn't have to take care of these patients.
- I could continue my nursing home practice
- no penalty
- overall negatives of participating outweigh the pluses
- our hospital allowed it

Other Written Comments - AAPS 2003 Medicare Survey

- Regardless of how onerous, threatening, and financially unrewarding Medicare is, old people don't deserve to be left without medical care.
- Kennedy has continued his vendetta against MDs. The AMA has completely failed in its efforts to help members. The pharmaceutical bill will just bring us closer to socialism.
- I will be leaving the active practice of medicine soon because of all the above. The government / managed care has literally destroyed our noble profession.
- Keep up your great work.
- Possible saving grace = Lifetime Savings Accounts
- I belong to Simple Care but very little benefit to specialty service - ideal for family doc. No HMO work other than Medicare/Medicaid. I have two partners - impossible for me to walk away now.
- If I were young again, I would never become a medical doctor.
- I would not become a physician now. The lack of consistency in payments to patients is disturbing. Closed insurance plans limited patient choice of docs has finally come to Paris, TX. I had heard about this 15 years ago from our mentors in the metropolitan areas. Now my patients are uninsured or Medicare.
- Attack on medical oncology drug pricing system as a 'rip off' or 'scheme' will lead to poor outpatient cancer care.
- I favor MSAs which would be tax-free, untouchable, transferable, to be used for medical purposes only. No tax on it at anytime for any reason. May not be used as collateral. May not gain interest or be invested.

- The regulations and documentations make it hard to care for the patient! We have the hardest job in the world. Caring for all their problems is so hard to do.
- 1) We need tort reform - loser pays. 2) The medical profession needs better public relations and advertising. 3) If a federal or state agency accuses one of its citizens they should be held liable if they lose the case in court. They should be required to pay defense costs plus the cost to bring the case to trial should be deducted from their budget for the following year.
- My practice really does not have much relevance to this survey, since it is entirely a university student health center - no Medicare and very little bother with insurance companies.
- Currently developing another business. Anticipate about 5 more years in practice prior to transition.
- Will retire next year at age 56.
- The only solution to get control of reimbursement from 3rd party payers is not to contract with them and only contract with patients. That way 3rd party payers will have to answer to their medical insurance policy holders. Doctors and patients then regain control of what services are needed in the exam room.
- Keep up the good works. Thanks.
- I am getting out and taking a non-clinical job. I will continue to practice, but on a limited basis.
- Bankrupt due to low Medicaid/Medicare reimbursement and profligate behavior of the patients. I'd have made more money as a janitor or toll-taker on the turnpike. I am trying to turn over my practice to someone. I plan to leave whether it happens or not. I have taken a real estate course and photography course.
- I certainly would stay out of Medicare and Medicaid if starting practice again. We figured that we lost 50% of potential earnings over the last 20 years in practice.
- I do a lot of vascular surgery. If I opt out of Medicare, I can't take care of my patients.
- I love my country, but I fear my government.
- We have to make patients take responsibility for their care by removing government insurance and lawyers from the system.
- Thank you for being the only MD organization even surveying these critical issues in the Medicare program.
- Excellent survey.
- Refusal of government funded research to release data on never-smokers separately, suggests estrogen-progesterone restriction campaign could be collusion to reduce social security payments as well as drug payments.
- If I perform a one level anterior discectomy and fusion on a PPO patient it takes about 2 hours and get paid the same or more than if I performed a multilevel fusion. The pre-operative work up and the post-operative care is much more intense for the Medicare patient and the surgery can take anywhere from 6 to 12 hours.
- Unless things change soon, the best and brightest will leave Medicare all together. Most of my colleagues my age (37) are forgoing the lifestyle of a well paid physician and pursuing a fast track to an early exit from a medical career to pursue other opportunities. It's simply not worth it.

- If any urologist in our area of southeast Florida did not participate in Medicare he would be forced to close shop within 3 months. That is an unfortunate fact of business in our area.
- In neurology, a high percentage of patients are > 65. Opting out might not be tenable.
- I treat all patients regardless of ability to pay. I don't make much money. That is not my primary purpose in life.
- I have not practiced since March 1984.
- I close my practice this year for these reasons. 1. Malpractice issues. 2. Government/Insurance Hassles. 3. Age.
- The hassle factor is an ongoing problem for this 20 hour a week semi-retired hand surgeon. I love my practice and love the patients that I work with. Yet the financial and hassle margins are becoming rather thin and it continues to deteriorate. I will simply be obliged to close the office.
- I personally don't know any MD/DO who is encouraging their own child to go into medicine.
- It breaks my heart to fill this survey out. It marks another step on the way to the end. I would LOVE to have someone talk about this with me on my TV show, The Doctor's In. Contact me via email 73063.524@compuserve.com. Larry Sheingorn
- Semi-retired for reasons stated in question 19, having opted-out of Medicare when the govt. threatened criminal prosecution for unintentional errors and required us to accept Medicare approved fees whether we accepted assignment or not. I have found a more secure form of retirement income.
- Like it or not we are government employees without the benefits. We also accept the risks of practice as well as the investment of money for the hardware of medicine. It doesn't stop with Medicare. Private insurers are more onerous on a day to day basis. Medicare has more teeth but I find greater hassles with the private insurers.
- Retired July 31, 2002.
- I see only SNF pt's.
- Medicare coerces MDs to treat patients therefore making MDs subsidizing federal medical care without due compensation.
- retired
- I don't know whether I will be in practice in the next year. All private reimbursement decreases each year, and hassle factor and cost of resubmission of claims eats up any profit. My wife has had to leave the office and start a business to try to help support us.
- The public just doesn't get it. They are playing into the government's hands. We cannot afford to pay for prescriptions for seniors.
- Alabama BCBS, 60-75% of non-Medicare/Medicaid patients in Alabama requires electronic billing.
- Thank you for assisting me in opting-out of Medicare.
- I resent tthe KK and HIPAA implications that I am probably a criminal (RICO) that needs heavy -handed government controls. Thank you AAPS.
- Retired, and thankful I do not have the worry alluded to in all the items of this inquiry.◀
- I opted out when I founded this practice in 1999.

- I love with all my heart my profession and each time I take care of a patient, but if I were a solo practitioner, I would opt-out of Medicare in a heartbeat. I plan on retiring as soon as I can and I am only 47 years old. Who will suffer? The patients and the senior citizens with their horrific 'entitlement' mentality.
 - I have gotten my boards in geriatrics and I look for the days I don't have to see geriatric patients. I now have my boards in sleep medicine which I hope to do full time.
 - Opting out of Medicare - best professional decision. I enjoy my work again. Medicare cannot exist without physicians.
- 1) Am non-covered entity under HIPAA. 2) An in no managed care plans. 3) Although never a participating physician in Medicare we often have to explain to pts why assignment is not accepted, why MC did not pay deductible. 4) Slowly building up younger pt base.
- Opted out of Medicare in 1998. I see Medicare eligible pts if they sign waiver then I charge the minimal amount. Sometimes I will be the only physician in town who will see the patient because other physicians have not opted out and have closed their practice to MC eligible patients. These pts are especially grateful.
 - I continue caring for Medicare patients because of humanitarian responsibility not because of economic gain.
 - I would like to retire younger but I doubt that I will be able to as reductions in 3rd party payments have cut my income to where in my most productive years I will be working more and making less.
 - Thank you for being there for us.
 - Thank you.
 - I continue to find it incredibly odd that both sides off the aisle are against allowing individuals to deduct their medical expenses and medical insurance premiums.
 - I began a small private practice in January 2003. I opted out from MCD due to fear and financial strain. See few pts. >65 but am relieved to be free of fear of audit. Thanks to everyone who gave me advice at the May 2002 meeting in Las Vegas.
 - Accept Medicare on selective assignment.
 - Thank you for all you do for us.
 - It took me 11 years to go back to school after college graduation and get through med. training. After approx. 6 years I was vvirtually retired because I will not bill any 3rd party payors.
 - I find it very ironic that Americans >65 y.o. are our wealthiest demographic group, yet the medical profession is forced to subsidize this group's care. Two many of this group overutilize care and do nott appreciate the care received.
 - The trial lawyers control the Democratic Party. The insurance companies control the Republican Party. God help us.
- 1) We need repeal of HIPAA. 2) We need Medicare to allow both private and non-private if it is going to continue - along with a less hostile attitude toward MDs. 3) Our organization needs to be more militant vis-a-vis government regulation.
- Medicare is not the only insurance company making it difficult to practice. BCBS is also and all the companies that are PPOM participants all play a big part.

- I will be at retirement age soon. I would prefer not to be covered my Medicare.
- I actually love seeing elderly or MC pts. but reimbursement is too low. Can't afford to continue paying more to run the health care business w/o taking more money in. Patients are living longer and therefore more complicated.
- The AOA and AMA must work together and become more politically involved. We need to be the 'captain of our ship.'
- We need a patient Bill of Responsibilities ... standard of care set by docs, ie. wt, exercise, diet, vitamins, ... Indemnity for charity care ... NIH research on inexpensive therapies.
- Organized anesthesia is thrilled with the crumbs Medicare serves up - Rate increase brings us back to where we were in 2001! Big victory. Rates cut in 1989 and with cost of livving increases we are behind where we were in 1989.
- Appreciate AAPS. You folks have room for all persuasions.
- As an AN in a group of 3 partners with exclusive contract at several surgical facilities and hospitals, we are not in the position to opt out. As long as surgeon accepts MC and wew allos hospitals to force us to care for people for free, AN wil have no choice.
- The government made a promise to the American people that it cannot keep.
- How sad it's come to this. Thank God my children were discouraged from entering medicine.
- Contant fear of being put in prison for some Medicare billing information. No longer accept Medicaid, Medicare. No enthusiasm to see Medicare pts.
- AAPS seems to be the only physician organization opposing government regulation seriously.
- I opted out of Medicare and went to totally cash practice 2.5 years ago. I probably will never return to participating.
- Do not have private practice. Am a consultant to others who provide the services, have the records, do the billing
- Thanks for helping me get out of Medicare.
- 3rd party payers are not compatible with good psych. practice. No confidentiality. Patient not the boss.
- We are all at this point considering dropping out of 3rd party contacts due to excessive bundling of codes and increasing contractual agreements.
- Surveys like this are why AAPS attracts members.
- I do Medicare only as a public service. Small % of practice so no problem. Practices w/ large MC volumes getting killed.
- Physicians need to stop accepting all 3rd party payments before it is too late.
- Have never taken part in the Medicare project as I have from the first seen it as an invitation to a conflict of interest, illogical, and overwhelming in its administration.
- I am now a target of OIG . Horrible, frightening experience. Need help - none to be had. New OIG nursing home sting initiative. Pam Erdman, Stone, Mt. GA.
- Outlook is poor. Would not recommend general surgery practice to medical students.

- CLIA and HIPAA don't change the way we practice good medicine, it just takes more paperwork thus more time.
- Actively making plans for early retirement because of increased government regulations and threats.
- Retired.
- It's getting overwhelming - unfunded mandates - intolerable malpractice environment.
- Managed care is far worse than Medicare in every way.
- Left full time practice because of fear of lawsuits, prosecution, etc. Graduated law school May 2003.
- I love AAPS. Actively restructuring practice to stop seeing Medicare patients.
- I am an aviation examiner with the FAA. FAA doesn't set fees.
- No way will I be able to retire early since reimbursements are so low. I would not go to med school if I could do it over again.
- Doctors have been shoved into the trade status by the government and lawyers.
- I hope I can start all over again. I realize how hard it is to get out w/ a large portion of my practice Medicare and Medicaid.
- Even after I opted out. Medicare carrier tried to intimidate me by telling my clients to call fraud line when they submitted bills or forced by their private insurers. I fought back and demanded an apology or be sued. They sent me an unconditional letter of apology.
- I love doing surgery but I wish I could support my family doing something else. In the past 2 years I've downsized (smaller house and car) Looking to reduce office space.
- Medicare is the root problem, HMOs senior care products are the killer.
- I am retired due to alzheimers.
- 4 fold increase in professional liability premiums as compared to 01.
- Don't deal with patients of medicare age.
- When I opted out I felt a great sense of relief to no longer feel afraid, suffer the indignities of working withing the confines of medicare.
- Misuse of the ER continues to grow due to lack of access to medical care many have.
- Thank you AAPS for all you do.
- Medicare easier to work with than HMOs. May resttict patient access if fees decrease again next year.
- I don't know whether I will be in practice next year at all. My wife/office manager has had to get another job to support us.
- I am reluctant to acquire new equipment and technology because the government has made my future so uncertain.
- Thank goodness for the AAPS.
- I have been opted out since Aug 1998. My overall profit margin has increased. My patients are happy and so am I.
- There is only one kind of superior care and that is private medicine.

- I am non participating and only accept assignment in rare cases.
- Opting out of Medicare was best thing I ever did. Net income is 24% more and I work fewer hours.
- Thank you AAPS for all you do.
- I am retiring, in part because of malpractice insurance. I have needed to see Medicare patients to care for the large numbers of hearing loss cases and balance problems. I have enjoyed your publications.