

SUMMARY OF MEDPAC OBSERVATIONS AND RECOMMENDATIONS, HOSPITALS AND PHYSICIAN GROUPS (MARCH 2017 REPORT)

	ACCESS TO CARE	QUALITY OF CARE	ACCESS TO CAPITAL	MEDICARE PAYMENTS/ PROVIDER COSTS	PAYMENT UPDATE RECOMMENDATIONS
HOSPITAL INPATIENT/ OUTPATIENT SERVICES	Hospitals have excess inpatient capacity in most markets	Patient satisfaction, mortality and readmission rates improving	Access to bond markets remains strong	Medicare margin -10%; declined from prior years	Increase payment rate by amount specified in current law for 2018
PHYSICIANS/ OTHER HEALTH PROFESSIONALS	Comparable with prior years	Reporting requirements confusing, burdensome, inhibit comparability; measures not linked to patient outcomes; substantial use of low-value care	Not applicable	Projected Medicare economic index of 2.4%; Continued concern regarding potential imbalance between primary and specialist compensation	Increase payment rates by amount specified in current law for 2018
AMBULATORY SURGICAL CENTERS	Adequate	Concerns about ASC performance on some measures; problems with reporting methodology	Adequate	MedPAC cannot calculate a Medicare margin (ASCs do not submit cost data)	0% update; require ASCs to submit cost data
OUTPATIENT DIALYSIS	Adequate	Declining trend in mortality, hospitalization and 30-day readmission rates	Adequate	Projected 2017 Medicare margin of (-1.0%)	Increase payment rate by amount specified in current law for 2018

