Urologists Variability in Medicare Utilization and Payment Among Urologists

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Background

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Methods (cont’d)

REGRESSION MODEL

• Linear regression used to correlate the total number of patient visits with total Medicare payments to each physician

• Resulting model used to generate a predicted Medicare payment for each urologist based on the number of patient visits

• Urologists’ actual payments compared to predicted payments and ranked by amount of “excess” payment above predicted

• Urologists in highest and lowest quartile of actual payments compared to excess payments identified and compared

COMPARISON OF HIGHEST AND LOWEST QUARTILES

• Identified 40 common services with the highest total payments by the highest quartile of urologists relative to the lowest quartile of urologists was calculated as a relative risk using negative binomial regression models

POTENTIAL COST SAVINGS

• “Overutilization” defined as more than 1.5 x median number of patient visits per patient visit

• For each service (e.g., cystourethroscopy)

• Potential savings = (A - (B x 1.5)) X D

Where A is the total number of cystourethroscopies performed by urologist B is median number of cystourethroscopies performed per patient visit for all urologists (0.114) C is total number of patient visits for the urologist D is Medicare payment amount for cystourethroscopy for the urologist

• Potential cost savings for this procedure were the aggregate of cost savings for all urologists who utilized this procedure at a rate > 1.5 median

• Overall potential Medicare cost savings were calculated by adding the potential cost savings from the standardized utilization of all forty services

Overall payment to urologists correlated well with the number of patient visits. There is no variability in utilization of commonly performed services per patient visit. This type of analysis has the potential to lead to significant cost savings via appropriate standardization of utilization. However, the current PUF data is inadequate to drive decision-making. We advocate for the release of corresponding beneficiary clinical information in future versions of the PUF.