



## **Increased Medicare co-pays may lead to fewer doctor visits, more and longer hospital stays**

The [AP](#) (1/28, Chang) reports, "Higher Medicare co-pays, sometimes just a few dollars more, led to fewer doctor visits and to more and longer hospital stays," according to a study appearing in the New England Journal of Medicine. The finding "confirms what many policymakers had feared: cost-shifting moves can backfire."

The [Wall Street Journal](#) (1/27, Mathews, subscription required) "Health Blog" reported that Medicare enrollees residing in low-income areas and patients with high blood pressure, diabetes, or a history of heart attack were particularly impacted by higher co-pays.

The increased co-pays generated "an extra \$7,150 in revenue for every 100 patients," but the study showed that "it would cost the plans an additional \$24,000 in hospital costs in one year," the [Boston Globe](#) (1/27, Cooney) "White Coat Notes" blog reported.

The [St. Petersburg Times](#) (1/28, Martin) reports that the study concluded that "increasing the patient's share of the cost...may not reduce (or may even increase) total healthcare spending and may result in worse health outcomes." Experts noted that seniors "are more likely to have fixed incomes and to rely on market-vulnerable investment income." The economic downturn "has only made things worse...said" Cheryl Matheis, a senior vice president for health strategy with the AARP. Experts also said that seniors "tend to suffer from chronic conditions that require constant medical care." [Reuters](#) (1/28) also covers the story.

***Inadequate Medicare reimbursements said to be threatening access to cancer care.*** In an op-ed in the [Atlanta Journal-Constitution](#) (1/28), Robert C. Hermann, an oncologist and secretary of the Community Oncology Alliance, argues that by not permanently fixing Medicare's Sustainable Growth Rate, "Congress is merely kicking the can down the road," making it "increasingly difficult for physicians to provide patients...access to concerned, thoughtful physicians." He uses cancer care

as an example, noting that "Medicare significantly underpays for physician services needed to safely administer complex cancer treatments." And with "the CMS physician payment schedule for 2010...reducing payment for chemotherapy administration services an additional 5 percent annually," Hermann argues that access to "the best cancer care delivery system in the world" is threatened.

If you have questions or need additional information on this topic, visit our website at [EBHRI.com](http://EBHRI.com); call EBHRI at 877-587-6361 (toll free) or 301-244-0151 (main office) or email us at [rdowski@ebhri.com](mailto:rdowski@ebhri.com) or [kostrominski@ebhri.com](mailto:kostrominski@ebhri.com)