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# Two-Thirds Of Primary Care Physicians Accepted New Medicaid Patients In 2011–12: A Baseline To Measure Future Acceptance Rates

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**ABSTRACT** As part of the Affordable Care Act, primary care physicians providing services to patients insured through Medicaid in some states will receive higher payments in 2013 and 2014 than in the past. Payments for some services will increase to match Medicare rates. This change may lead to wider acceptance of new Medicaid patients among primary care providers. Using data from the 2011–12 National Ambulatory Medical Care Survey Electronic Medical Records Supplement, I summarize baseline rates of acceptance of new Medicaid patients among office-based physicians by specialty and practice type. I also report state-level acceptance rates for both primary care and other physicians. About 33 percent of primary care physicians (those in general and family medicine, internal medicine, or pediatrics) did not accept new Medicaid patients in 2011–12, ranging from a low of 8.9 percent in Minnesota to a high of 54.0 percent in New Jersey. Primary care physicians in New Jersey, California, Alabama, and Missouri were less likely than the national average to accept new Medicaid patients in 2011–12. The data presented here provide a baseline for comparison of new Medicaid acceptance rates in 2013–14.

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The Supreme Court's 2012 ruling on the Affordable Care Act gave states the option to expand Medicaid coverage to adults with income no more than 133 percent of the federal poverty level. States participating in the law's Medicaid expansion will receive 100 percent federal financing for new enrollees from 2014 through 2016—an option expected to add millions of people to the program. A mandatory income disregard equal to 5 percent of poverty makes the effective income limit 138 percent of poverty.

In addition to some people experiencing short-term uninsurance because of the recent economic downturn, a substantial number of new Medicaid enrollees are likely to be long-term uninsured adults who have had little contact

with the health care system beyond episodic care for urgent or emergent conditions.<sup>1</sup> Some experts are concerned that the existing health care workforce might not be sufficient to provide care to these newly insured people.<sup>2</sup> However, other provisions of the Affordable Care Act seek to strengthen the primary care workforce. Additionally, Medicaid payment rates for some primary care services provided by primary care physicians are increasing to 100 percent of Medicare rates in 2013 and 2014. The payment change will greatly affect Medicaid payment rates in states where rates are well below Medicare rates.<sup>3</sup> Although many factors potentially unrelated to Medicaid policy levers affect the number of Medicaid patients seen by physicians who accept at least some Medicaid patients, the level of Medicaid physician payment has been shown

to affect a physician's willingness to accept any Medicaid patients.<sup>4–7</sup> This suggests that acceptance of new Medicaid patients may increase in 2013–14 in states that previously had low Medicaid physician fees.

This article summarizes acceptance of new Medicaid patients in 2011–12 by primary care and other physicians across states before the increase in payment rates began to take effect in 2013, updating previous work that reported rates for all specialties together.<sup>7</sup> Access to office-based physicians is important in helping Medicaid patients avoid relying on ambulatory care provided by hospitals, including emergency departments.<sup>8</sup> I present baseline data, by state, that can be used to compare subsequent acceptance rates after Medicaid physician payment rates for primary care physicians increase in 2013–14.

### Study Data And Methods

**DATA SOURCE** I used data from the National Ambulatory Medical Care Survey (NAMCS) Electronic Records Supplement in 2011 and the NAMCS National Electronic Health Records Survey in 2012. NAMCS is an annual, nationally representative survey of office-based physicians (MDs and DOs), excluding radiologists, anesthesiologists, and pathologists. It is conducted by the National Center for Health Statistics of the Centers of Disease Control and Prevention. Unweighted response rates were 64 percent and 67 percent in 2011 and 2012, respectively. Eight percent (unweighted) of respondents were excluded from my sample because information about their acceptance of new Medicaid patients was missing from the data. After the exclusion, the study sample consisted of 8,158 physicians.

**METHODS** I compared the acceptance of new Medicaid patients by two types of practices (community health centers compared to others), defined according to the site where the sampled physician saw the most ambulatory care patients. I also compared acceptance of new Medicaid patients by two broad specialty groups: primary care (general and family medicine, internal medicine, and pediatrics) and other specialties. In addition, I compared rates of acceptance of new Medicaid patients among some more detailed specialty groupings available through the survey. I combined two years of data, to have adequate sample sizes to also report state-level estimates for the two broad specialties of primary care and other specialties. Unweighted state sample sizes ranged from 39 to 103 physicians in primary care and 76 to 114 physicians for other specialties. Estimates with a relative standard error (standard error divided by the estimate) greater than 30 percent were noted, and

estimates were not reported if the relative standard error was greater than 50 percent.

The acceptance rate of new Medicaid patients in each state was compared to the national average for both primary care and other physicians. All analyses used sample weights that yielded nationally representative estimates.<sup>9</sup> Standard errors accounted for the design of the survey using the statistical analysis software Stata, version 12. Two-tailed *t*-tests were used. Statistical significance was assessed at the 5 percent level.

**LIMITATIONS** This study had several limitations. Physicians' acceptance of new patients is a common measure of access to care. For example, the Medicaid and CHIP Payment and Access Commission reported the percentage of physicians accepting new Medicaid patients in its first report to Congress in 2011.<sup>10</sup> However, other measures of access are important, such as how many beneficiaries do not obtain care because they cannot find a participating provider or have to wait a long time for an appointment. If these data were available, they might show different patterns than the data presented here. For example, if Medicaid enrollees are more geographically concentrated than other patients, less universal acceptance of Medicaid compared to other payers might not directly translate into access problems for Medicaid patients. Also, if Medicaid enrollees are more geographically concentrated in some states than in others, differences in acceptance rates of new Medicaid patients across states might not necessarily translate into differences in access.

Finally, I considered acceptance of Medicaid patients among physicians only and was not able to examine acceptance of patients by other clinicians such as physician assistants, nurse practitioners, or nurse-midwives.

### Study Results

About 29.9 percent of office-based physicians did not accept new Medicaid patients in 2011–12 (Exhibit 1). Physicians in community health centers were more likely than others to accept new Medicaid patients, although they constituted less than 4 percent of physicians. Physicians in primary care were less likely than others to accept new Medicaid patients. Compared to physicians in primary care overall, physicians in internal medicine were less likely to accept new Medicaid patients, and pediatricians more likely. Among non-primary care specialties, psychiatrists and dermatologists were less likely to accept new Medicaid patients, and specialists in cardiovascular diseases and ophthalmology were much more likely to do so.

**EXHIBIT 1****Acceptance Of New Medicaid Patients Among US Office-Based Physicians, By Practice Type And Specialty Category, 2011-12**

<b>Physician practice type and specialty category</b>	<b>Percent of physicians</b>		<b>Percent of physicians not accepting new Medicaid patients</b>	
		<b>95% CI</b>		<b>95% CI</b>
All	100.0	—	29.9	(28.2-31.6)
<b>PRACTICE TYPE</b>				
Community health centers <sup>a</sup>	3.6	(3.1-4.3)	5.8	(2.5-9.1)
Other practice types <sup>a</sup>	96.4	(95.7-96.9)	30.9 <sup>b</sup>	(29.2-32.6)
<b>SPECIALTY CATEGORY</b>				
Primary care	41.7	(39.8-43.5)	33.2	(30.7-35.7)
General/family medicine	18.5	(17.2-20.0)	33.6	(28.5-38.6)
Internal medicine	12.1	(10.9-13.4)	43.6 <sup>c</sup>	(36.6-50.6)
Pediatrics	11.0	(9.9-12.2)	20.5 <sup>c</sup>	(14.4-26.7)
Other specialties	58.4	(56.5-60.2)	27.5 <sup>c</sup>	(25.3-29.7)
General surgery	3.9	(3.2-4.7)	21.7	(9.6-33.8)
Obstetrics/gynecology	7.5	(6.5-8.5)	22.2	(15.1-29.4)
Orthopedic surgery	4.9	(4.0-5.9)	40.0	(29.1-59.9)
Cardiovascular diseases	4.0	(3.3-5.0)	9.2 <sup>d</sup>	(1.6-16.8)
Dermatology	2.3	(1.8-2.9)	44.5 <sup>d</sup>	(29.1-59.9)
Urology	2.0	(1.5-2.6)	15.1	(3.2-27.0)
Psychiatry	5.7	(4.7-6.8)	56.2 <sup>d</sup>	(45.5-66.9)
Neurology	2.4	(1.8-3.2)	21.5	(6.5-36.5)
Ophthalmology	4.4	(3.6-5.3)	18.1 <sup>d</sup>	(7.8-28.5)
Otolaryngology	2.0	(1.5-2.7)	25.6	(0.9-41.3)
Other	19.5	(18.0-21.1)	23.6	(18.7-28.6)

**SOURCES** National Ambulatory Medical Care Survey (NAMCS) Electronic Medical Records Supplement, 2011; National Electronic Health Records Survey, 2012. **NOTE** CI is confidence interval. <sup>a</sup>For physicians practicing in more than one location or practice, practice type refers to the location where the sampled physician sees the largest number of ambulatory care patients. <sup>b</sup>Estimate is significantly different from that for physicians in community health centers ( $p < 0.05$ ). <sup>c</sup>Estimate is significantly different from that for primary care ( $p < 0.05$ ). <sup>d</sup>Estimate is significantly different from that for "other specialties" ( $p < 0.05$ ).

The percentage of primary care physicians not accepting new Medicaid patients was significantly higher than the national average in four

states: New Jersey, California, Alabama, and Missouri (Exhibit 2 and online Appendix Exhibit).<sup>11</sup> The percentage of non-primary care

**EXHIBIT 2****Acceptance Of New Medicaid Patients Among US Office-Based Physicians, By State, 2011-12**

<b>Acceptance of new Medicaid patients compared to the national average</b>	<b>States</b>
<b>PRIMARY CARE PHYSICIANS</b>	
Less acceptance (44.4%-54.0% not accepting new Medicaid patients)	NJ, CA, AL, MO
More acceptance (9.9%-23.7% not accepting new Medicaid patients)	AK, UT, MA, NC, AR, NE, NM, MS, ID, WI, SD, IA, ND, MT, MN
Acceptance rate not significantly different from national average (21.8%-44.0% not accepting new Medicaid patients)	IN, CO, GA, ME, IL, VA, OK, RI, KS, DC, CT, HI, LA, FL, TX, AZ, PA, OR, OH, TN, WA, KY, MD, VT, WV, NV, NY, NH, MI, SC, DE
<b>OTHER SPECIALTIES</b>	
Less acceptance (43.7%-56.5% not accepting new Medicaid patients)	NJ, NY, CA, FL
More acceptance (3.9%-17.7% not accepting new Medicaid patients)	OH, AZ, NM, ID, MI, MS, NC, NH, KY, SC, VT, WA, MT, ME, UT, IN, AK, IA, WV, AR, NE, MN, WI
Acceptance rate not significantly different from national average (18.7%-37.1% not accepting new Medicaid patients)	MD, IL, CT, TN, AL, LA, MO, DC, HI, CO, NV, RI, GA, TX, OK, PA, KS, VA, OR, MA

**SOURCES** National Ambulatory Medical Care Survey (NAMCS) Electronic Medical Records Supplement, 2011; National Electronic Health Records Survey, 2012. **NOTES** Differences between state acceptance rates and the national average were assessed at the 5% significance level. The samples for each state and the national average are not independent, making the  $p$  values for comparing each state to the national average conservative. The nonacceptance rate for new Medicaid patients is significantly higher ( $p < 0.05$ ) for primary care physicians compared to physicians in other specialties for each state. Within each of the six categories of states in this exhibit, states are listed in increasing order of acceptance of new Medicaid patients. Wyoming is omitted for primary care physicians, and Delaware, North Dakota, South Dakota, and Wyoming are omitted for physicians with other specialties since estimates of the percentage of physicians not accepting new Medicaid patients for these groups and states had a relative standard error greater than 50 percent.

physicians not accepting new Medicaid patients was significantly higher than the national average in four states: New Jersey, New York, California, and Florida. The percentage of primary care and other physicians not accepting new Medicaid patients was significantly lower than the national average in fifteen and twenty-three states, respectively.

### Discussion And Conclusion

Nearly one-third of office-based physicians did not accept new Medicaid patients in 2011–12—a figure that was higher for primary care physicians than for others. Primary care physicians in New Jersey, California, Alabama, and Missouri were the least likely to accept new Medicaid patients in 2011–12. Among non-primary care physicians, physicians in New Jersey, New York, California, and Florida were significantly less likely than the national average to accept new Medicaid patients. Physicians in community health centers were more likely to accept new Medicaid patients compared to physicians in other practices. However, other work suggests that community health centers account for no more than 10 percent of ambulatory care visits among Medicaid patients.<sup>12</sup>

Although physicians' acceptance of new Medicaid patients is a commonly used indicator of access to care,<sup>10</sup> it is important to note that other measures of access are important, such as

how much different acceptance rates translate into inability to obtain needed care. Data here provide baseline information from which to measure whether acceptance rates increase particularly in states that now have low acceptance rates for Medicaid patients and low payment rates compared to other payers.

Prior evidence suggests that physicians' acceptance of Medicaid patients may increase as Medicaid payment rates increase.<sup>4–7</sup> However, implementation of planned Medicaid payment increases for primary care physicians has been delayed for several reasons, including delays in certifying which physicians are eligible for the increases.<sup>13</sup> Also, physicians' willingness to accept Medicaid patients may depend on several factors other than payment levels, such as delays in payment, the degree of administrative burden involved in getting paid, whether physicians are located in areas near where Medicaid beneficiaries live or work, and the possibility that Medicaid patients may be more likely than other patients to miss appointments.<sup>14–17</sup> Finally, the fact that the planned payment increases are temporary could mitigate their impact.

For all of these reasons, the effect of the planned increase in Medicaid physician payment rates for primary care physicians is uncertain. The data presented here provide baseline data to which data after implementation of the payment increase can be compared. ■

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**NOTES**

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