Key Details about the Medicare Claims Data Release

Background
On April 8, 2014, the Centers for Medicare & Medicaid Services (CMS) released an unprecedented amount of detailed Medicare physician claims data, including information on services and procedures provided to Medicare Part B beneficiaries by physicians and other healthcare professionals. This "Medicare Provider Utilization and Payment Data: Physician and Other Supplier Public Use File" contains specific information on utilization, payment and submitted charges and is organized by National Provider Identifier (NPI). The data is based on 2012 Medicare claims and does not include data for services that were performed on 10 or fewer beneficiaries. CMS officials report that they plan to release more of this type of information in the future, perhaps annually. Learn more about MGMA's response to the data release from our press release.

Data Specifics
The data can be accessed on this CMS webpage as excel files or on this CMS Data page, which allows users to sort and export the data in different formats. The primary data source is CMS's 2012 National Claims History (NCH) Standard Analytic Files, which include 2012 Medicare claims as of June 30, 2013. All claims adjustments have been resolved for the claims included in this data, which represent $77 billion in payments.

In addition to the CMS website, outside organizations have created searchable databases based on this data. For example, the New York Times has a webpage called "How Much Medicare Pays for Your Doctor’s Care,” which allows users to search by physician name, specialty and/or zip code.

The data files include the following information:

- NPI for the performing physician listed on the claim
- Name
- Credentials
- Gender
- Address
- Individual or organization
- Provider country
- Specialty code
- Medicare participation status
- Place of service
- HCPCS code and description
- Number of services provided and number of distinct beneficiaries receiving the service

There is also information on the average Medicare allowed amount, average submitted charge amount and average Medicare payment amount, as well as the standard deviations for these three items. Most of the information comes from Medicare claims and the National Plan and Provider Enumeration System (NPPES). To read more about the specific data elements and the methodology, please refer to the CMS methodological overview.
Data limitations and things to keep in mind

There are a number of limitations with this data and concerns that it may be taken out of context. For instance:

- Data is not representative of a physician’s entire patient population. It only reflects Medicare Part B beneficiaries and does not take into account patients covered by Medicare Advantage, commercial payers, Medicaid, Tricare or others. In certain states, Medicare Advantage comprises over 40% of the Medicare patient population, which makes this data less meaningful for some physicians and difficult to compare across physicians and geographic areas.

- The information does not reflect quality. Claims data should not be a proxy for quality, especially when provided in isolation.

- With no review period prior to its release and no existing mechanism to correct the data, there may be inaccuracies.

- It is difficult to compare physicians, even those within the same specialty. Specialty descriptions are general and don’t identify subspecialists who may appear to be outliers.

- The data includes some items but not others. For instance, payment for physician-administered drugs is included but payment for durable medical equipment is not.

- Medicare allowed amounts and payments for a particular HCPCS/place of service combination can vary based on factors such as modifiers, geographic location, or multiple procedures on the same day. These factors are not explained in the released data files.

- Payments for the physician professional fee in a facility setting appear to be less expensive because there is no inclusion nor mention of the separate Medicare facility fee.

- Claims data does not reflect the true complexity of Medicare payments. For example, when certain practitioners such as physician assistants or nurse practitioners meet the criteria to bill “incident to,” those payments would be listed under the supervising physician’s NPI. Teaching physicians who supervise residents would have residents’ claims attributed to the teaching physician. These examples could result in the appearance of excessive Medicare billing for the teaching or supervising physicians.

- Revenue does not equal profit. There is no acknowledgement that a considerable portion of physician payment is used to cover things such as medical practice overhead, employee salaries, equipment and supplies.

Much of the press surrounding the claims data release has focused on the risk it poses for physicians under the False Claims Act (FCA). According to MGMA’s Washington counsel (Powers, Pyles, Sutter, & Verville), physicians should not become too rattled by this hyperbole. Bringing a qui tam or “whistleblower” suit under the FCA is far more difficult than just selecting apparently abusive practice patterns from the data base. In particular, the FCA contains something known as the “public disclosure bar,” which generally prohibits suits based on transactions publicly disclosed in a federal agency report or by the news media. A whistleblower would need to demonstrate that he or she is an “original source” and show knowledge independent of the data that materially adds to the publicly disclosed allegations. Thus, the plaintiff would need to be an insider with specific information about the details of an apparently improper billing pattern identified through the data.
CMS’s rationale for the data release

CMS cites the Administration’s ongoing efforts to make our healthcare system more transparent, affordable and accountable as the main reasons for the data release. The data was also provided in response to a recent court decision vacating a long-standing injunction that prevented CMS from disclosing physician Medicare claims information. Following this decision, CMS introduced a policy to evaluate on a case-by-case basis any Freedom of Information Act (FOIA) requests for information on amounts paid to individual physicians in the Medicare program. CMS was then inundated with FOIA requests to view this data, and the agency determined that this information should be made accessible to the public.

In a related effort, in 2013, CMS released detailed payment information for hospitals for fiscal year 2011. This included hospital-specific charges for the more than 3,000 U.S. hospitals that receive Medicare Inpatient Prospective Payment System (IPPS) payments for the top 100 most frequently billed discharges paid under Medicare based on a rate per discharge using the Medicare Severity Diagnosis Related Group (MS-DRG).

Steps practices should take

1. Review the data for physicians in your practice. Contrast this to internal data you may have available.

2. Try to understand if, and why, any of your physicians may appear to be outliers or have payment information listed that is different from what you would expect.

3. If information that was pulled from NPPES (name, specialty, credentials, gender, address, etc.) is wrong, take steps to correct this information in NPPES.

4. Be prepared to explain the data and answer questions from patients and/or reporters about what the data means.

5. Discuss what your peers are doing to evaluate this data on the MGMA Financial Management Society member community.

6. While CMS has given no indication of a process to correct any inaccuracies with the data, they request inquiries regarding this data be sent to MedicareProviderData@cms.hhs.gov. Keep in mind that even if CMS were to modify the data on their website, these data files have already been uploaded by other organizations that may use the data in a variety of manners.

MGMA members are encouraged to contact the Government Affairs department with any questions. Please call 202-293-3450 or email govaff@mgma.org.