

## Impacts of Medicare physician payment cuts in Wisconsin

- Wisconsin physicians will lose \$190 million for the care of elderly and disabled patients over the 18 months from July 2008 through December 2009 due to a 10.6 percent cut in Medicare payments in July 2008 and an additional 5 percent cut in 2009. On average, each Wisconsin physician faces a Medicare cut of \$13,000 over this 18-month period. In addition, the state's physicians will lose \$3.7 billion for the care of elderly and disabled patients by 2016 due to nearly a decade of cuts for this important medical care.
- 59,886 employees, 791,802 Medicare patients and 66,626 TRICARE patients in Wisconsin will be affected by these cuts.
- Compared to the rest of the country, Wisconsin, at 14 percent, has an above-average proportion of Medicare patients and, at 17 practicing physicians per 1,000 beneficiaries, has a below-average ratio of physicians to Medicare beneficiaries, even before the cuts take effect.
- 39 percent of Wisconsin's practicing physicians are over 50, an age at which surveys have shown many physicians consider reducing their patient care activities.
- In July 2008, Wisconsin physicians face cuts of an additional 0.7 percent on top of the 10.6 percent cuts across the country. The 2003 Medicare law provided a temporary increase in geographic payment adjustments for certain states. This increase also will expire on June 30, 2008 under current law.

