



Shortchanged

**How Medicare's Physician Fee Schedule
Undervalues Primary Care & Shortchanges
Patients & Female Physicians**

September 28, 2023 | 1:00 – 2:00pm EST



OPENING SPEAKER



REPORT PRESENTER

Ishani Ganguli, MD, MPH

Health Services Researcher &
Primary Care Physician

Harvard Medical School
Brigham & Women's Hospital



PANELISTS



Ishani Ganguli

MD, MPH

Health Services Researcher
Primary Care Physician

Harvard Medical School
Brigham & Women's Hospital

3 primary care
collaborative



Vineet Arora

MD, MAPP

Professor of Medicine
Dean for Medical Education

University of Chicago Medicine



Hoangmai H. Pham

MD, MPH

President & CEO

Institute for
Exceptional Care



Tobey Oliver

MPP, JD

Senior Policy Advisor

AARP Public Policy Institute



Shortchanged: How Medicare's Physician Fee Schedule Undervalues Primary Care & Shortchanges Patients & Female Physicians

Ishani Ganguli, MD MPH
Assistant Professor of Medicine
Harvard Medical School
Brigham and Women's Hospital
September 28, 2023

Female clinicians may produce better health outcomes

- Female clinicians are growing share of health care workforce
- Compared to male counterparts, female physicians do better on
 - Breast cancer screening
 - Avoidance of some low-value tests
 - Diabetes outcomes
 - Post-operative outcomes among surgical patients
 - Re-admissions and mortality among hospitalized patients

Yet there is a persistent gender wage gap in medicine

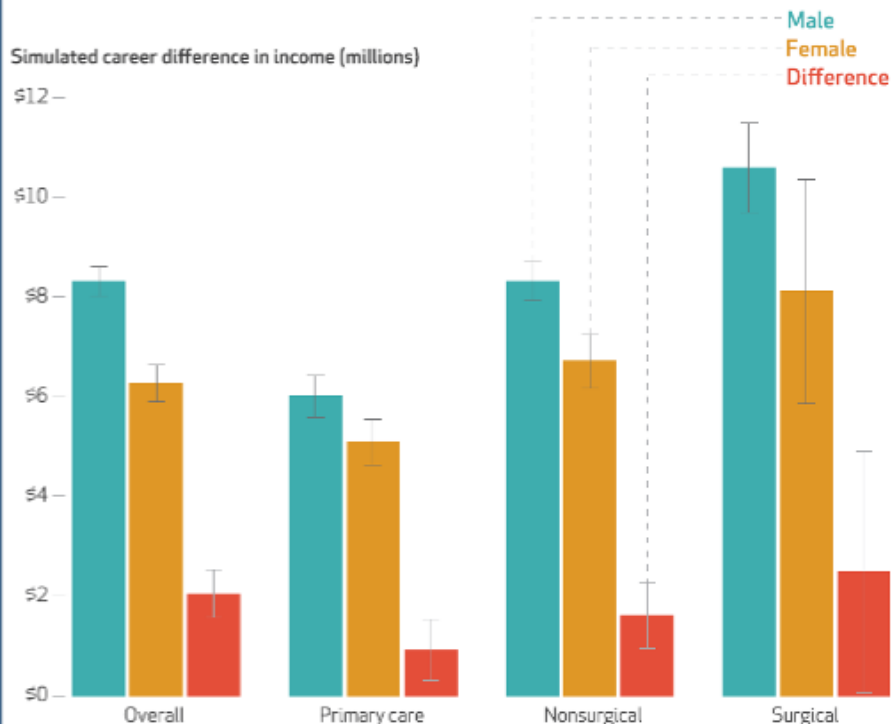
HEALTH PROFESSIONALS

By Christopher M. Whaley, Tina Koo, Vineet M. Arora, Ishani Ganguli, Nate Gross, and Anupam B. Jena

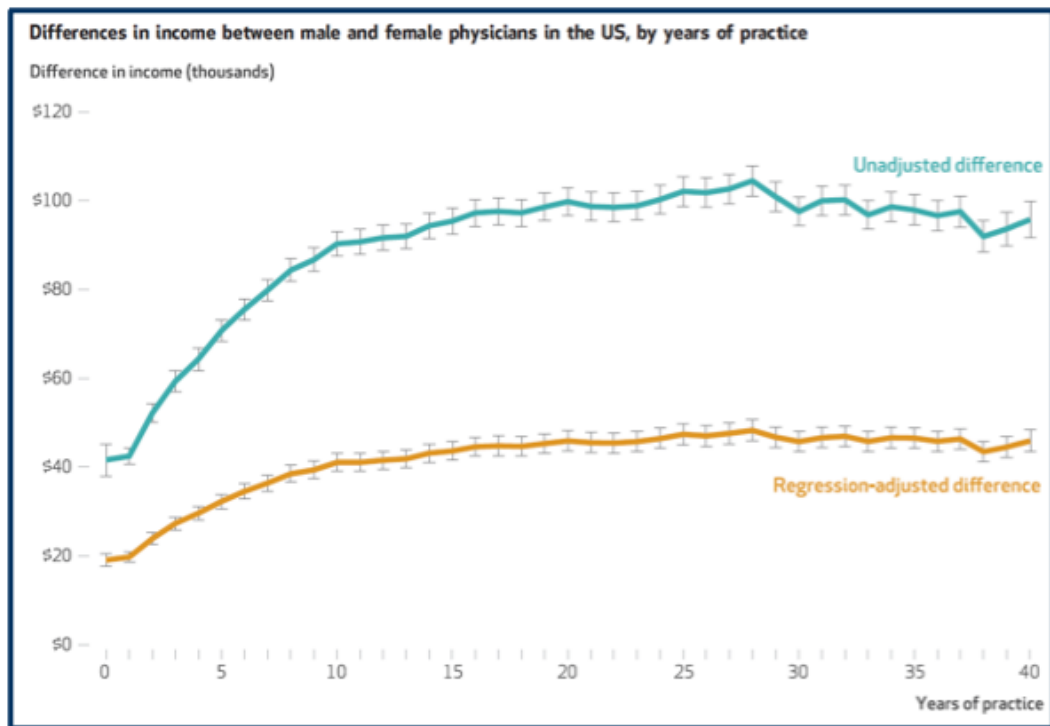
Female Physicians Earn An Estimated \$2 Million Less Than Male Physicians Over A Simulated 40-Year Career

- For PCPs, a \$1 million gap

Simulated career differences in income between male and female physicians in the US, by specialty



What explains the gap?



- Age, specialty, academic rank, NIH funding, leadership status
- What about hours worked?

Physician work hours and compensation by gender

- Used national sample all-payer claims and electronic health record (including audit log) data
- 24 million primary care office visits
- Examined relationship between work hours and compensation by gender

What we found

- Female PCPs younger
- Female PCPs see patients who are younger, more female, slightly healthier
- Same # clinic sessions/week

Physician Characteristics	Male PCPs (N=5,284)	Female PCPs (N=3,018)
Age, mean	53.2	46.5
Specialty, %		
Internal Medicine	56.7	47.0
Family Practice	42.5	52.4
Patient-Visit Characteristics (N=16.4 million)	(N=8.0 million)	
Age Category, %		
<44	21.1	28.4
45-64	33.9	35.0
65+	44.9	36.5
Female, %	49.7	70.0
White, non-Hispanic race, %	76.1	73.0
Payer, %		
Medicare FFS/Advantage	41.4	33.9
Medicaid/Dual Eligible	12.1	13.2
Commercial	43.0	49.6
Chronic conditions, mean	1.1	1.0
Visit for low acuity condition, %	4.7	5.4
Patient new to physician, %	21.8	23.2

Female PCPs have less revenue, more time w/ patients per year

Year level analysis				
	Male PCPs	Female PCPs	Difference	% Δ
Allowed charges, \$	358,795.1	319,652.0	-39,143.2	-10.9%
Visits, no.	3,058.2	2,727.7	-330.5	-10.8%
Days in clinic, no.	203.3	197.9	-5.3	-2.6%
Observed visit time, min.	46,709.2	47,910.6	1,201.3	2.6%

Female PCPs have equal revenue, more time w/ patients per visit

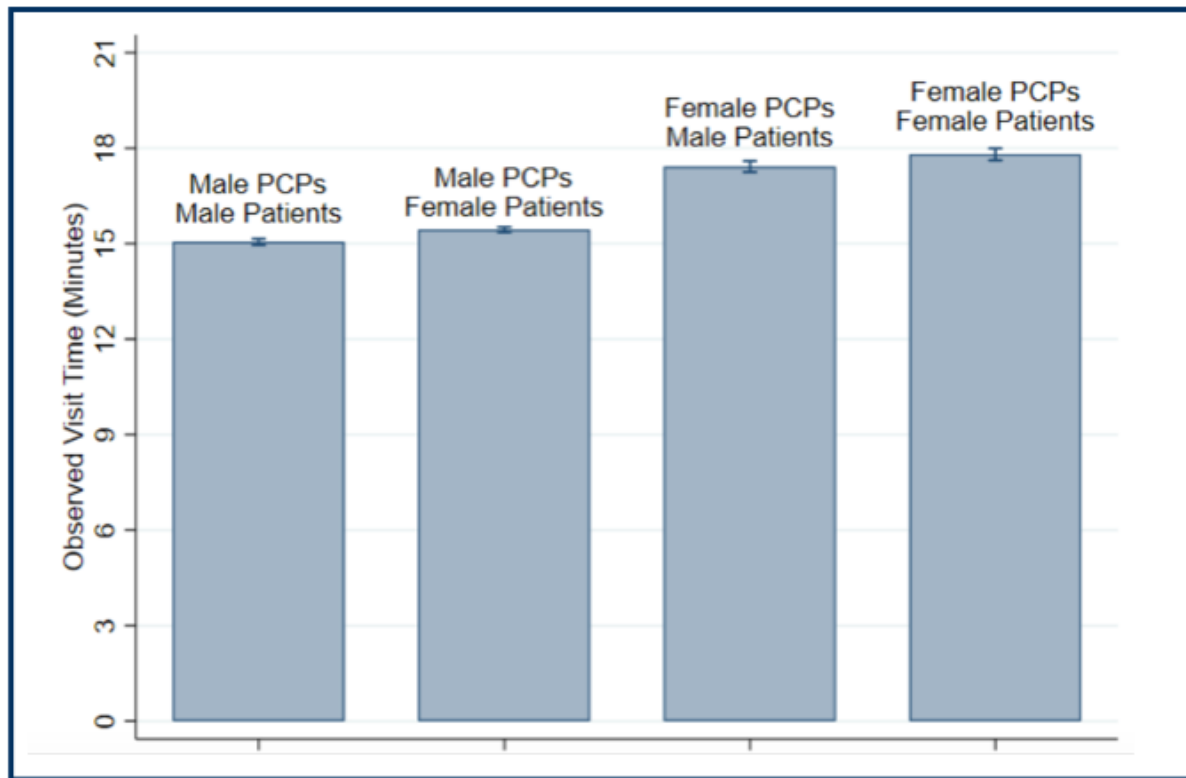
Visit level analysis				
	Male PCPs	Female PCPs	Difference	% Δ
Allowed charges, \$	117.4	116.9	-0.5	-0.4%*
Diagnoses documented, no.	3.4	3.7	0.2	5.9%
Orders placed, no.	2.6	3.1	0.5	19.2%
Observed visit time, min.	15.3	17.6	2.4	15.7%

- Per hour, female PCPs earned 87¢ for every \$1 earned by male PCPs

For patients with multimorbidity, female PCPs have equal revenue, more time w/ patients

Visit level analysis				
	Male PCPs	Female PCPs	Difference	% Δ
Allowed charges, \$	122.2	122.9	0.7	0.6%*
Diagnoses documented, no.	5.5	5.6	0.1	1.8%
Orders placed, no.	3.8	4.4	0.5	13.2%
Observed visit time, min.	16.7	19.3	2.7	16.2%

Female PCPs spend more time with male and female patients than male PCPs



Female physicians spend more time on counseling, shared decision-making

TABLE 3. Ordered Logistic Regression Analyses of Screening and Counseling for Female Patients[§]

	Gender Nonspecific Screening (N = 1,566)	Health-Habits Counseling (N = 1,594)	Sensitive-Topics Counseling (N = 1,594)	Female-Specific Screening (N = 992)	Female-Specific Counseling (N = 998)
Female physician	1.22	1.33*	1.63 [‡]	1.36*	1.40*

TABLE 4. Ordered Logistic Regression Analyses of Screening and Counseling for Male Patients[§]

	Gender Nonspecific Screening (N = 1,205)	Health-Habits Counseling (N = 1,222)	Sensitive-Topics Counseling (N = 1,203)	Male-Specific Screening (N = 513)	Male-Specific Counseling (N = 770)
Female physician	1.56	2.18*	2.36 [‡]	0.84	1.73

*P value for adjusted odds ratio <0.05.

[†]P value for adjusted odds ratio <0.01.

[‡]P value for adjusted odds ratio <0.001.

[§]Odds ratio.

Controlled for age, education, income, race/ethnicity, and health status.

Female physicians spend more time on EHR work...

Table 2. Adjusted Association of Female Sex With EHR Use Metrics^a

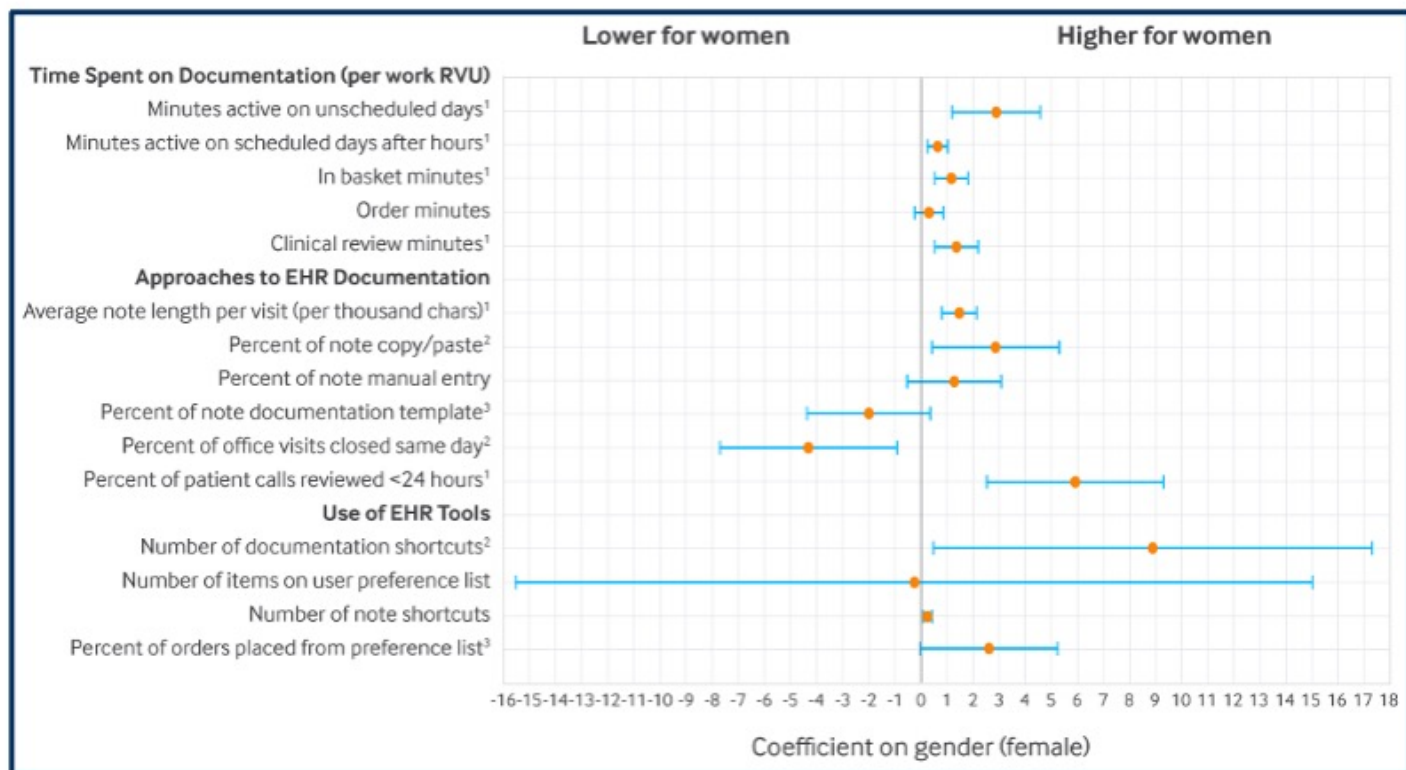
EHR use metrics	All physicians (N = 997)		Surgical specialty (n = 305)		Medical specialty (n = 692)	
	Female sex, % change (95% CI)	P value	Female sex, % change (95% CI)	P value	Female sex, % change (95% CI)	P value
Minutes in system per day on unscheduled days	47 (34-60)	<.001	36 (17-59)	<.001	39 (26-55)	<.001
Minutes in system per day outside of scheduled hours	48 (33-65)	<.001	39 (15-68)	<.001	43 (26-62)	<.001
Minutes in system per day outside of 7 AM to 7 PM	61 (43-81)	<.001	35 (16-94)	.002	47 (30-66)	<.001
Total minutes in system per day	33 (24-42)	<.001	41 (24-61)	<.001	21 (13-31)	<.001

Abbreviation: EHR, electronic health record.

^a Separate models were fit with each EHR use metric as an outcome, and a log-transformation was applied to each outcome during modeling. Each coefficient has been exponentiated and is represented as percentage change

of the outcome variable associated with female vs male sex. All models are adjusted for the following covariates: years since completion of training, mean number of problems on patient problem list, and percentage of days with appointments.

...but not from lack of efficiency



Instead, female physicians may have more messages to respond to

JGIM

Rittenberg et al.: Primary Care Physician Gender and Electronic Health Record Workload

Table 3. Differences in Staff and Patient Messages Received per Month by Physician Gender

Activity	Mean (SD) Monthly count Female MDs	Mean (SD) Monthly count Male MDs	Difference ¹		Percent difference	Regression adjusted difference ^{1, 2}	
			Value (95% CI)	p-value		Value (95% CI)	p-value
Staff messages	51.0 (33.2)	41.2 (26.5)	9.9 (0.4 to 19.3)	0.04	24%	9.6 (1.1 to 18.2)	0.03
Patient messages	259.9 (142.7)	206.5 (161.9)	53.4 (0.0 to 106.8)	0.05	26%	51.5 (16.3 to 86.6)	0.004

¹Robust standard errors clustered by MD

²Adjusted for appointments per month and panel size

In short...

- On average, female physicians spend more time on
 - face-to-face visits
 - nonbillable services (e.g., counseling)
 - non-face-to-face care
- These practice patterns desired by patients, linked to better outcomes
- Yet these patterns are systematically undervalued by Medicare's Fee Schedule and other productivity-based payment models

In short...

PCPs generally want to spend more time with their patients. Female PCPs seem to be taking that extra time, but at personal and professional cost.

What are the consequences of a payment system that undervalues time with patients?

- For clinicians:
 - Wage gap
 - Burnout

- For patients:
 - Less effective, compassionate care

What can we do?

- Streamline asynchronous work
 - Formally incorporate into clinician workflows
 - Tackle through patient education, shared inboxes, AI
- Change how we pay clinicians



Would the gender wage gap for PCPs change if different compensation models were applied?

2016–2019 national
clinical registry

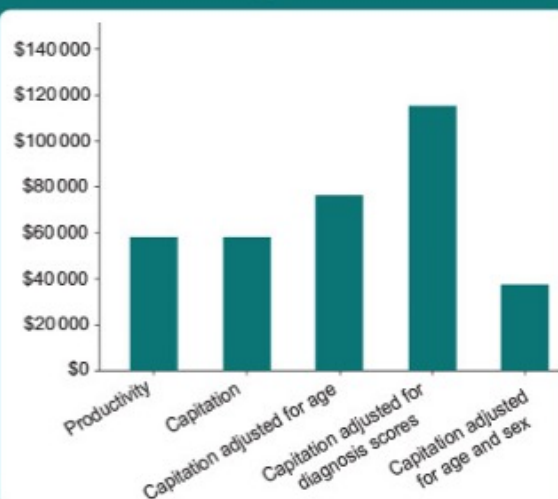
1728 primary care
physicians

Male and female PCPs
matched on specialty,
years since medical
school graduation,
practice site, and
sessions worked



Microsimulation model
of net, annual, full-time
compensation. Inputs
included overhead and
patient and visit
characteristics.

Male Minus Female Compensation Using
Different Compensation Models



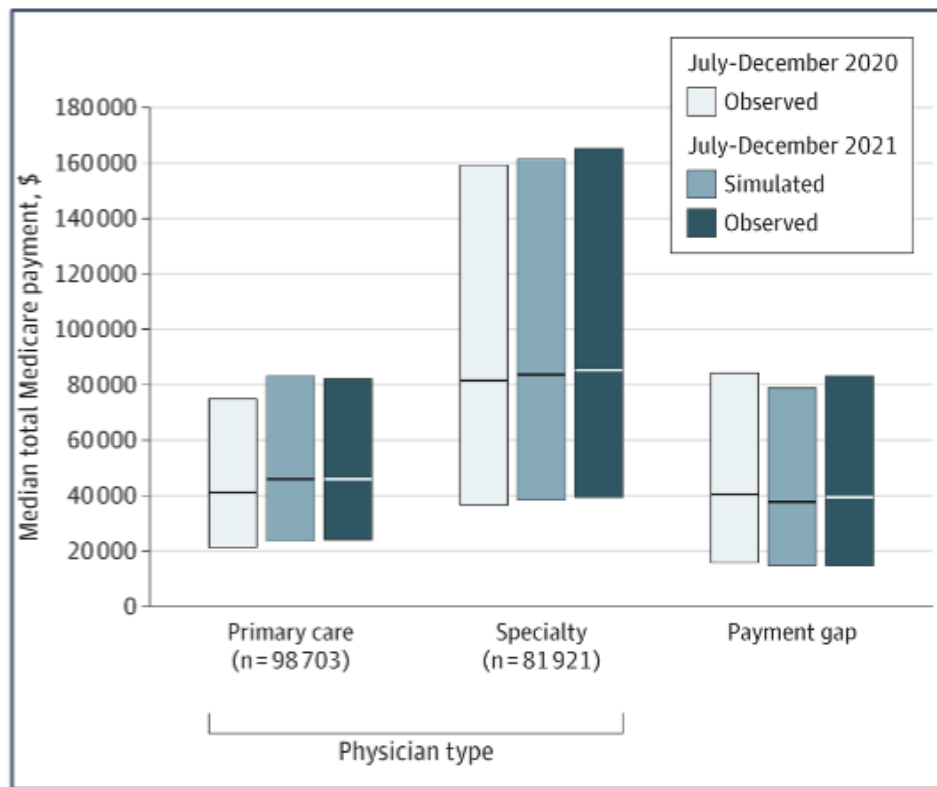
Takeaways

- The gender wage gap persists, in part, because current payment models systematically undervalue traditionally female practice patterns
 - Consequences for patient and physician outcomes
 - Solutions
 - Streamline asynchronous work
 - Trial new payment models (with caution)
-

Acknowledgments

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2021 Medicare E/M payment policy changes





Q & A



Thank you!

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