

Why GAO Did This Study

The Medicare Improvements for Patients and Providers Act of 2008 (MIPPA) directed the Department of Health and Human Services (HHS) to develop a program to give physicians confidential feedback on the resources used to provide care to Medicare beneficiaries. In response, HHS's Centers for Medicare & Medicaid Services (CMS) has established and implemented the Physician Feedback Program by distributing feedback reports to an increasing number of physicians that provided data on resources used and the quality of care. MIPPA mandated that GAO conduct a study of this program. To address this mandate, GAO identified (1) methodological challenges CMS faces in developing feedback reports and approaches CMS has tested to address them and (2) challenges CMS faces in distributing feedback reports and CMS's plans to address them. GAO interviewed CMS officials and representatives from the program contractor and reviewed relevant documentation.

What GAO Recommends

GAO is recommending that CMS use methodological approaches that increase physician eligibility for reports, statistically analyze the impact of its methodological decisions on report reliability, identify and address factors that may have prevented physicians from reading reports, and obtain input from a sample of physicians on the usefulness and credibility of reports. CMS concurred with these recommendations.

View [GAO-11-720](#) or key components. For more information, contact James C. Cosgrove at (202) 512-7114 or cosgrovej@gao.gov.

MEDICARE PHYSICIAN FEEDBACK PROGRAM

CMS Faces Challenges with Methodology and Distribution of Physician Reports

What GAO Found

CMS faces challenges incorporating resource use and quality measures for physician feedback reports that are meaningful, actionable, and reliable. CMS had difficulty measuring the resources used by physicians to treat specific episodes of an illness, such as a stroke or a hip fracture, and the quality measures it used in the program's most recent phase applied to a limited number of physicians. CMS must also make decisions to address several other methodological challenges with developing feedback reports: how to account for differences in beneficiary health status, how to attribute beneficiaries to physicians, how to determine the minimum number of beneficiaries a physician needs to treat to receive a report, and how to select physicians' peer groups for comparison. These decisions involve trade-offs; for example, a higher minimum case size requirement increases the reliability of the information in the reports, but it decreases the number of physicians eligible to receive one. While CMS has tested different approaches to measuring and comparing physician performance, methodological difficulties remain in developing feedback reports.

CMS also faced challenges distributing feedback reports to physicians that its plans for improvement may not entirely address. In the most recent phase of the program, about 82 percent of physicians in CMS's sample were not eligible to receive a report after CMS's methodological decisions were applied (see figure). CMS plans to make a number of methodological changes in the next phase, but significantly increasing eligibility will continue to be challenging. The electronic distribution of feedback reports also presented multiple challenges that resulted in few physicians accessing their electronic reports in the most recent phase. Factors that may have contributed to this low access rate include CMS's difficulty in obtaining accurate contact information, burdensome methods for electronic distribution, and lack of a strong incentive for physicians to review their reports. CMS conducted limited follow-up with physicians for whom feedback reports were produced. CMS plans to use a new distribution method in a four-state region in the next reporting phase.

Number of Physicians Excluded from Receiving Feedback Reports, 2010

