Agency for Healthcare Research and Quality

MEPS Medical Expenditure Panel Survey

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Average Expense per Visit for Adults for Practices Identified as Usual Source of Care Providers during 2016, by Practice Characteristics—Results from the MEPS Medical Organizations Survey

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Introduction

The U.S. office-based physician market has experienced substantial changes in recent years. A growing number of office-based physicians are practicing in large group practices, and vertical integration between hospitals and physician group practices through ownership and contractual relationships has accelerated[1]. Understanding organizational characteristics of office-based physicians and how they interact with quality and costs of care is imperative when discussing policies to promote high-quality and efficient health care delivery. Policymakers need to be knowledgeable of not only the average cost per physician visit for persons in different socio/demographic groups, but also how the characteristics of a practice can impact those costs in order to have a fully informed policy debate.

The Agency for Healthcare Research and Quality's (AHRQ) Medical Expenditure Panel Survey (MEPS) supplemental Medical Organizations Survey (MOS) is designed to provide nationally representative estimates of the characteristics of patients' USCs and to support analyses of the association between practice characteristics and patients' experiences with care, including access to care, service use, quality of care, and expenditures. This is the first federal survey that has the capability of directly linking practice characteristics with patients' experiences. The MEPS MOS was funded in part by support from the Robert Wood Johnson Foundation, and the data were collected for calendar years 2015 and 2016.

The MEPS MOS expands the current Medical Provider Component (MPC) to include information on characteristics of the practices of office-based providers identified by MEPS household respondents as their USC. Research domains covered in the MOS survey instrument include practice ownership and size, provider mix, financial incentives, patient mix, access, quality, coordination of care, and use of electronic health/medical record systems. To be eligible for the MOS, a medical provider had to be 1) identified as an office-based USC for a MEPS respondent, and 2) seen by the respondent during 2016.

In 2016, an estimated 76 percent of the U.S. civilian noninstitutionalized population 18 years of age or older, about 183.7 million people, had a USC, and of those persons, about 61.6 percent (113.2 million people) saw their USC at least once during the year. The MOS sample was further limited to practices that were office-based (representing about 95 percent of the people who saw their USC, or the USC practices associated with 107.3 million adults, data not shown).

Highlights

- For adults, the average expense per visit in 2016 was higher for usual source of care (USC) practices with two or more nurse practitioners/physician assistants working in the practice ($162) than practices with one ($128) or zero ($133) nurse practitioners/physician assistants.
- The average expense per visit for adults to their USC in 2016 was higher for those practices using an electronic health record/electronic medical record (EHR/EMR) system than those practices that did not ($153 versus $116).
- Usual source of care practices with a case manager on staff had a higher average expense per visit ($169) than a practice without a case manager coordinating care ($127) for adults with a visit to their USC in 2016.
- The average expense per visit was higher for practices with x-ray capabilities on site than practices without ($173 versus $136) for adults with a USC they visited in 2016.

Under these criteria, estimates presented in this Statistical Brief reflect the characteristics of people in the U.S. civilian noninstitutionalized population who had an office-based physician as a USC and who visited that USC in 2016 (hereafter referred to as “adults with a USC” or “USC adults”).

Note that physician payment levels are influenced by factors such as specialty, complexity of services provided, visit length, local market conditions, and payment generosity of insurance plans. Characteristics of physician practice arrangements may also be associated with visit payment amounts. This Statistical Brief does not make any adjustments for patient health status or age (or any other person characteristics), which may be correlated with payments to physician practices. This Statistical Brief presents descriptive statistics illustrating differences in average payments made for physician visits to usual sources of care by selected practice characteristics.

Findings

Clinical Staff—Size and Types

The average expense per visit for all USC adults who saw their USC physician during 2016 was $150 (data not shown). In 2016, for adults with a USC, the average expense per visit was lowest for solo practices (with only one physician) ($112) compared to small practices with between 2-3 physicians ($130), medium practices with between 4 and 10 physicians ($159), and large practices with 11 or more physicians ($183) working full or part time at the practice (figure 1).

For adults with a USC, practices that had two or more nurse practitioners/physician assistants working in the practice had a higher average per visit expense ($162) than those practices with one ($128) or not any ($133) nurse practitioners/physician assistants working in the practice (figure 2).

For adults with a USC in 2016, practices with a case manager on staff coordinating care had a higher average expense per visit ($169) than those practices without a case manager at the practice ($127) (figure 3).

[1]Burns, L. R., Goldsmith J.C., and Sen, A. "Horizontal and Vertical Integration of Physicians: a Tale of Two Tails." *Annual Review of Health Care Management: Revisiting the Evolution of Health Systems Organization*. Emerald Group Publishing Limited, 2014. 39-117.

Practice Attributes

When comparing average expense per visit for USC adults in 2016, there were no statistically significant differences when comparing by practice type—independent practice ($139), physician-owned network ($159), nonprofit or government clinic ($154), and other ($175) (figure 4).

In 2016, USC adults visiting a practice that used an EHR/EMR system had a higher average expense per visit than those practices without such a system ($153 versus $116) (figure 5).

For adults with a USC in 2016, the average cost per visit was higher for practices with x-ray capabilities on site ($173) than those practices without x-ray capabilities on site ($136) (figure 6).

The average per visit expense for adults with a USC in 2016 was higher for those practices with more than one location ($177) than those practices with only one location ($129) (figure 7).

Data Source

The estimates shown in this Statistical Brief are based on data from the MEPS HC-187 2016 Full Year MOS File and the MEPS HC-192 2016 Full Year Consolidated Data File.

Definitions

MEPS Medical Organizations Survey (MOS)

The MEPS MOS is an expansion of the MEPS MPC survey, and collects data on the organization of the practices of office-based physicians identified as a USC in the MEPS Household Component (MEPS-HC) that were seen by an HC-sampled person in 2016. This additional data collection is for a subset of office-based care providers already included in the MEPS MPC sample. In the MEPS MPC sample, primary locations for individuals' office-based USCs were identified. The MEPS MPC contacted the places where medical care was provided to determine the appropriate respondent, and then administered a MEPS MOS. The design of the survey is multi-modal, including phone, fax, mail, self-administration, electronic transmission, and secure email. The data collection method chosen for any individual provider was the method that resulted in the most complete and accurate data with minimal burden to the respondent.

Usual Source of Care (USC)

For each individual family member, MEPS ascertains whether there is a particular physician's office, clinic, health center, or other place that the respondent usually visits if he/she is sick or needs advice about his/her health. For the MEPS MOS, the USC can be reported as an individual, an individual in a group practice, or as a practice; however, the MOS survey respondent is asked to answer the questions at the practice level.

MEPS MOS Sample Frame

The 2016 MOS was fielded in 2017 but is linked to data collected for the 2016 MEPS. Data are for persons that had a visit to their USC provider in 2016, and the USC question was asked in Panel 20 Round 4 and Panel 21 Round 2 of the household survey. Only persons who saw their office-based USC provider were included in the MOS sample frame. The sum of the MOS weights across sample persons in this file is 146,948,373, which represents the estimated number of persons in the U.S. civilian noninstitutionalized population who had one or more visits to their office-based USC provider in 2016. This estimate assumes that the 1.9 percent of persons with missing data for the USC question did not visit an office-based USC provider during the year.

Adults

Adults were defined as persons age 18 and older. The age variable used to identify adults is based on the sample person's age as of the end of the year. If data were not collected during a round because the sample person was out of scope (e.g., deceased or institutionalized), then age at the time of the previous round was used.

Missing Values

Missing values include the responses to a question of refused (-7), don't know (-8), and not ascertained (-9), and were not included when calculating estimates. Missing values ranged from 0.5 percent to 6.9 percent for the variables included in this Statistical Brief.

Expenses/Expenditures

Payments from all sources for office-based physician visits are reported by respondents in the MEPS-HC. Sources include direct payments from individuals (out-of-pocket payments), private insurance, Medicare, Medicaid, Workers' Compensation, and miscellaneous other sources. Out-of-pocket payments are typically comprised of deductibles or copayments for insured individuals as well as payments made for uncovered services and by persons without insurance.

About MEPS-HC

The Medical Expenditure Panel Survey Household Component (MEPS-HC) collects nationally representative data on health care use, expenditures, sources of payment, and insurance coverage for the U.S. civilian noninstitutionalized population. The MEPS-HC is cosponsored by the Agency for Healthcare Research and Quality (AHRQ) and the National Center for Health Statistics (NCHS). More information about the MEPS-HC can be found on the MEPS Web site at https://meps.ahrq.gov/.

References

For a detailed description of the MEPS-HC survey design, sample design, and methods used to minimize sources of nonsampling error, see the following publications:

Cohen, J. *Design and Methods of the Medical Expenditure Panel Survey Household Component*. MEPS Methodology Report No. 1. AHCPR Pub. No. 97-0026. Rockville, MD. Agency for Healthcare Policy and Research, 1997. https://meps.ahrq.gov/data_files/publications/mr1/mr1.pdf

Cohen, S. *Sample Design of the 1996 Medical Expenditure Panel Survey Household Component*. MEPS Methodology Report No. 2. AHCPR Pub. No. 97-0027. Rockville, MD. Agency for Healthcare Policy and Research, 1997. https://meps.ahrq.gov/data_files/publications/mr2/mr2.pdf

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Zodet, M., S. Chowdhury, S. Machlin, and J. Cohen. 2016. Linked designs of the MEPS Medical Provider and Organization Surveys. In *JSM Proceedings*, Survey Research Methods Section. Alexandria, VA: American Statistical Association. 1914-1921.

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AHRQ welcomes questions and comments from readers of this publication who are interested in obtaining more information about access, cost, use, financing, and quality of health care in the United States. We also invite you to tell us how you are using this Statistical Brief and other MEPS data and tools and to share suggestions on how MEPS products might be enhanced to further meet your needs. Please email us at MEPSProjectDirector@ahrq.hhs.gov or send a letter to the address below:

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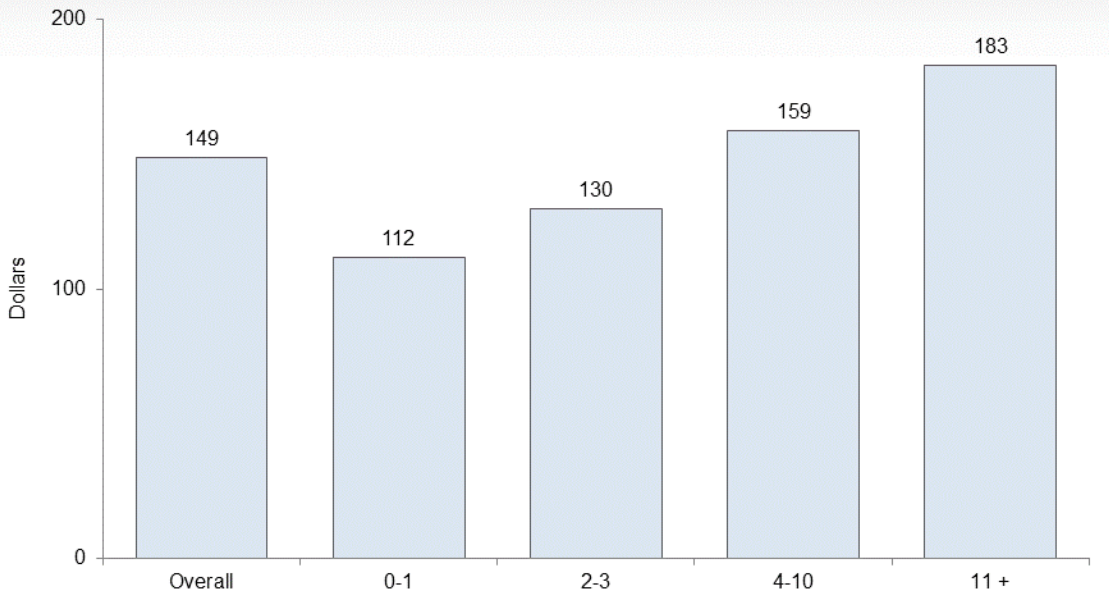
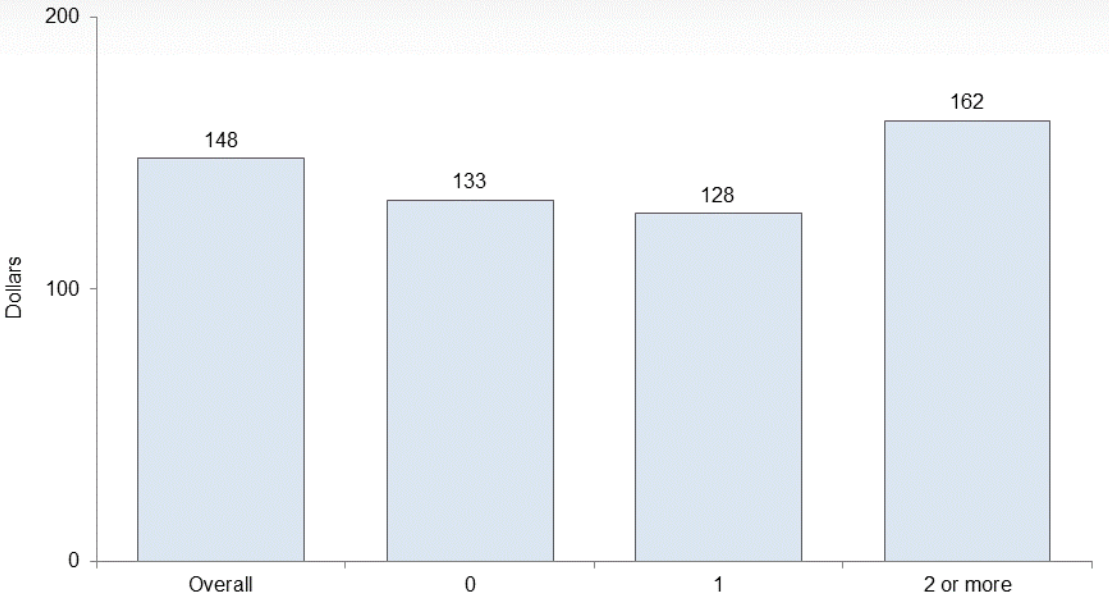
Figure 1. Average expense per visit among adults who saw their usual source of care by the number of physicians working at the practice, 2016



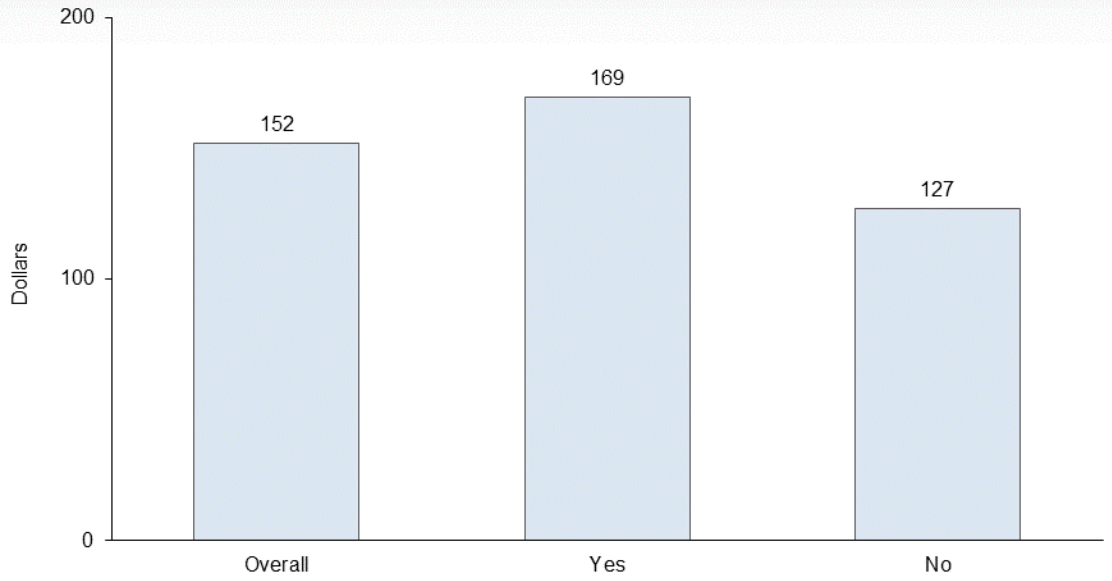
Note: Estimates are for the U.S. civilian noninstitutionalized population who have a usual source of care office-based provider and who visited that provider in 2016.
Note: Missing values are not included in estimates.
Source: Center for Financing, Access, and Cost Trends, AHRQ, Household Component of the Medical Expenditure Panel Survey, 2016.

Figure 2. Average expense per visit among adults who saw their usual source of care by the number of nurse practitioners/physician assistants working in the practice, 2016



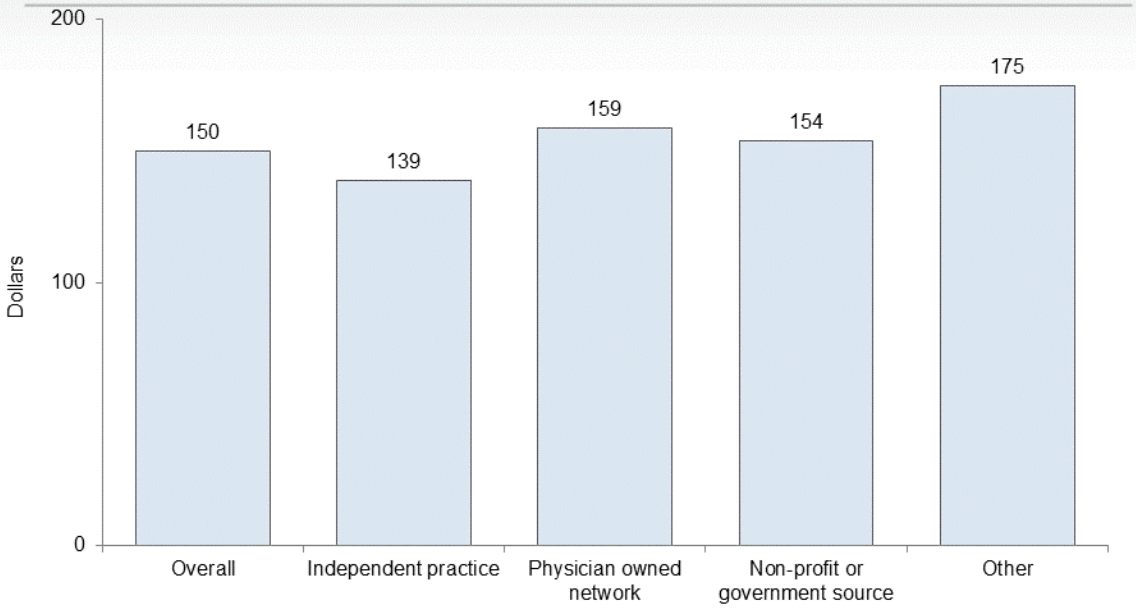
Note: Estimates are for the U.S. civilian noninstitutionalized population who have a usual source of care office-based provider and who visited that provider in 2016.
Note: Missing values are not included in estimates.
Source: Center for Financing, Access, and Cost Trends, AHRQ, Household Component of the Medical Expenditure Panel Survey, 2016.

Figure 3. Average expense per visit among adults who saw their usual source of care by use of a case manager to coordinate care, 2016



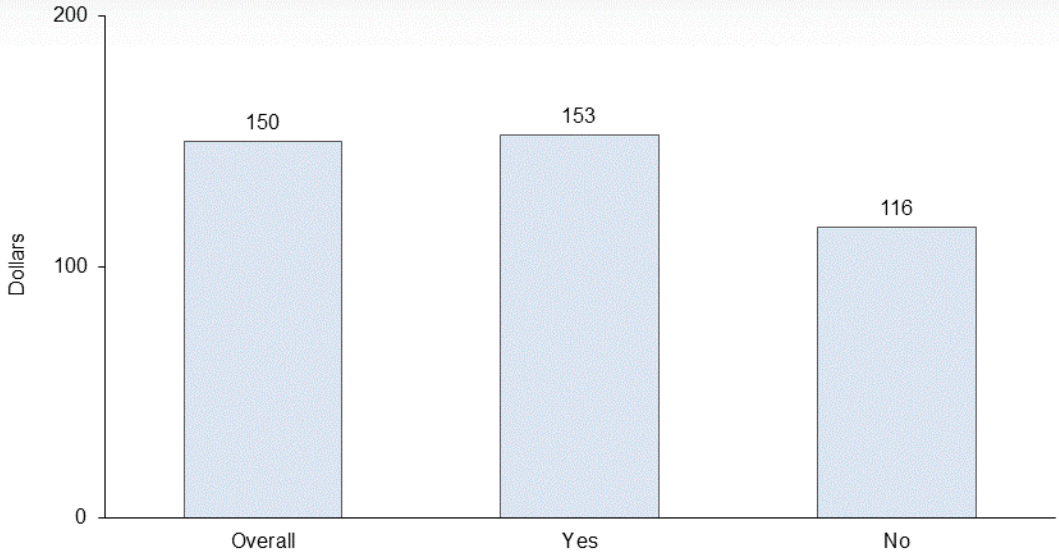
Note: Estimates are for the U.S. civilian noninstitutionalized population who have a usual source of care office-based provider and who visited that provider in 2016.
Note: Missing values are not included in estimates.
Source: Center for Financing, Access, and Cost Trends, AHRQ, Household Component of the Medical Expenditure Panel Survey, 2016.

Figure 4. Average expense per visit among adults who saw their usual source of care by the four main types of practice, 2016



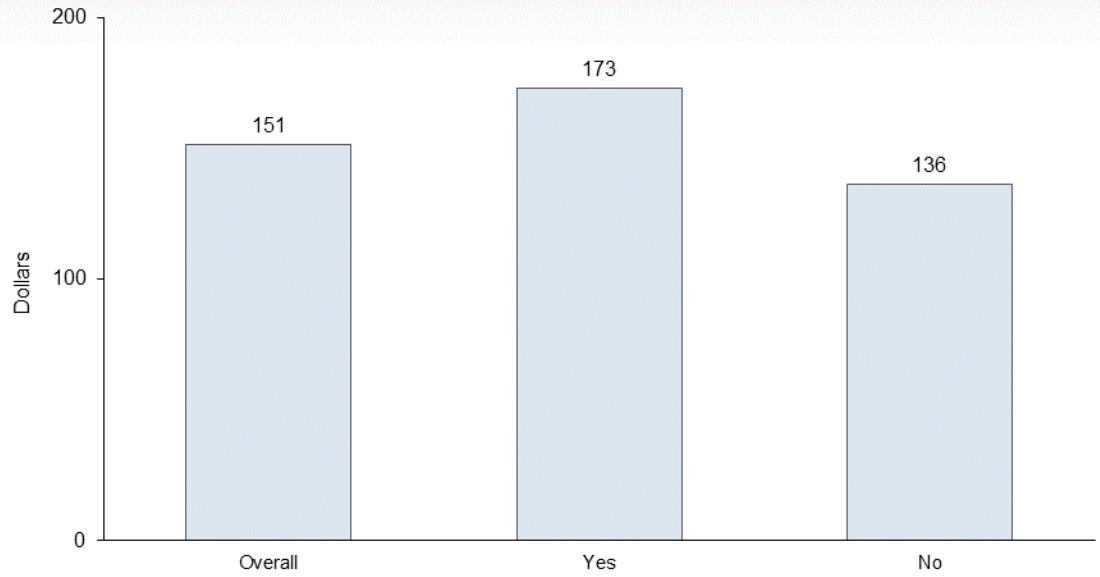
Note: Estimates are for the U.S. civilian noninstitutionalized population who have a usual source of care office-based provider and who visited that provider in 2016.
Note: Missing values are not included in estimates.
Source: Center for Financing, Access, and Cost Trends, AHRQ, Household Component of the Medical Expenditure Panel Survey, 2016.

Figure 5. Average expense per visit among adults who saw their usual source of care by use of an EHR/EMR system, 2016



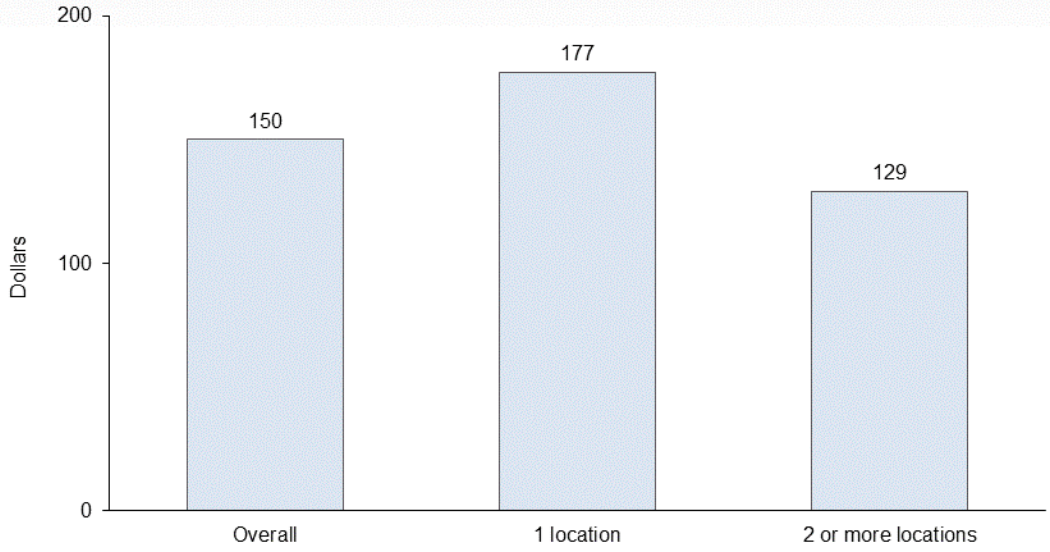
Note: Estimates are for the U.S. civilian noninstitutionalized population who have a usual source of care office-based provider and who visited that provider in 2016.
Note: Missing values are not included in estimates.
Source: Center for Financing, Access, and Cost Trends, AHRQ, Household Component of the Medical Expenditure Panel Survey, 2016.

Figure 6. Average expense per visit among adults who saw their usual source of care by the ability to x-ray chests and extremities on-site, 2016



Note: Estimates are for the U.S. civilian noninstitutionalized population who have a usual source of care office-based provider and who visited that provider in 2016.
Note: Missing values are not included in estimates.
Source: Center for Financing, Access, and Cost Trends, AHRQ, Household Component of the Medical Expenditure Panel Survey, 2016.

Figure 7. Average expense per visit among adults who saw their usual source of care by number of locations, 2016



Note: Estimates are for the U.S. civilian noninstitutionalized population who have a usual source of care office-based provider and who visited that provider in 2016.
Note: Missing values are not included in estimates.
Source: Center for Financing, Access, and Cost Trends, AHRQ, Household Component of the Medical Expenditure Panel Survey, 2016.