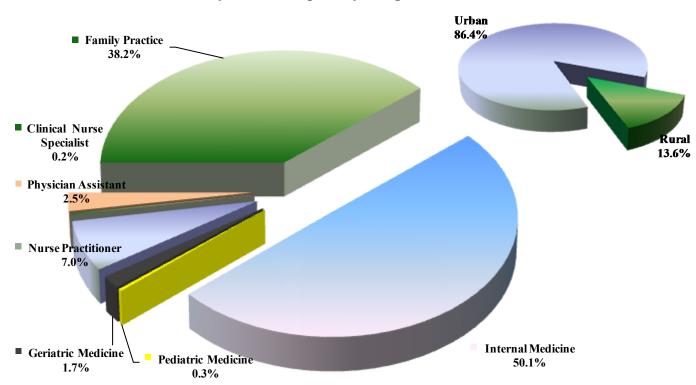
Medicare PCIP Payments for 2011 will exceed \$560 million

Section 5501(a) of The Affordable Care Act authorized a quarterly incentive payment program to augment the Medicare payment for primary care services when furnished by primary care practitioners beginning in 2011 and ending in 2015. Primary care practitioners with a Medicare specialty designation of family medicine, geriatric medicine, pediatric medicine, internal medicine, nurse practitioner, clinical nurse specialist, or physician assistant are eligible for the incentive payment if primary care services (CPT codes 99201through 99215 and 99304 through 99350) accounted for at least 60 percent of the practitioner's total allowed charges under the physician fee schedule in the qualifying calendar year.

To calculate a practitioner's primary care percentage, CMS uses Medicare claims data from the calendar year that is two years prior to the PCIP incentive payment year. Emergency, hospital inpatient, drug and laboratory charges are excluded when calculating the practitioner's total allowed charges under the physician fee schedule.

Incentive payments are equal to 10 percent of the Medicare paid amount for primary care services. For 2011, Medicare paid over \$560 million* to eligible PCIP practitioners furnishing eligible PCIP services. Quarterly incentive payments are made to individual physicians, non physician practitioners, group practices and Method II critical access hospitals billing for practitioners.

Distribution by Medicare Specialty Designation and Urban/Rural



Estimated incentive payments by Medicare Specialty and Urban/Rural mix based upon claims paid for primary

^{*}Total does not include 2011 PCIP payments for newly enrolled Medicare providers or PCIP payments for 2011 services for which claims were paid after December 31, 2011.

	2011 PC	CIP Payment Distributio	n to Urban and Rural l	Practitioners
Urban		86.4%	Rural	13.6%

2011 PCIP Payment Distribution by State						
State	Total			State	Total	
Alabama	\$	9,675,924		Nevada	\$	3,535,423
Alaska	\$	764,701		New Hampshire	\$	2,674,487
Arizona	\$	10,247,934		New Jersey	\$	24,043,100
Arkansas	\$	12,754,346		New Mexico	\$	2,783,280
California	\$	48,634,595		New York/Conn.*	\$	47,518,413
Colorado	\$	6,272,705		North Carolina	\$	22,733,696
Delaware	\$	2,788,616		North Dakota	\$	1,048,720
Florida	\$	45,831,083		Ohio	\$	20,189,696
Georgia	\$	14,555,761		Oklahoma	\$	6,911,722
Hawaii**	\$	2,054,988		Oregon	\$	4,345,587
Idaho	\$	1,457,523		Pennsylvania	\$	24,933,575
Illinois	\$	24,859,717		Puerto Rico	\$	695,783
Indiana	\$	12,777,766		Rhode Island	\$	1,777,409
Iowa	\$	5,406,147		South Carolina	\$	8,892,473
Kansas	\$	4,418,791		South Dakota	\$	1,363,017
Kentucky	\$	8,283,760		Tennessee	\$	13,555,709
Louisiana	\$	4,701,260		Texas	\$	37,103,083
Maine	\$	2,554,215		Utah	\$	2,789,585
Maryland	\$	10,773,225		Vermont	\$	1,007,334
Massachusetts	\$	15,921,394		Virgin Islands	\$	46,179
Michigan	\$	21,182,954		Virginia	\$	13,693,403
Minnesota	\$	5,552,156		Washington	\$	9,805,412
Mississippi	\$	5,398,203		Washington, D.C.	\$	6,437,085
Missouri	\$	9,201,261		West Virginia	\$	2,581,378
Montana	\$	1,347,354		Wisconsin	\$	6,494,892
Nebraska	\$	3,056,422		Wyoming	\$	701,173

*Connecticut and New York data is combined **Includes data for American Samoa, Guam, and Northern Marianas

PCIP Distribution by Specialty				
	Percent Specialty	2011 Bonus Payment		
	100.0%	\$558,134,415		
Specialty				
Family practice	38.2%	\$212,987,540		
Internal medicine	50.1%	\$279,618,773		
Pediatric medicine	0.3%	\$1,703,470		
Geriatric medicine	1.7%	\$9,728,578		
Nurse practitioner	7.0%	\$39,103,851		
Certified clinical nurse specialist	0.2%	\$857,908		
Physician assistant	2.5%	\$14,134,295		
Physician assistant	2.5%	\$14,134		

Estimated incentive payments by Medicare Specialty based upon claims paid for primary care services in 2011. Total does not include 2011 PCIP payments for newly enrolled Medicare providers or PCIP payments for 2011 services for which claims were paid after December 31, 2011.

PCIP NPIs				
	% in Rural Areas	Total Number of 2011 PCIP NPIs ⁵		
	13.60%	156,673		
Specialty				
Family practice	13.60%	61,728		
Internal medicine	13.70%	55,329		
Pediatric medicine	13.60%	2,179		
Geriatric medicine	12.40%	1,391		
Nurse practitioner	13.20%	24,096		
Certified clinical nurse specialist	12.20%	410		
Physician assistant	14.30%	11,540		