

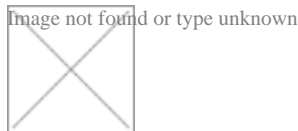


## Weekly Checkup

# Medicare Patients Much More Costly for Physicians in Certain States

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Diagnosis related groups (DRGs) are used by hospitals to help streamline the billing process by classifying patients that have similar conditions and use similar services during an inpatient stay. Recently, the Centers for Medicare and Medicaid Services (CMS) released payment data for the 100 most commonly used DRGs by state. The data reveals a lot of disparity between the average DRG costs and also shows the considerable differences in Medicare payments to physicians from state to state. In those states where relative Medicare payments are lower, Medicare patients become more burdensome for physicians. The graph below compares the four states with the highest Medicare payments relative to cost with the four states who have the lowest Medicare payments relative to cost.<sup>[1]</sup>



[1] <https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/Medicare-Provider-Charge-Data/Inpatient.html>