

Payer Trends for Office-Based Plastic Surgery Visits for 2002 – 2021: A MEPS Analysis

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INTRODUCTION

In recent years, studies of plastic surgery expenditures have shown trends of both increasing charges for patients and decreasing reimbursements for providers (1,2). These patterns are particularly true for government payers like Medicare (3,4).

However, the factors that drive these changes in expenditures and costs in plastic surgery are not clear. Plastic surgery is a field characterized by diversity in payer type and is intricately linked to the economic landscape of the time (5). Thus, it is important to understand the patterns in plastic surgery expenditures and payments to better inform patients, providers, and other stakeholders.

OBJECTIVES

The purpose of this study is to investigate payer trends in plastic surgery, particularly office-based visits which make up a significant proportion of plastic surgery encounters. The analysis will characterize trends in expenditures, payer type distribution, and reimbursement rates over the past two decades.

MATERIALS AND METHODS

Using the Medical Expenditure Panel Survey—a national survey of healthcare use and associated costs—we analyzed the mean payment per office-based visit, proportion of expenditures by different payers (i.e., government insurance, commercial insurance, out-of-pocket), and the mean payment-to-charge ratio (PCR) for each visit from 2002 to 2021. The PCR reflects the proportion of the amount charged to the amount reimbursed. Dollar amounts were inflation-adjusted to 2021 estimates.

RESULTS

From 2002-2021, there were 5,726 office-based plastic surgery visits noted. The average payment per visit mostly increased across the study period (Fig. 1), ranging from \$354.58 (2005) to \$1,716 (2021). Approximately 3.3% of payments came from Medicaid, 13.8% from Medicare, 36.8% from commercial insurers, 37.5% from out-of-pocket, and 8.6% through other methods. The proportion of Medicaid and Medicare expenditures generally stayed below 20%, but trends were more variable for out-of-pocket (low of 10.3%, 2016; high of 72.1%, 2019) and commercial insurance expenditures (low of 16.7%, 2016; high of 61.9%, 2015) (Fig. 2). The mean PCR per visit largely decreased over the study period, ranging from 0.70 (2005) to 0.49 (2014) (Fig. 3).

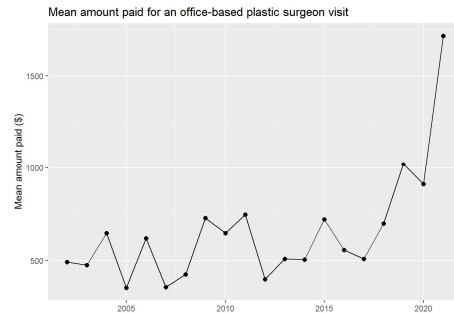


Figure 1. Mean amount paid for an office-based plastic surgeon visit

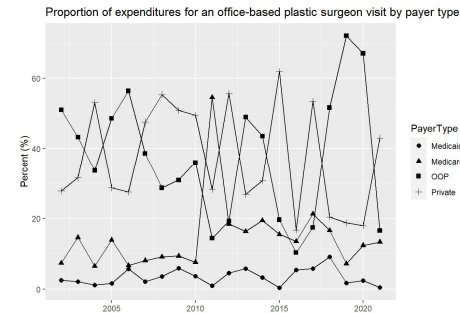


Figure 2. Proportion of expenditures for an office-based plastic surgeon visit by payer type

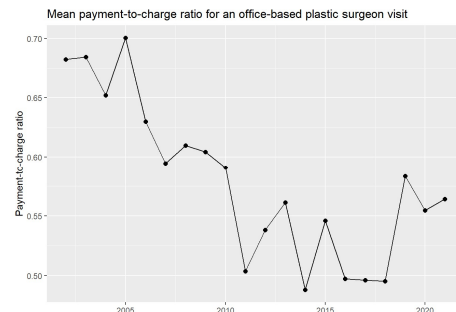


Figure 3. Mean payment-to-charge ratio for an office-based plastic surgeon visit

DISCUSSION

Expenditures for office-based plastic surgery visits have generally increased since 2002, with notable fluctuations in the payer types. The increase in spending for office-based plastic surgery visits reflects previously reported patterns in the field and may be driven by factors like increases in the cost of healthcare and increased usage of office-based plastic surgeons.

The majority of visits were paid through private insurance or out-of-pocket, which may be explained by the elective nature of many office-based plastic surgery visits that are more accessible to patients of higher socioeconomic status. Further research is needed to explain the significant fluctuations in payer mix observed. Finally, the observed decreases in mean payment-to-charge ratio per visit are similar to the decreasing reimbursement rates reported in other studies, both in plastic surgery and other surgical fields. This may be due to a combination of increased physician charges and decreased reimbursements by payers.

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