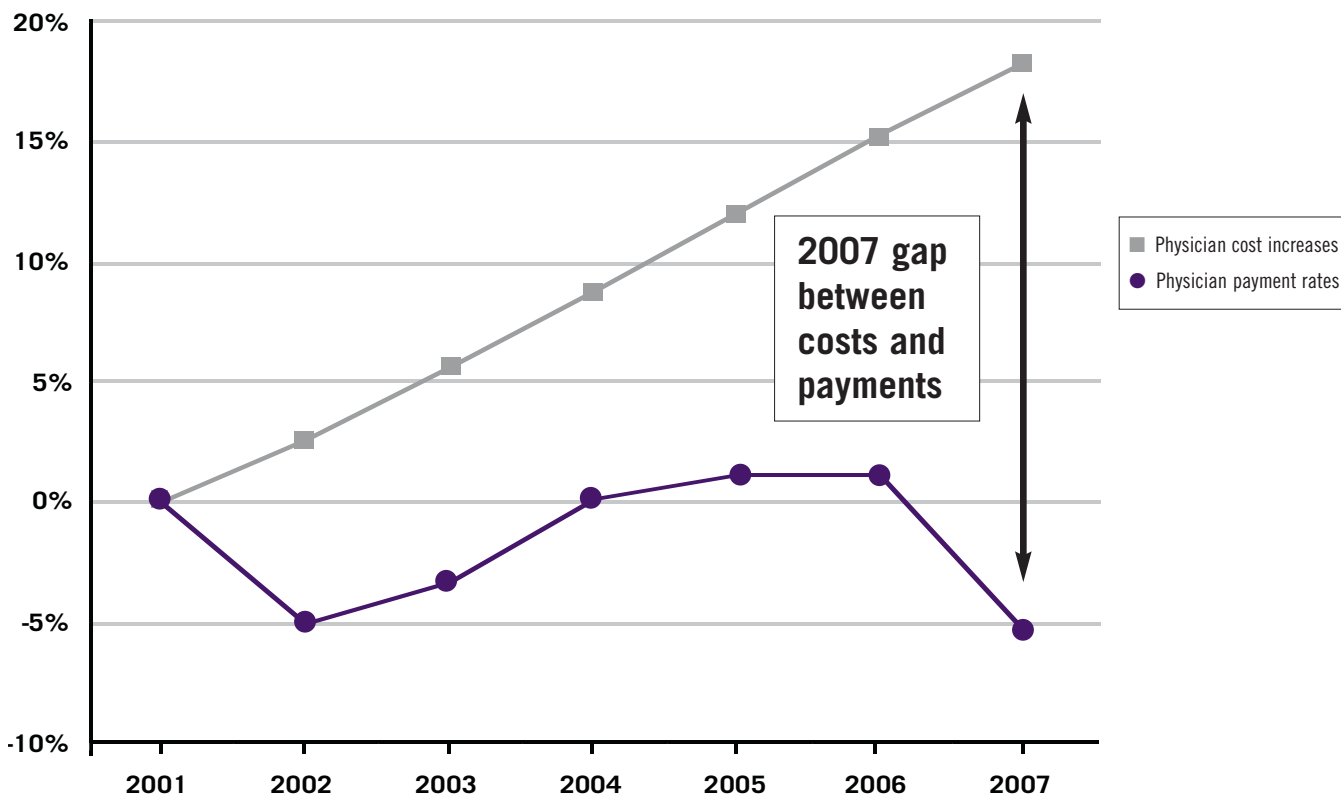


Costs vs. payments

The UN-Sustainable Growth Rate—2001 through 2007

Physicians costs **UP** 18 percent; Medicare payments **DOWN** 5 percent



Sources: Physician cost data is from the MEI, a conservative index of practice cost growth maintained by the Centers for Medicare and Medicaid Services (CMS). Conversion factor updates are from CMS Office of the Actuary. Analysis of average Medicare payment changes relative to MEI is by American Medical Association, Division of Economic and Statistical Research, February 2006.

By 2007, inflation-adjusted Medicare physician payment rates will have fallen by 20 percent over six years.

Sustainable? No way!

