The Future Pediatric Subspecialty Physician Workforce: Meeting the Needs of Infants, Children, and Adolescents

Reducing Financial and Payment Disincentives

Financial disincentives may influence a physician's choice to pursue training in pediatrics in general, and additional training in a pediatric subspecialty. Financial considerations can also play into a physician's choice of practice setting, location, or type. Physician payment is largely driven by private and public health insurers who contract with and reimburse providers for their time and services, as well as institutional decisions about resource allocation and salaries. Medicaid covers 35 percent of children overall and a substantially higher share of children with complex medical needs who are often treated by pediatric subspecialty physicians. The higher percentage of patients covered by Medicaid, which generally has lower reimbursement rates compared to Medicare, coupled with low relative value unit (RVU)–based payment rates, adversely affects payments for pediatric care. This results in lower salaries for many pediatric subspecialty physicians compared with their internal medicine subspecialty counterparts.

The Consensus Study Report *The Future Pediatric Subspecialty Physician Workforce: Meeting the Needs of Infants, Children, and Adolescents* recommends strategies and actions necessary to ensure an adequate pediatric subspecialty physician workforce—one that can support broad access to high-quality subspecialty care and a robust research portfolio to advance the health and health care of infants, children, and adolescents. Larger and more coordinated efforts are needed to overcome financial and payment disincentives to pursuing careers in the pediatric subspecialties.

RECOMMENDATIONS

Increase Medicaid Payment Rates for Pediatric Services

In the past, the federal government has used Medicaid financing to achieve broad policy goals, and Medicaid can be a mechanism to target investments in specific types of health care services for specific populations. Expansions in insurance coverage over the past decades have successfully removed the barrier of uninsurance for most U.S. children. However, low Medicaid payments represent a significant underinvestment by federal and state governments in children's health. Additionally, research studies have established a connection between payment levels and provider participation and children's equitable access to care.

To address the factors that contribute to limited access to pediatric subspecialty physician care and invest in children's health, Congress should allocate additional federal funding to increase payment for pediatric services. Within the next 5 years, Congress should provide federal funds to states to increase Medicaid payment rates for pediatric services to achieve or exceed parity with Medicare payment rates. These federal funds should be provided to all states, and the federally funded payment increases should be mandatory. Federal action is necessary because many states have not increased payments for pediatric services, despite having the ability to do so.

Appropriately Assign Relative Value Units for Pediatric Services

Productivity-based fee schedules (i.e., RVUs) provide greater levels of remuneration for procedure-based

subspecialties and undervalue the increased time needs per clinical interaction, increased pre- and post-service time, and higher practice expenses for most subspecialty care, particularly pediatric subspecialty care. The Centers for Medicaid & Medicare Services should prioritize attention to pediatric services in assigning RVUs that accurately reflect the time and resource use for pediatric subspecialty care.

Increase and Target Funding for the Pediatric Specialty Loan Repayment Program

As a result of lower salaries for some subspecialties and longer training, pediatric subspecialists may face a high debt burden, which can discourage pediatricians from careers in lower paid subspecialties. Loan repayment programs may help overcome the financial disincentives to pursuing a career in a pediatric subspecialty. Funding of the Pediatric Specialty Loan Repayment Program should be increased to $30 million as originally authorized. The program should focus on loan repayment for high-priority pediatric medical subspecialties and subspecialists from backgrounds underrepresented in medicine and/or economically disadvantaged backgrounds.

LOOKING FORWARD

Investing in the health of today's children sets the foundation for the future health of the nation. The financial realities of educational debt, along with the relatively low salaries and added time demands for some pediatric subspecialty training pathways, require consideration of ways to remove financial disincentives to entering and staying in pediatric subspecialty careers. Implementation of these recommendations for increased Medicaid payment rates for pediatric services, appropriately aligned RVUs for pediatric services, and increased funding for targeted loan repayment programs will help ensure an adequate pediatric subspecialty physician workforce to support broad access to high-quality subspecialty care.

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