

Sample Data Report - Medicare Spending per Beneficiary Score (MPBS) Overview

October 15, 2025

Background

Medicare is a U.S. federal health insurance program primarily for people age 65 or older, but also for younger individuals with certain disabilities, or other chronic conditions. It provides care coverage through different parts, such as Part A for hospital stays and hospice care and Part B for doctors' services and outpatient care.

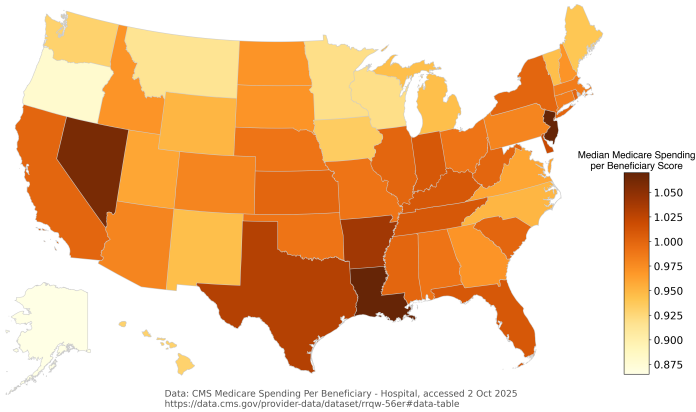
According to the Centers for Medicaid and Medicare Services (CMS), the Medicare Spending Per Beneficiary (MSPB) Measure shows whether Medicare spends more, less, or about the same for an episode of care (episode) at a specific hospital compared to all hospitals nationally. An MSPB episode includes Medicare Part A and Part B payments for services provided by hospitals and other healthcare providers the 3 days prior to, during, and 30 days following a patient's inpatient stay. This measure evaluates hospitals' costs compared to the costs of the national median (or midpoint) hospital. This measure takes into account important factors like patient age and health status (risk adjustment) and geographic payment differences (payment-standardization).

Visuals and Findings

Figure 1: 2023 Median U.S. Region MSPB Score

Region	Total Hospitals	Hospitals w/o Scores	Hospitals w/ Scores	Median Score
Midwest	1,355	667	688	0.97
West	811	306	505	0.97
North East	173	51	122	0.98
South	1,137	281	856	1.00
Mid-Atlantic	428	97	331	1.01
South West	626	219	407	1.01
Total	4,530	1,621	2,909	

Figure 2: 2023 Median State MSPB Score



- In 2023 4,530 hospitals across the U.S. received medicare patients. Of these, 2,909 from 49 different states reported MPBS scores. Eight states had a median MPBS score of 1.0, while 10 states' median scores were above 1.0, and 32 states' median scores were below 1.0. (See figure 2.)
- These hospitals are located in all regions of the U.S., with the most concentrated in the midwest (1,355), the south (1,137), and the west (811). The midwest and the south had the lowest median MSPB scores (0.97), while the mid-atlantic and the southwest had the greatest (1.01).
- Of the 4,591 hospitals, 1,621 hospitals did not report an MPBS. This may be because the hospitals did not meet the minimum number of beneficiary episodes (25), they had a significant number of episodes that are excluded for specific reasons, or the hospitals opted out of the Medicare program entirely.

Conclusions

A lower MSPB score suggests that a hospital or provider is more cost-efficient than the national average, while a higher score indicates higher spending. The score is used to affect a hospital's payments from Medicare. A higher MSPB score (meaning higher spending) can result in lower incentive payments or financial penalties. Overall, the MSPB measure is designed to identify variations in spending and to incentivize providers to deliver high-quality care in a more cost-effective manner.