

Is Colorado Ready for a Primary Care-based Health Care System?

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Robert Graham Policy Center, Washington DC

Presented by the Department of Family Medicine
and the Colorado AHEC System



Why Health Reform Now?

"We suffer from a fiscal cancer...the real problem is health care costs"

U.S. Comptroller General David Walker
60 Minutes March 4, 2007

"We can't allow the cost of health care to continue strangling our economy."

President Obama April 15, 2009



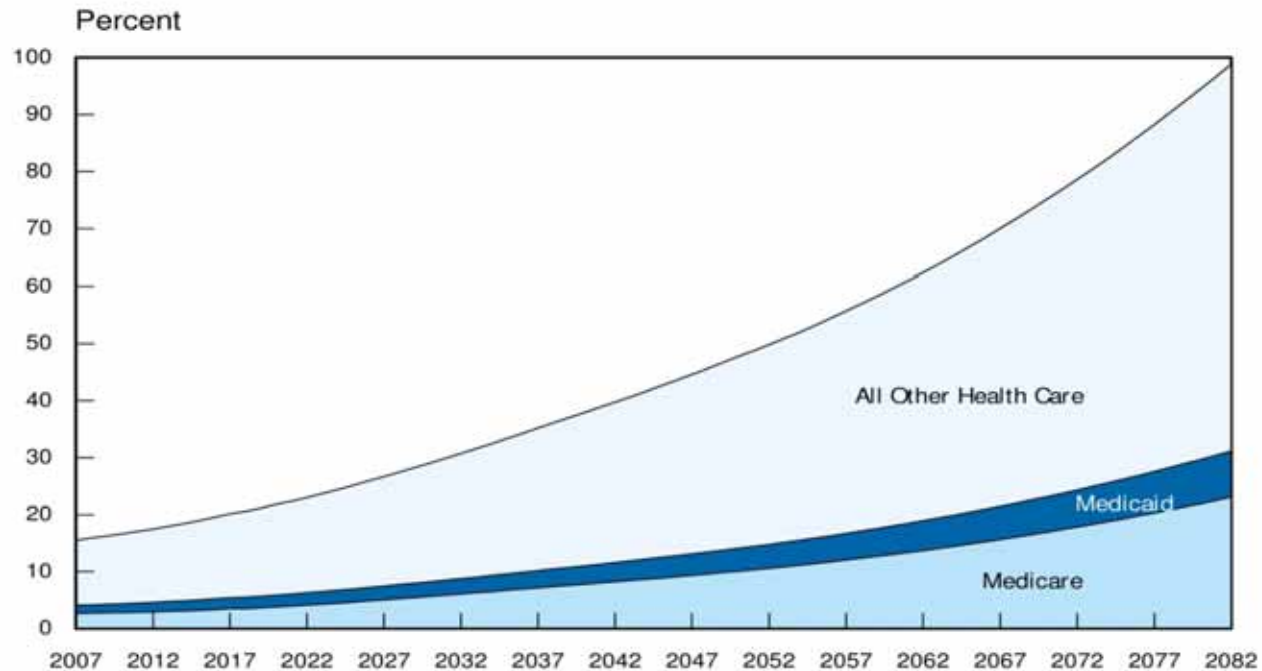
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The Curve We're On



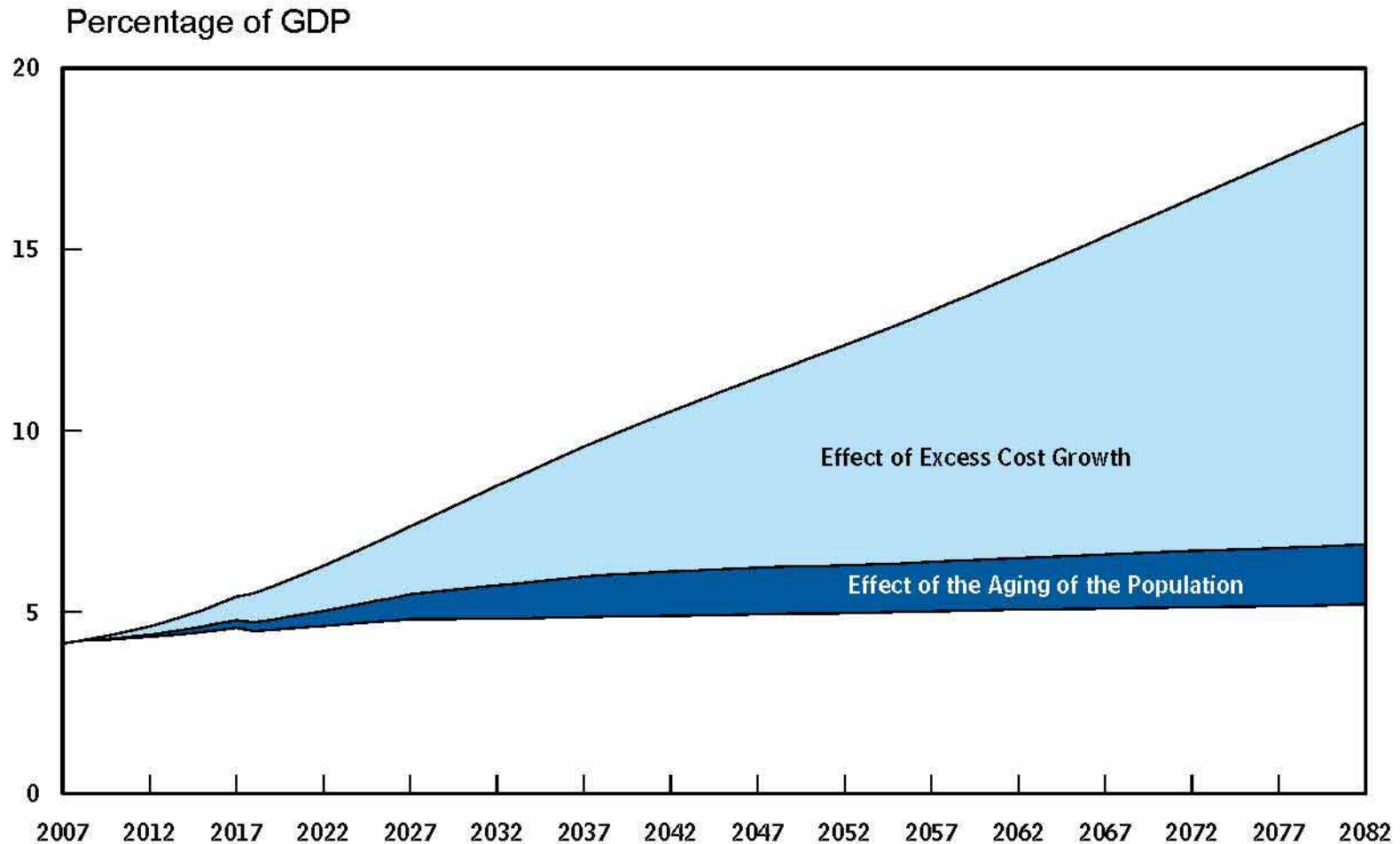
Spending on Health Care as a Percentage of Gross Domestic Product Under an Assumption That Excess Cost Growth Continues at Historical Averages



Source: CBO



Sources of Growth in Projected Federal Spending on Medicare and Medicaid



Health Care Spending

- 16% of the US Economy (\$2.3 trillion)

BUT

- From 2000 – 2005 healthcare devoured nearly 25% of our Economic Growth
- Now consumes 1/3rd of Federal and State Taxes



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What's Happening Trends

2: Federal n eye on

R E C O M M E N D A T I O N S

2A The Congress should establish a budget-neutral payment adjustment for primary care services billed under the physician fee schedule and furnished by primary-care-focused practitioners. Primary-care-focused practitioners are those whose specialty designation is defined as primary care and/or those whose pattern of claims meets a minimum threshold of furnishing primary care services. The Secretary would use rulemaking to establish criteria for determining a primary-care-focused practitioner.

COMMISSIONER VOTES: YES 15 • NO 2 • NOT VOTING 0 • ABSENT 0

2B The Congress should initiate a medical home pilot project in Medicare. Eligible medical homes must meet stringent criteria, including at least the following capabilities:

- furnish primary care (including coordinating appropriate preventive, maintenance, and acute health services),
- conduct care management,
- use health information technology for active clinical decision support,
- have a formal quality improvement program,
- maintain 24-hour patient communication and rapid access,
- keep up-to-date records of beneficiaries' advance directives, and
- maintain a written understanding with each beneficiary designating the provider as a medical home.

unnec

Medica

Less than 18 months ago, [President George W. Bush](#) had blocked similar bills by congressional Democrats, labeling the proposed expansion of the State Children's Health Insurance Program as a step toward government-run health care.

But with Democrats now firmly in control of the White House and Congress, the party's leaders easily pushed through a \$33 billion bill that is expected to provide government-subsidized insurance to 4 million mostly low-income children.

That would reduce the number of uninsured children in America by about half over the next 4 1/2 years and boost the number covered by the program to 11 million.

JUNE 2008

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PAC Medicare
Payment Advisory
Commission

expand
gton's

gest victory since Obama took

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MedPAC

“Policy makers should also consider ways to use some of the Medicare subsidies for teaching hospitals to promote primary care. Such efforts in medical training and practice may improve our future supply of primary care clinicians and thus increase beneficiary access to them.”

Medicare Payment Advisory Commission, 2008

MedPAC. Report to Congress: Reforming the Delivery System. June, 2008. Chapter 2: Promoting the Use of Primary Care, p26



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Primary Care: Talk of the Town?

- “Overhaul of the health care system must not only provide for universal coverage but also for more primary care doctors and nurses to ensure that an insurance card actually gives the holder access to treatment.”

Rep. Henry Waxman

Hearing: Making Health Care Work for
American Families: Improving Access to Care
March 24, 2009



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Lessons from its peers – State-level Health Policy reform

- Near neighbors and reform: Utah
 - March 2009, Governor claims 'major' reform achieved through 4-part legislation
 - NetCare (HDHI available to all Utah)
 - Mandatory employer coverage
 - Malpractice reform
 - UUT – Single swine insurance technology pilot

model for



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The crisis of primary care physicians

The Boston Globe



(Getty Images)

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By Annie Brewster
May 29, 2008

MRS. J. LOOKED baffled and hurt. I had just explained that I would no longer be her primary care doctor. I was leaving the field after just three years. "I have had three different primary care doctors over the

most' universal ge

The New York Times

Its Faces Costs of Big Health Care Plan

years ago, Massachusetts enacted perhaps the care experiment in American history, bringing rage to the commonwealth with Paul Revere



To make it happen, Democratic lawmakers and Gov. [Mitt Romney](#), a Republican, made an expedient choice, deferring until another day any serious effort to control the state's runaway

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Now Playing in Massachusetts: Health Reform, the Sequel

Since enacting its sweeping health care reforms a few years ago, Massachusetts has reduced the percentage of its population without health insurance to less than 3 percent. That is, by far, the lowest rate in the nation. But you hear a lot of criticism of the Massachusetts reforms, particularly from my friends on the left. And one of the primary criticisms is that the state hasn't done anything to control costs

Apples & Oranges?: Colorado and Massachusetts

- Percent uninsured 2003-04

■ Children	7.6%	120,000
■ Adults	12.7%	709,000

- 2008

- 3% uninsured; 27-31% trouble with Access

- Colorado uninsured 2006-07

■ Children	13.8%	174,000
■ Adults	20.4%	631,000



Apples & Oranges?: Colorado and Massachusetts

■ Geographies

- A large metropolis + dense 'rural' West
- Rocky Mountain Urban Corridor + a huge swath of isolated rural... MA has no Western Slope.
- Demographic and Socioeconomic differences
 - Avg education, Per capita GDP

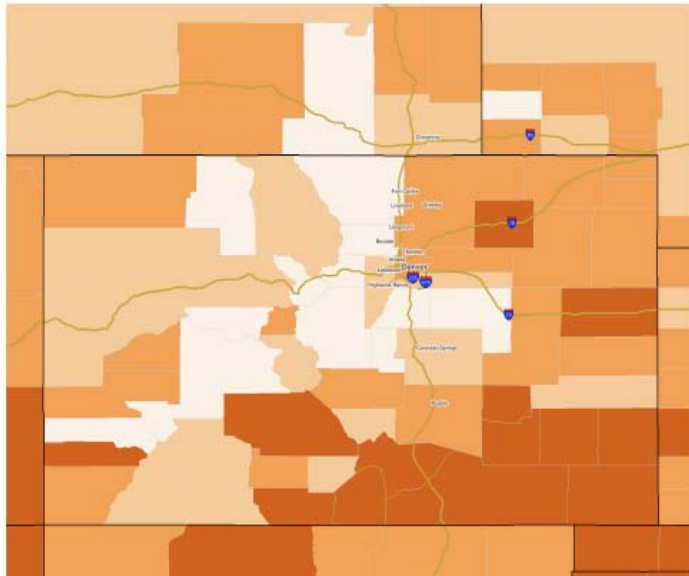


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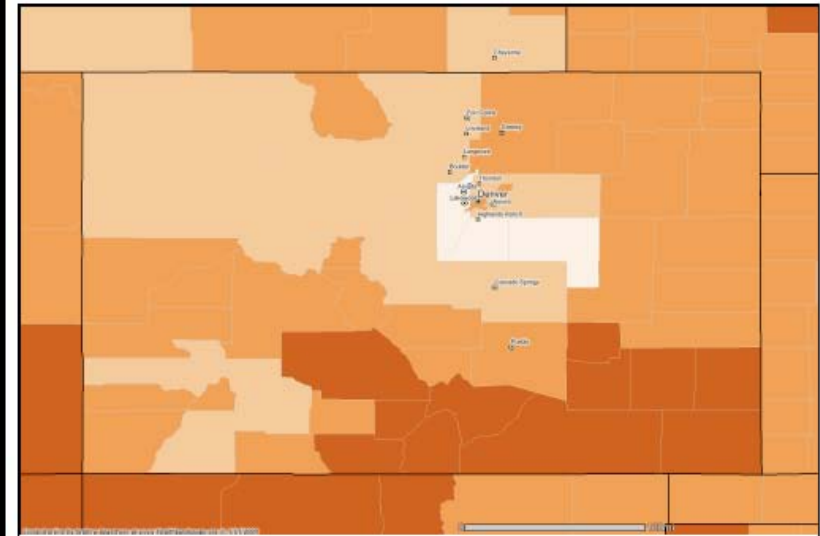
Colorado Education and Poverty - 2000 U.S. Census

Colorado Education Rates by County



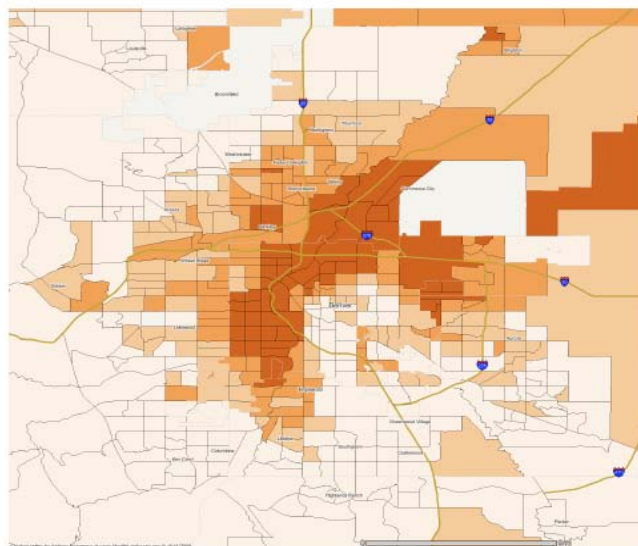
Source: U.S. Bureau of the Census 2000

Colorado Poverty Rates (Below 200%) by County



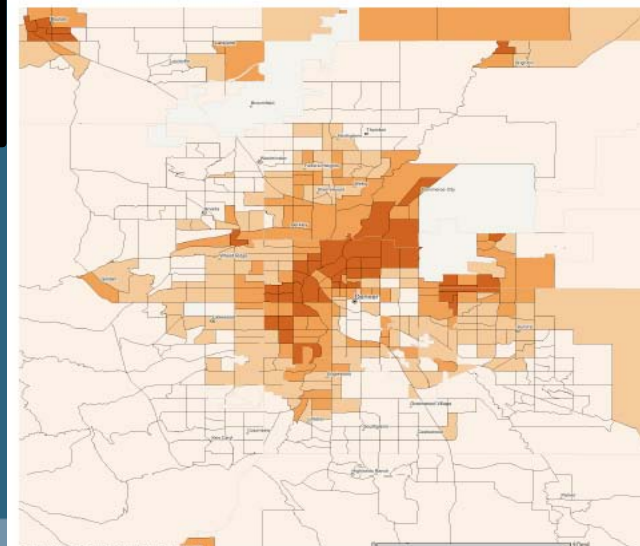
Source: U.S. Bureau of the Census, 2000

Denver Area Education Rates by Census Tract



Source: U.S. Bureau of the Census 2000

Denver Area Poverty Rates (Below 200%)



Source: U.S. Bureau of the Census 2000

Need to build Primary Care Capacity Now

- So, with a higher per capita GDP, fewer uninsured and less rural-urban separation, Massachusetts has struggled mightily to guarantee comprehensive primary care access for its population
- Why?



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National Trends for Physician Workforce

- National workforce trends
- Updates on School expansion, residency expansion



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The New York Times **Health**

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Shortage of Doctors an Obstacle to Obama Goals

By ROBERT PEAR
Published: April 27, 2009

One proposal -- to increase Medicare payments to general practitioners, at the expense of high-paid specialists -- has touched off a lobbying fight.



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Primary Care Workforce

- 97,752 family physicians/general practitioners
 - 1 for every 3,081 persons
- 92,257 general internists
 - 1 per 2,443 adults
- 48,930 general pediatricians
 - 1 for 1,548 children and adolescents
- **238,939 primary care physicians**
 - 1 for every 1,260 persons

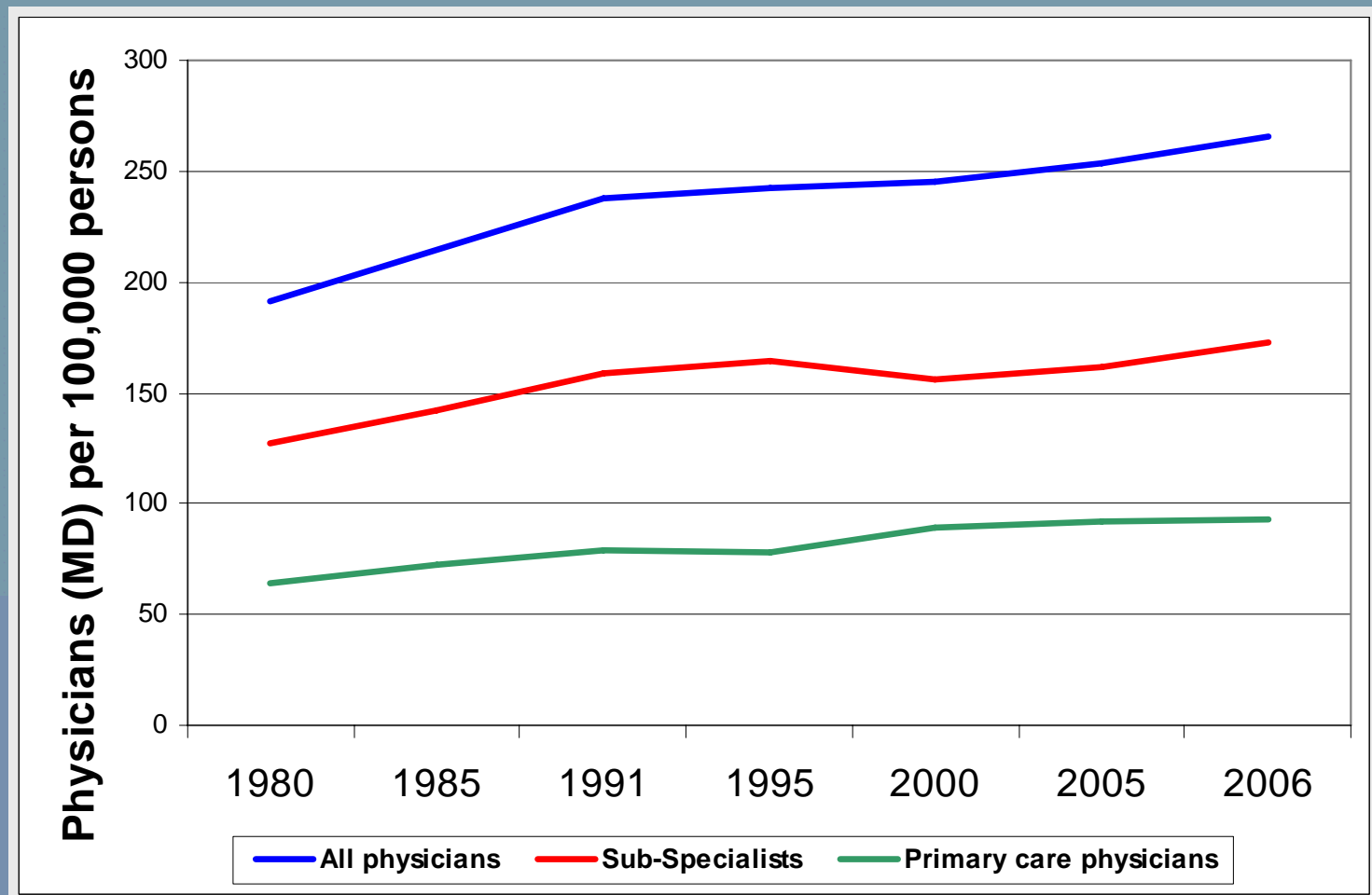


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Physician Specialties to Population Ratio 1980-2006

(Physicians per 100,000 persons)



Is it a Primary Care Shortage?

- Problems:

- Distribution

- Still concentrated in desirable areas
 - Relative shortage in underserved and rural areas
 - True for physicians, NPs and Pas

- Scope

- Primary care physicians performing non-primary care tasks to remain solvent



What lies ahead: Will there be a Primary Care Shortage?

- What's to come:
 - Substantial decline in US student interest
 - Increased reliance on international students
 - Increased interest in specialization and alternative careers
 - Contraction of training programs
 - Majority of PAs now subspecialize; NPs?
- Current physician expansion effort not promoting primary care



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Grow Medical Schools: COGME said 15%; AAMC said 30%

*First Year MD and DO Enrollment
in 2013 is Likely to be more than 5,500
(28%) Higher than in 2002*

	<u>2002</u>	<u>2013</u>	<u># and % Increase</u>	
MD	16,488	19,909	3,421	21.0%
DO	3,079	5,227+	2,148	69.8%
Combined	19,567	25,136	5,569	28%

Source: 2007 AAMC Dean's Enrollment Survey
2007 AACOM Enrollment Survey



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Student Interest

■ General Internal Medicine	2.0%
■ Med/Peds	2.7%
■ Family Medicine	4.9%
■ General Pediatrics	11.7%
■ Total:	21.3%

K. E. Hauer et al. Factors Associated With Medical Students' Career Choices Regarding Internal Medicine *JAMA*. 2008;300(10):1154-1164



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Erosion of Primary Care Training Capacity

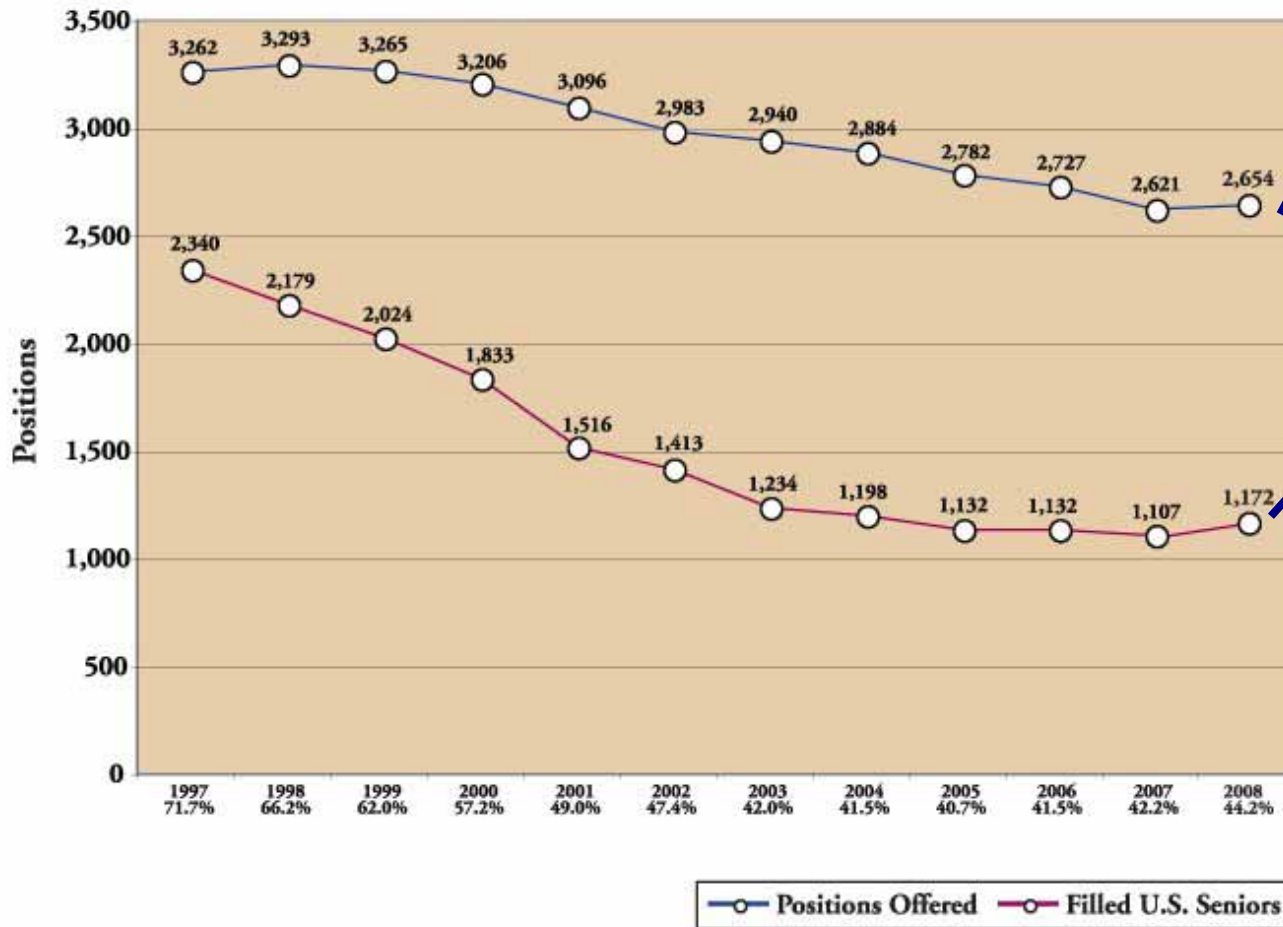
- Since 1996 GME cap was put in place in 1996, positions in the annual student Match have fallen by
 - 57% for primary care internal medicine
 - 34% for primary care pediatric positions
 - 18% for family medicine
- Actual Family Medicine positions fell 2.7% between 2002 and 2006



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Status check: Family Medicine



**Family
Medicine
Positions
March, 2008**

**Filled by US
Graduates**

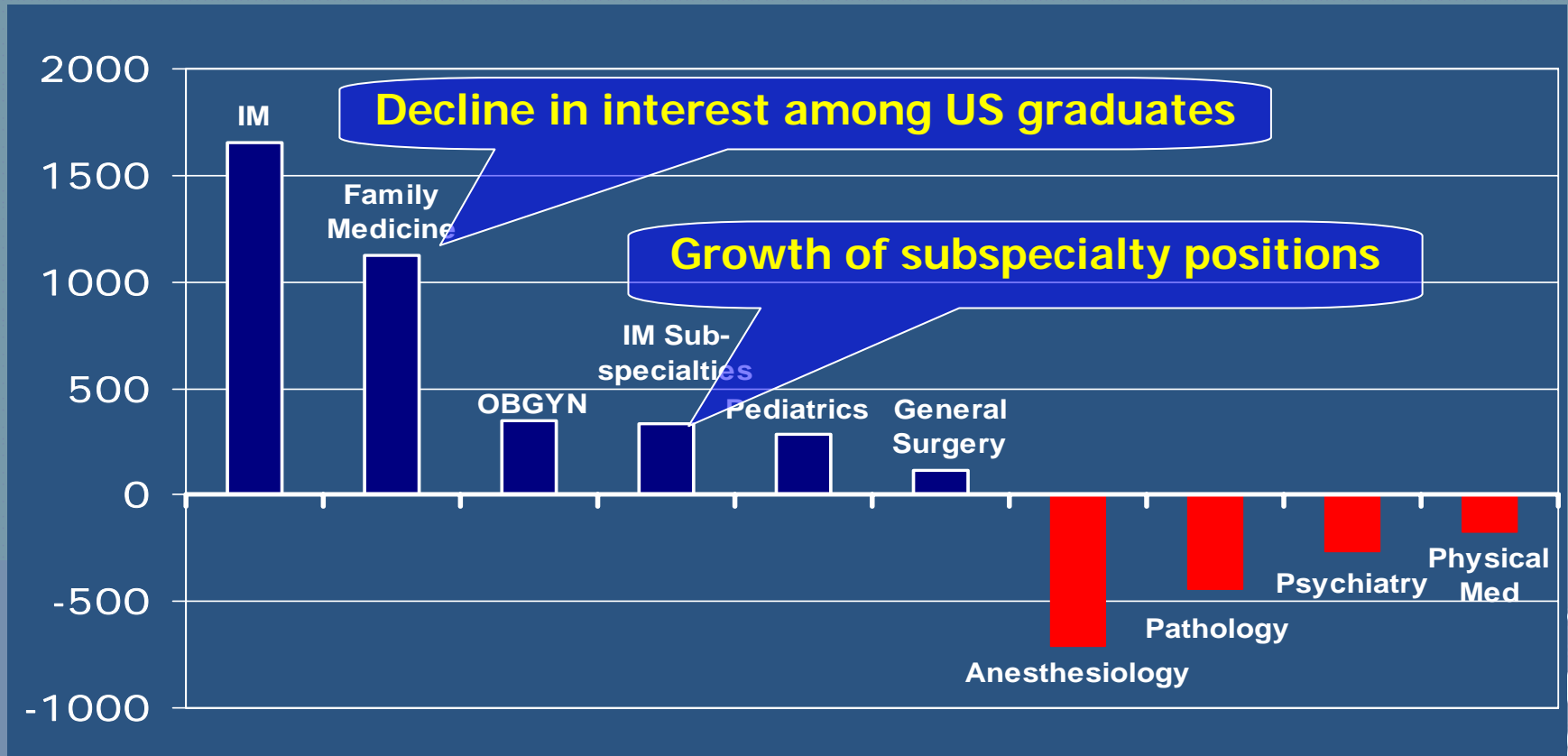


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Reliance on International Medical Graduates

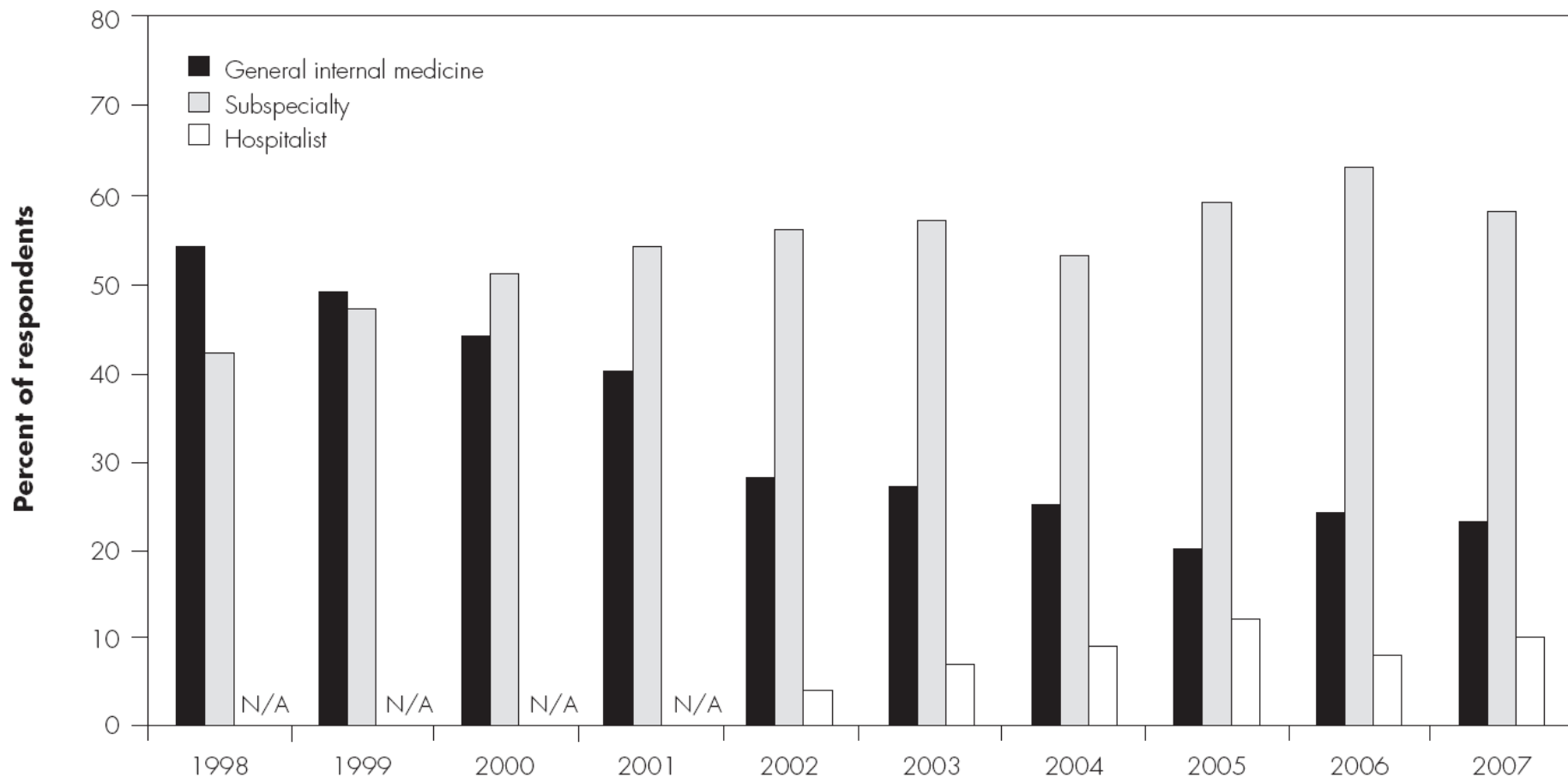
Change in Number of IMGs in Training 2002-2006



Source: JAMA Medical Education Issues, Ed Salsberg, AAMC

**FIGURE
2-2**

Proportion of third-year internal medical residents becoming subspecialists or hospitalists is growing



Note: MedPAC June 2008

Source: Bodenheimer, T. 2006. Primary care—Will it survive? *The New England Journal of Medicine* 355:861–864. Copyright © 2006 Massachusetts Medical Society. All rights reserved. Updated to include years 2006 and 2007, supplied by Thomas Bodenheimer, who obtained the relevant data from The American College of Physicians.

Grow Residency training: COGME said 27,000 by 2015

- 2002 – 2007
 - Allopathic grew 8% 23,443 – 25,171
 - Osteopathic grew 14.8% 2849
 - Now nearly 28,000 positions

National Residency Match Program data, 1997-2008. Available at
<http://www.aafp.org/online/en/home/residents/match.html>

Watson DK, Nichols KJ. Medical Education Summits: Building a Solid Foundation for the Future of the Osteopathic Medical Profession. J Am Osteopath Assoc. 2008; 108(3): 110 - 115.



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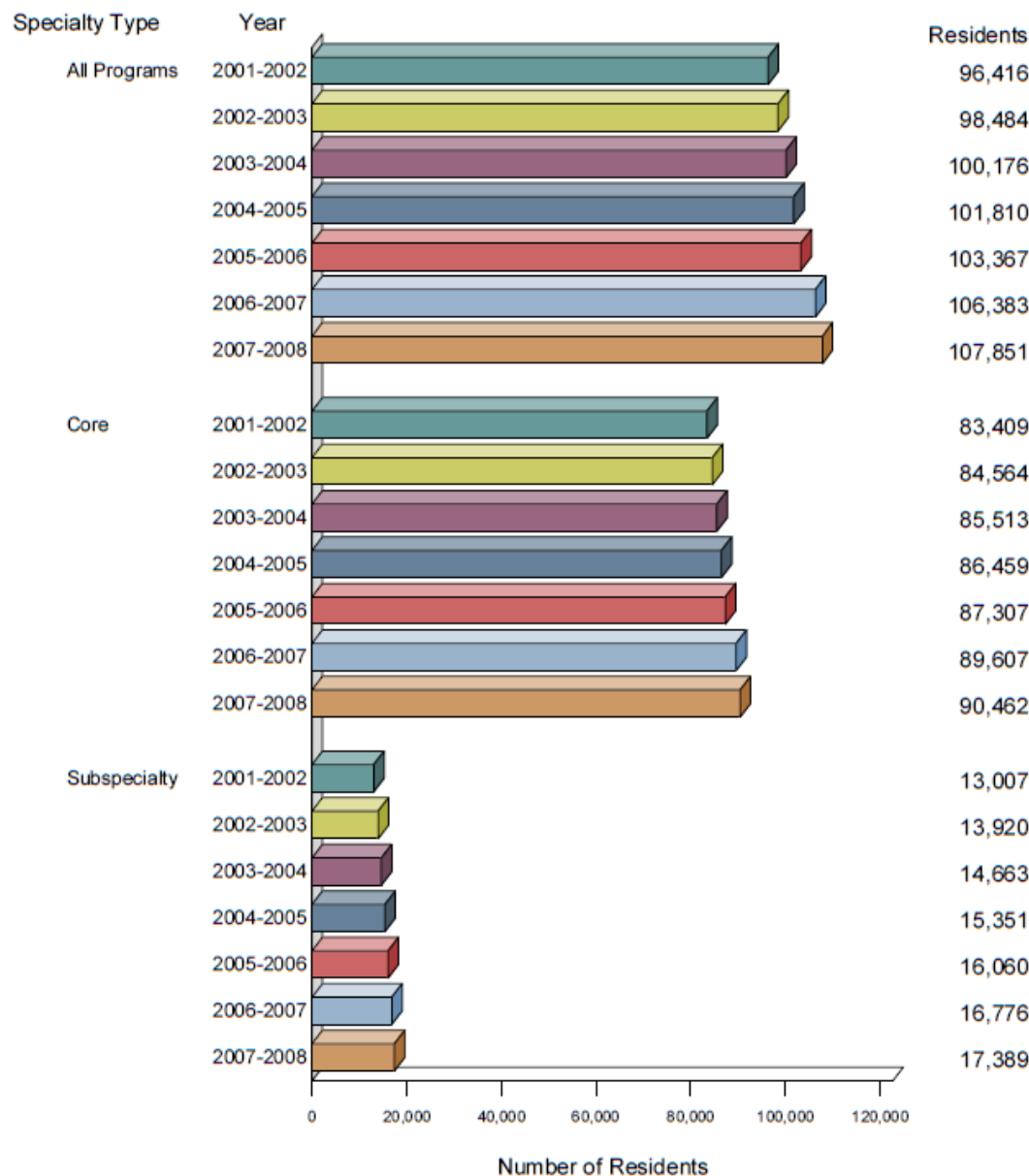
Primary care losing ground: GME

- Between 2002 and 2007
 - Residency positions grew +7.9%
 - Subspecialty positions grew +24.7%
 - Primary care positions grew +2.3%
 - Family Medicine positions fell -2.8%
 - However...the estimated number of graduates going on to practice primary care fell 15% (from 28.1% to 23.8%)



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Growth Trend in the Number of Residents



Ed Salsberg, JAMA 2008

Specialty positions

rose 24.7% 2002-2006

Primary care by 2.3%

Family Medicine fell 2.7%

ACGME subspecialty rose
33% 2001-2008

Over same period, family
medicine lost 37 programs

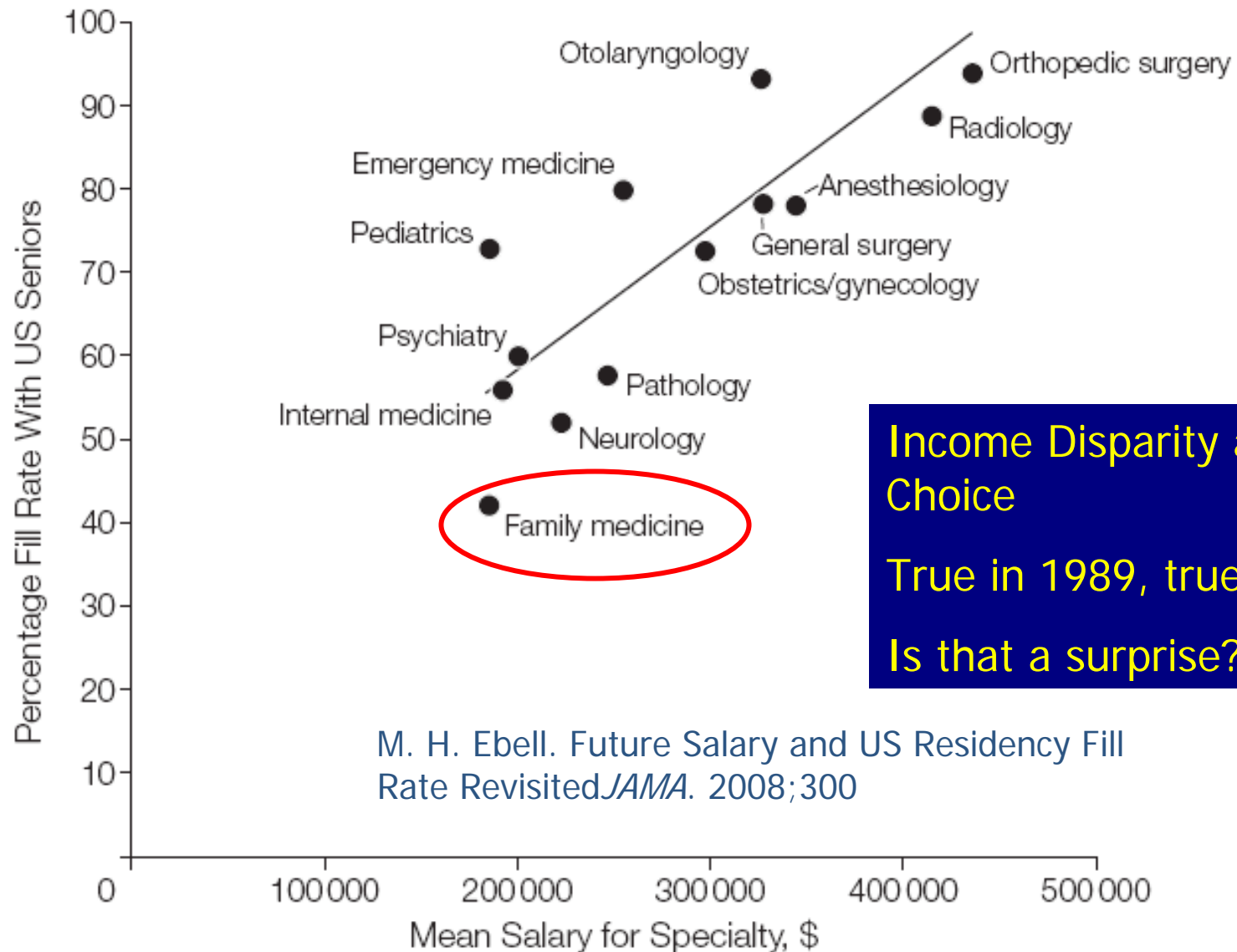
In the Match, since 1996

FM lost 18%

PC IM lost 57%

PC Peds lost 34%

Figure. Percentage of Positions Filled With US Seniors vs Mean Overall Income By Specialty

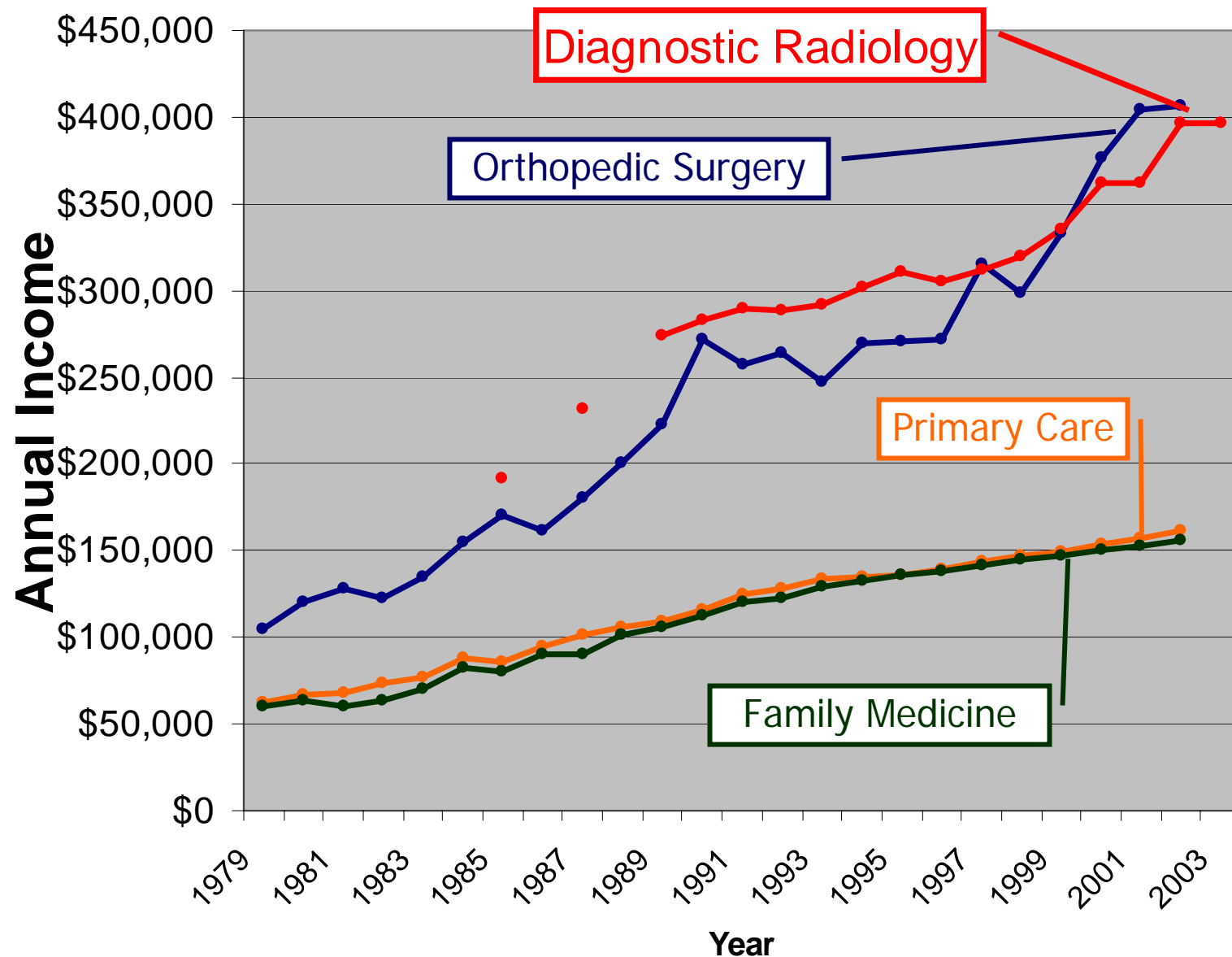


Income Disparity affects Choice

True in 1989, true now

Is that a surprise?

Progress of the Physician Payment Gap



Unintended Consequences of Resource Based-Relative Value Scale Reimbursement ¹

“Medicine’s generalist base is disappearing as a consequence of the reimbursement system crafted to save it – the RBRVS”

¹ Goodson JD. Unintended Consequences of Resource Based-Relative Value Scale Reimbursement. JAMA. 2007;298:19:2308-10



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Poor Alignment of Payment Policy with Distribution

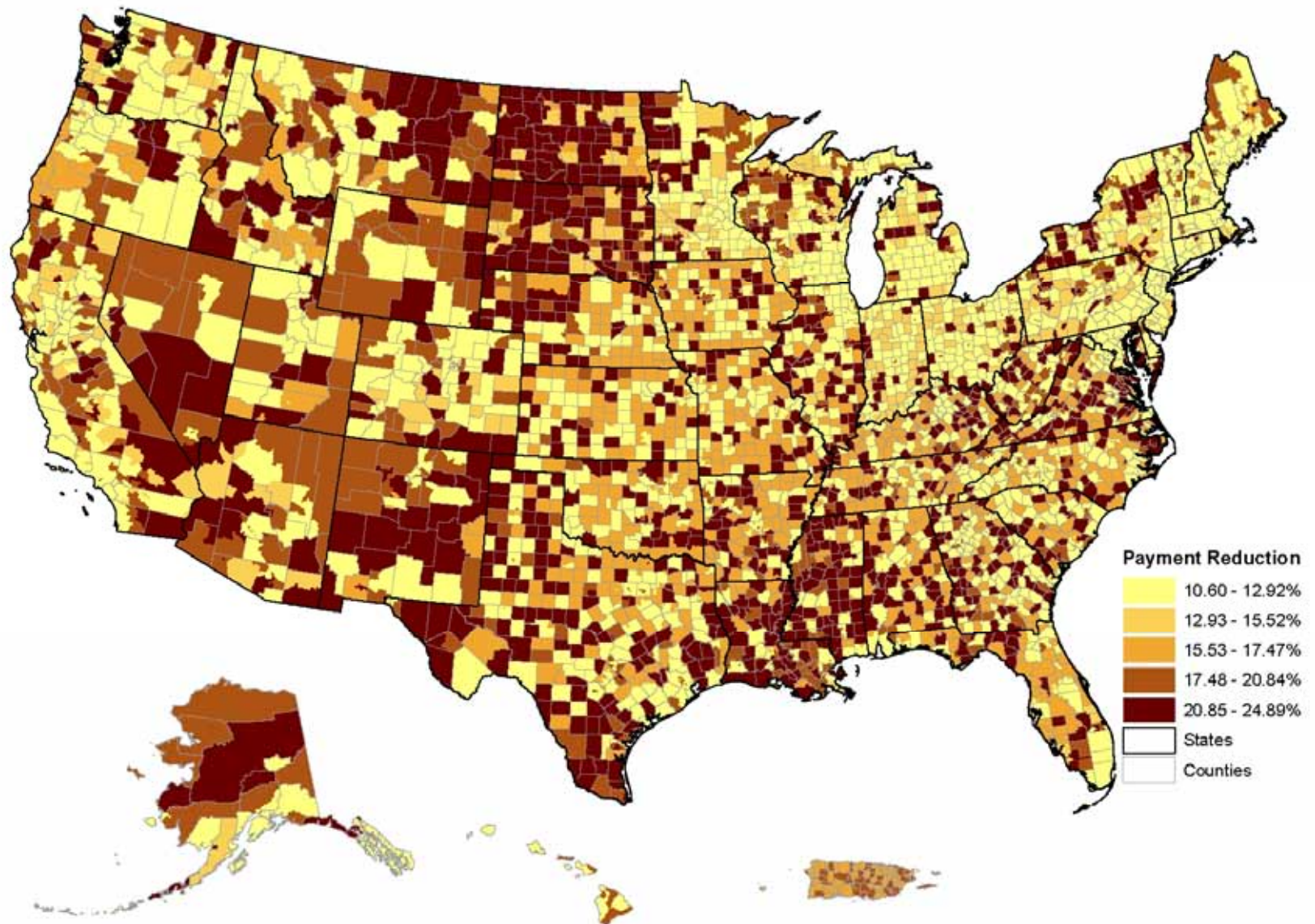
- Remains a problem (GAO 2005, HRSA 2007, IOM 2004)
- Convergence of proposed Medicare cuts and Shortage redesignations 2008—threatened 24% payment reductions in some rural/underserved areas
- Loss of Physician Scarcity Area bonus 2008
- Revisited in COGME 18th Report



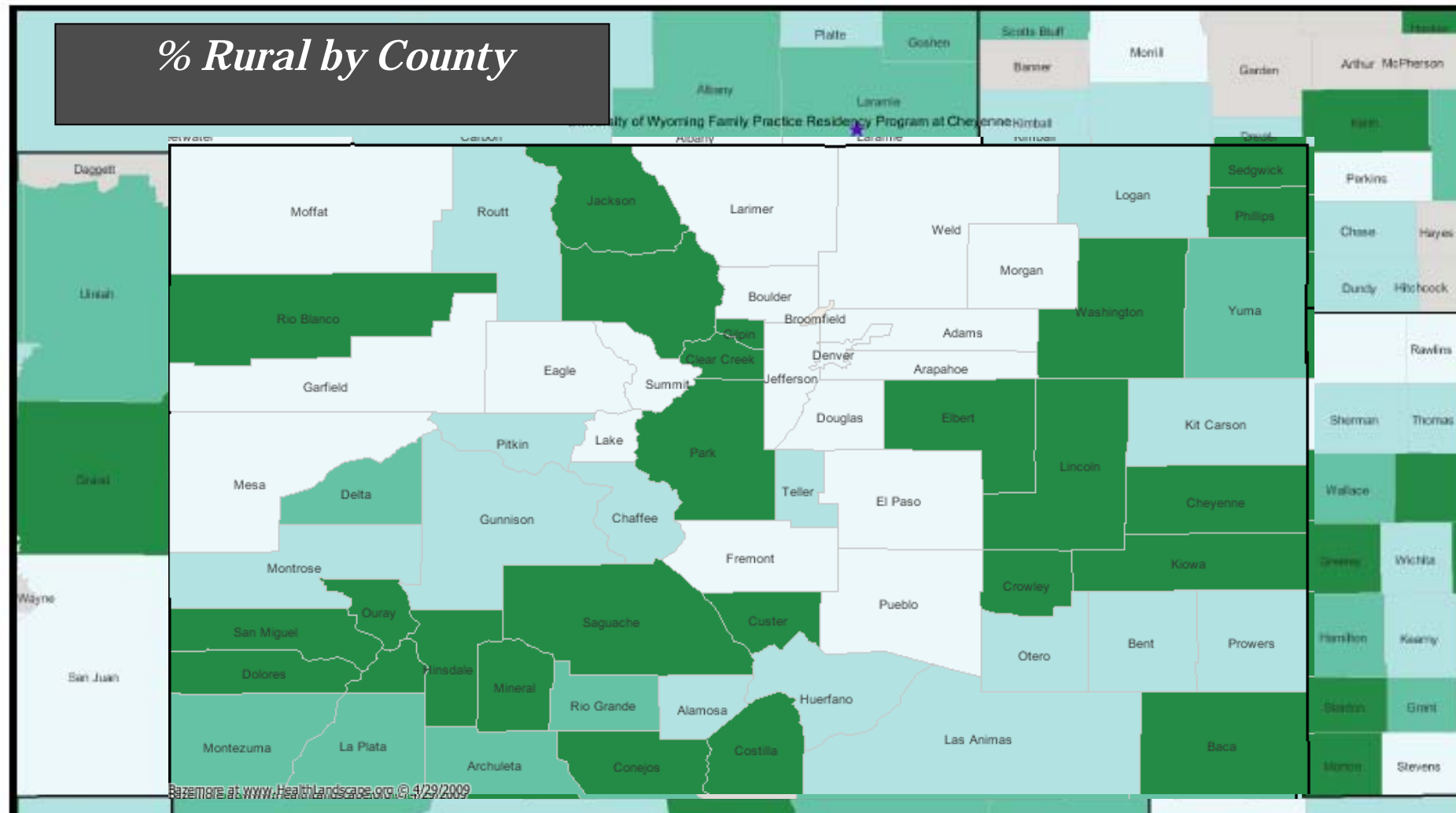
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2008 Potential Medicare Payment Reductions



Primary Care to Population Ratios by County, Colorado



Maps provide a way to explore variation in Colorado's physician distribution (Physician per 10,000) – Specialty by Specialty (PC then ALL then FM)

Colorado Me



Created online by Andrew Bazemore at www.HealthMap.org

COUNTY	GRADUATES	STATE
Denver	775	Colorado
Arapahoe	370	Colorado
Jefferson	263	Colorado
Boulder	180	Colorado
Maricopa	152	Arizona
El Paso	151	Colorado
Larimer	116	Colorado
Los Angeles	97	California
Douglas	93	Colorado
Mesa	89	Colorado
King	86	Washington
San Diego	86	California
Bernalillo	79	New Mexico
Pueblo	71	Colorado
Adams	68	Colorado
Weld	65	Colorado
Salt Lake	54	Utah

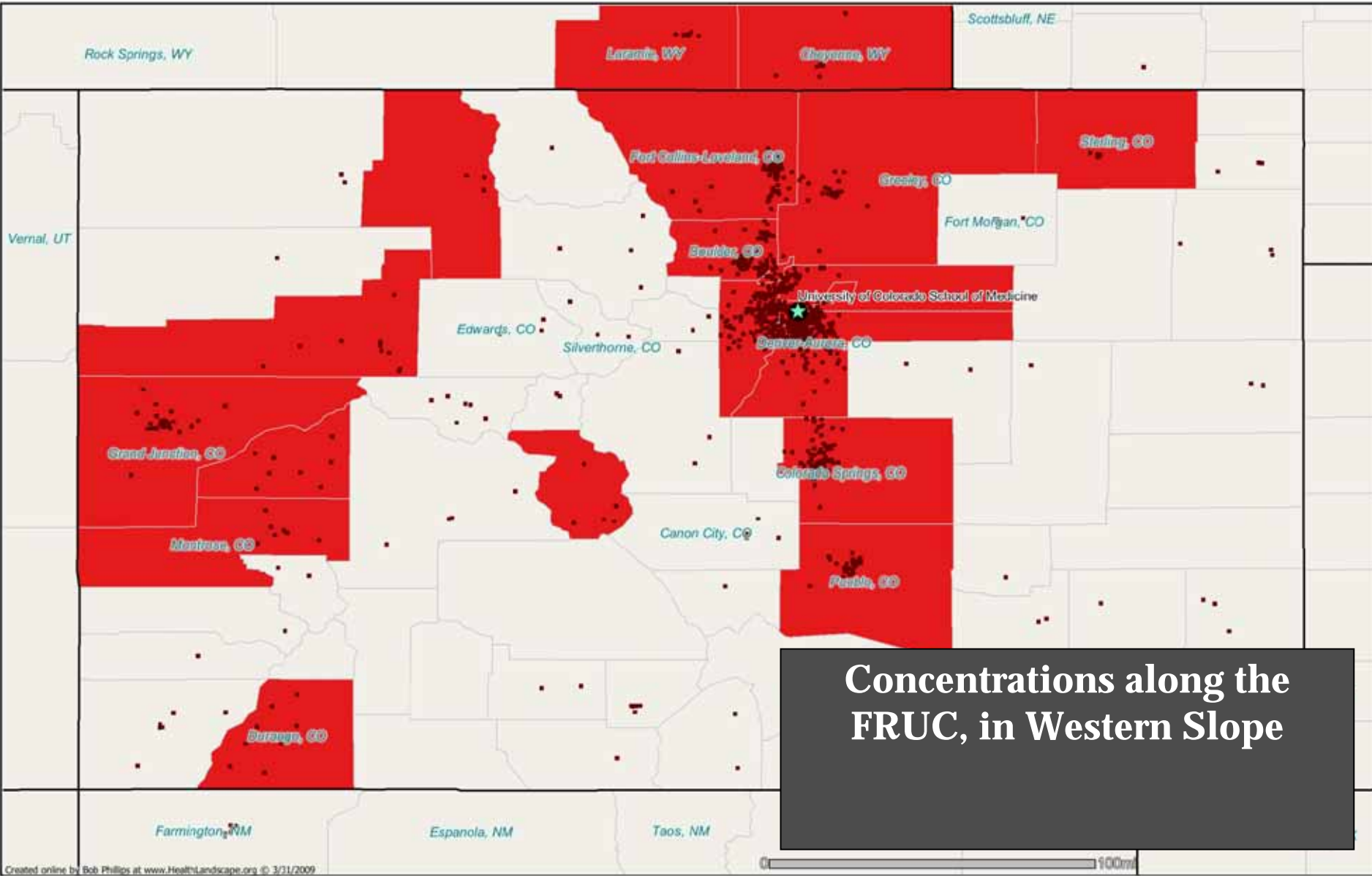
West Coast)

University of Colorado School
of Public Health
Health Footprint (70%)

MA Masterfile 2006

graduates
ambassadors
western urban
dors

University of Colorado School of Medicine Graduate "Footprint"

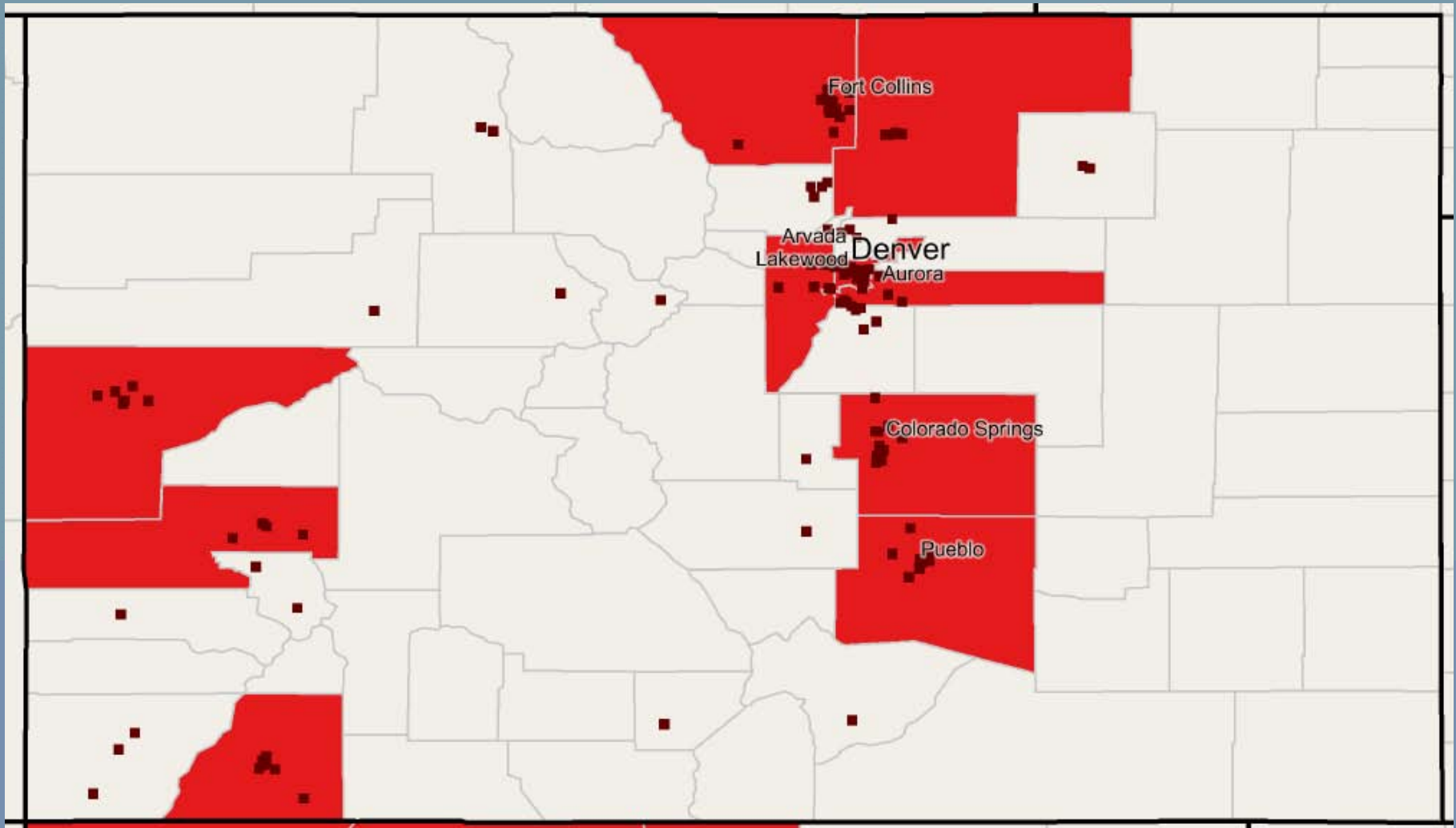


Other Schools with Footprint in Colorado (collaborators?)

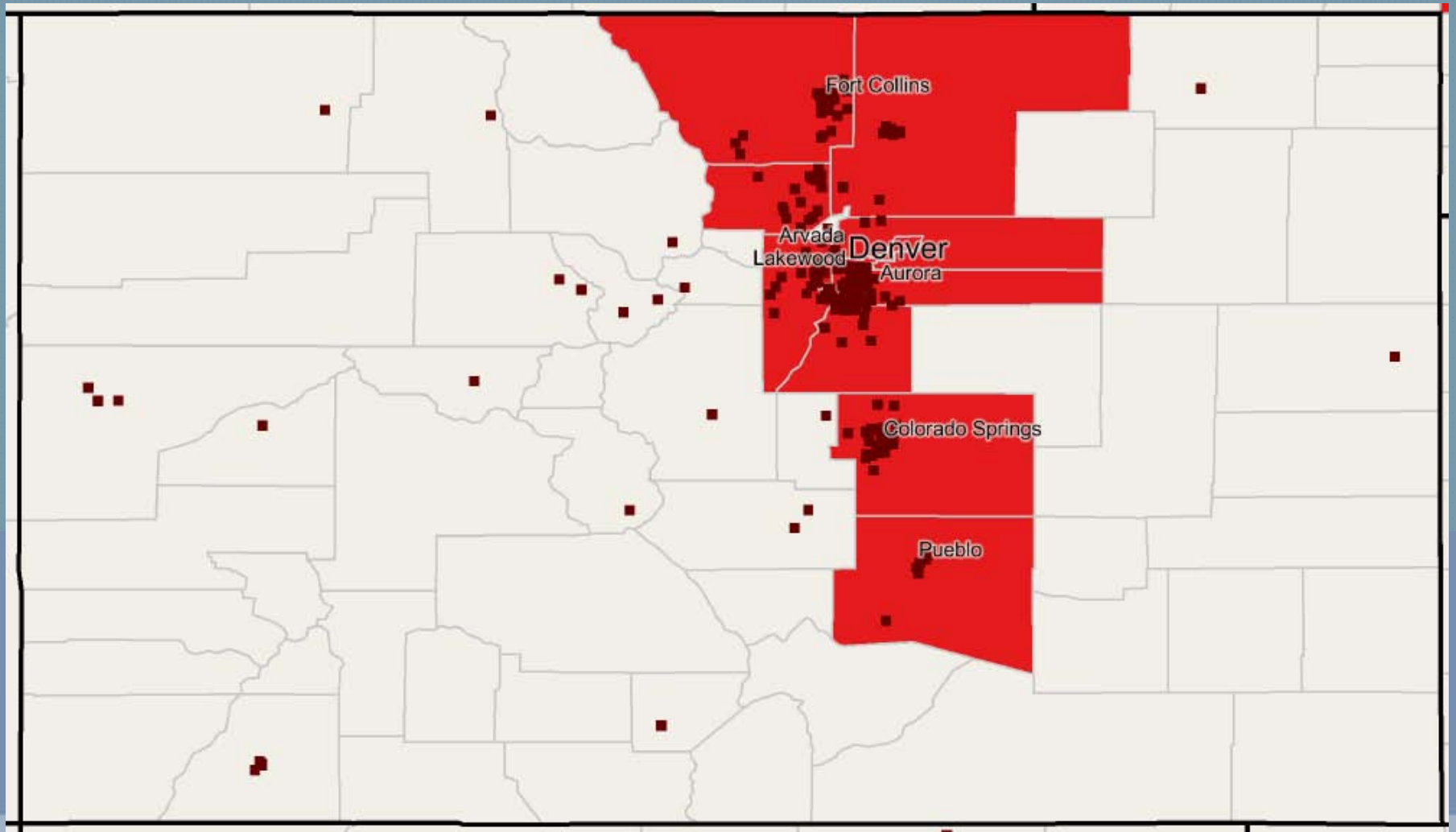
- Nebraska
- New Mexico

State	Access Ranking	Net Donation, 91-01	Supply/Demand, 91-01	PC-Net
AK	36	-570	0	-253
AL	31	-506	0.825877495	66
AR	42	-401	0.781352236	-109
AZ	33	-3420	0.250328803	-801
CA	44	-15398	0.44776387	-2910
CO	35	-2921	0.319272897	-673
CT	7	-1633	0.543599776	593
DC	13	3425	3.663297045	1562
DE	19	-686	0	-76
FL	40	-7333	0.413078278	-2998
GA	37	-2750	0.589429681	-1287
HI	1	-553	0.519548219	-35
NE	13	1174	1.839170836	113
NM	50	-631	0.547020818	-291

University of New Mexico



University of Nebraska



PC Training Capacity in Colorado

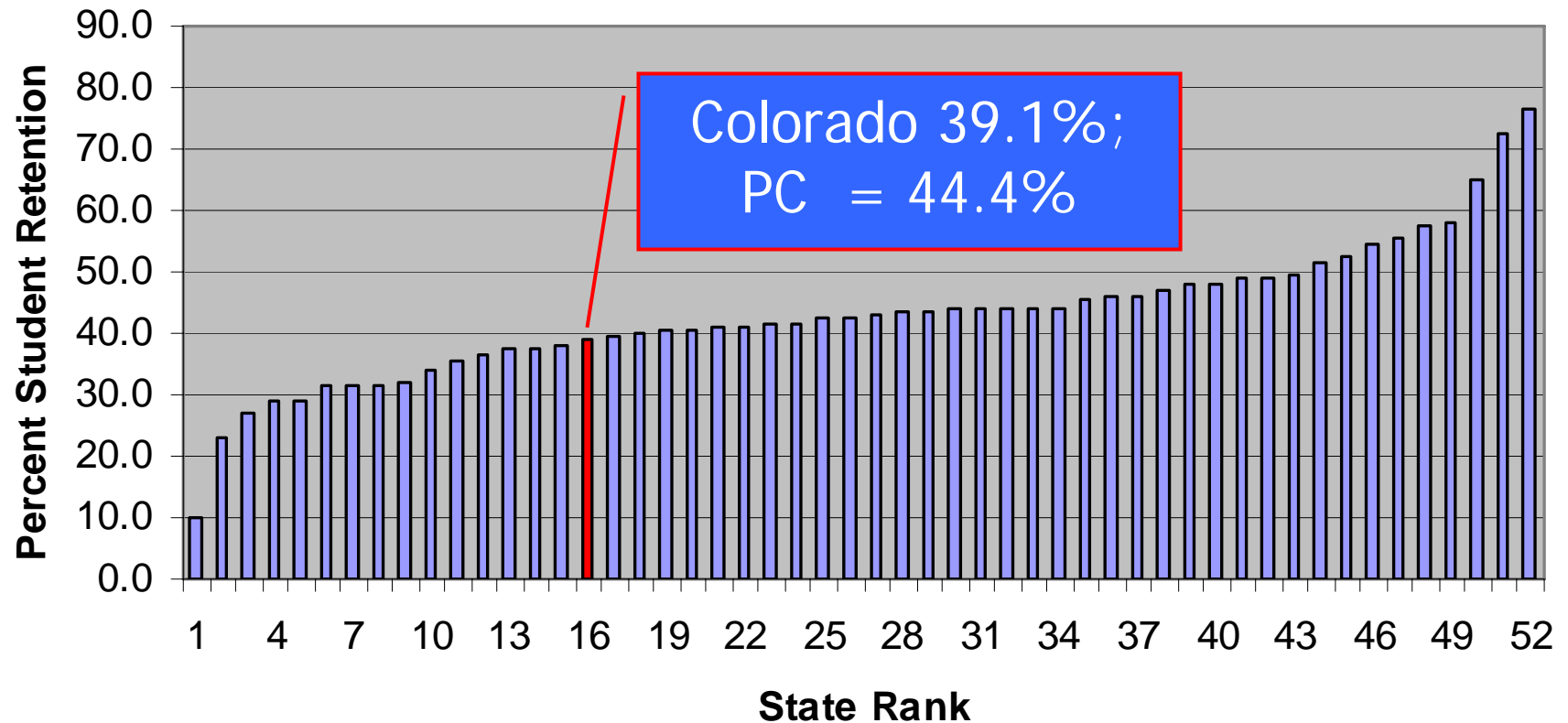
- Colorado has nine primary care residency programs that train 56 primary care residents per year. Of these, 80%-90% are from out of state medical schools and 65-75% remain in Colorado after their training.



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Residency Retention by State



Residency Training

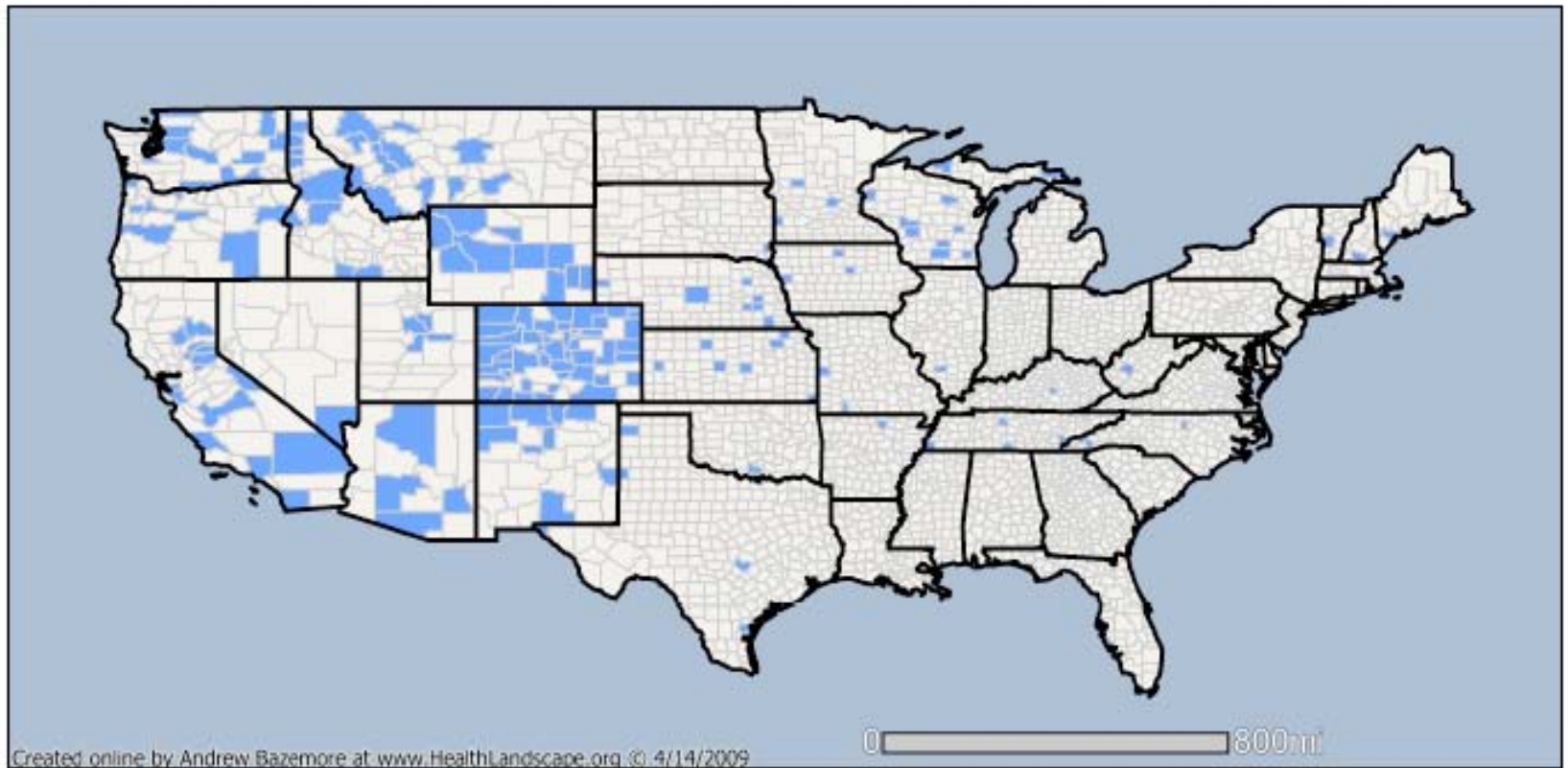
- Family Medicine Footprint



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All Colorado Family Medicine Residency Footprint



Created online by Andrew Bazemore at www.HealthLandscape.org © 4/14/2009

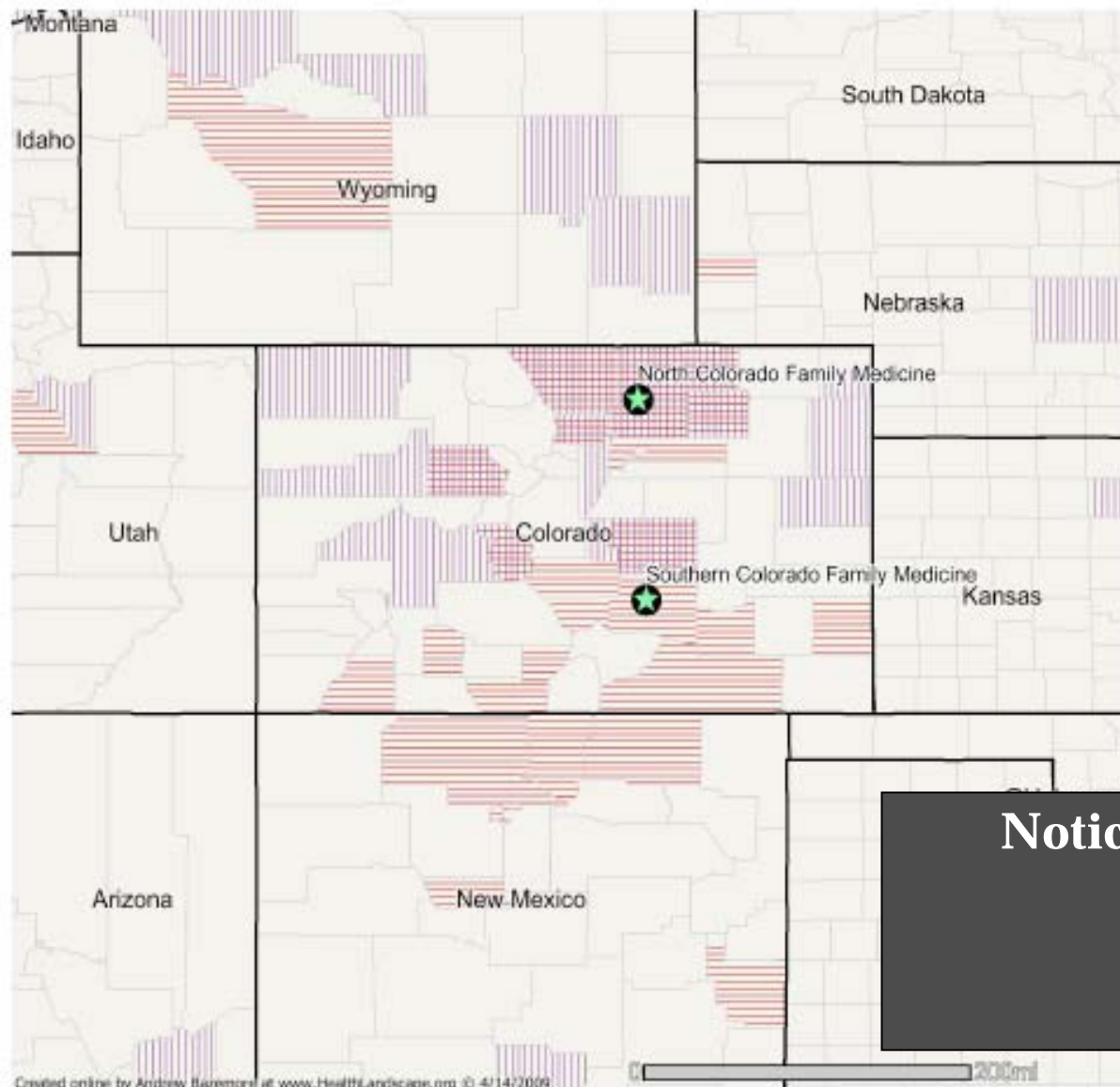
Legend:

■ All Residency Programs:
Footprint (70%)



Source: AMA Master File 2006

**Family Medicine Residencies
in Colorado = 9**
**Retention rates > 60%, despite
>70% coming from out of state**

North/South Colorado Family Med. Residency Footprints



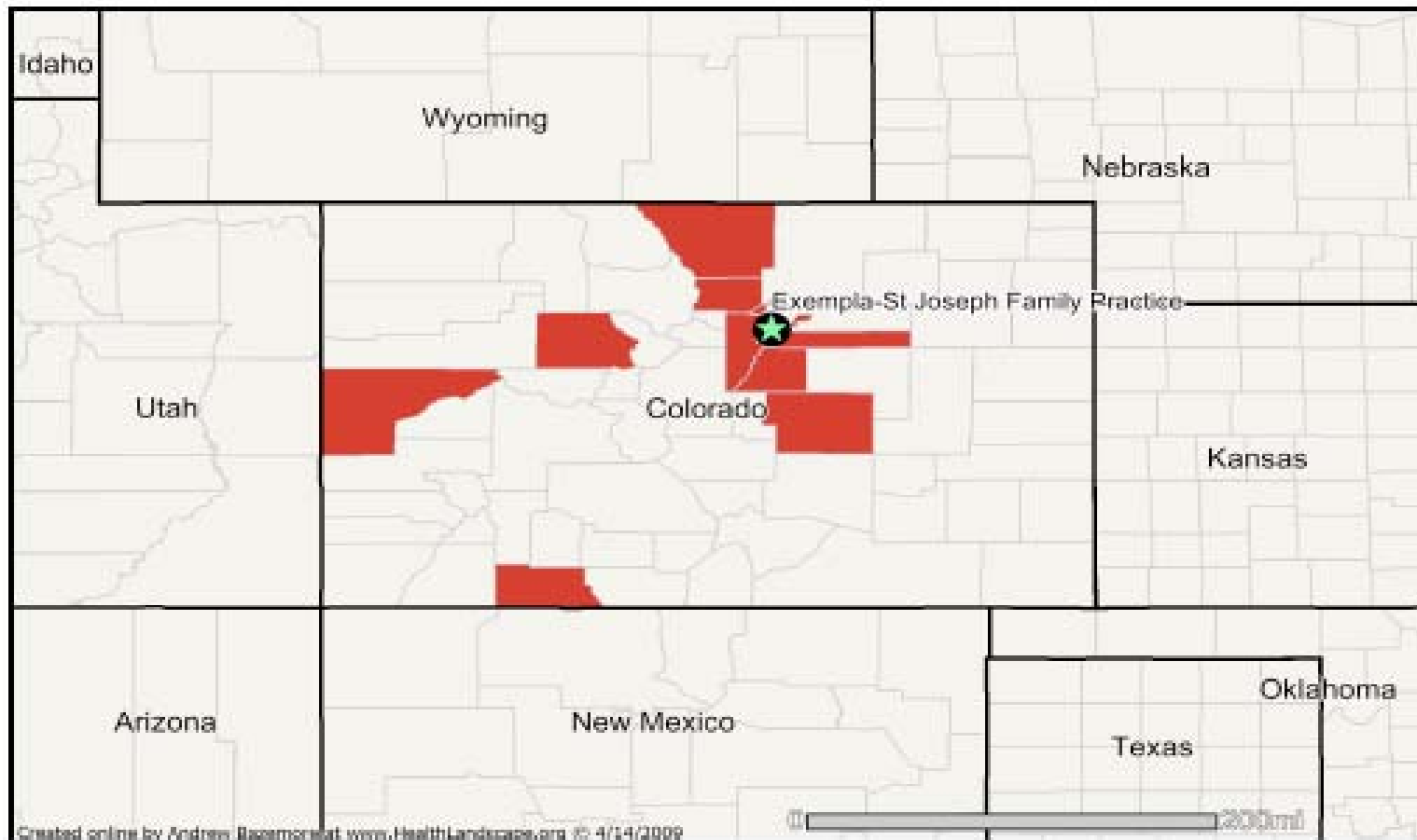
Legend:

-  Southern Colorado Family Medicine Footprint (70%)
-  North Colorado Family Medicine Footprint (70%)

Source: AMA Master File 2006

Notice Western slope, footprint

Exempla-St. Joseph Family Practice Residency Footprint (Regional)

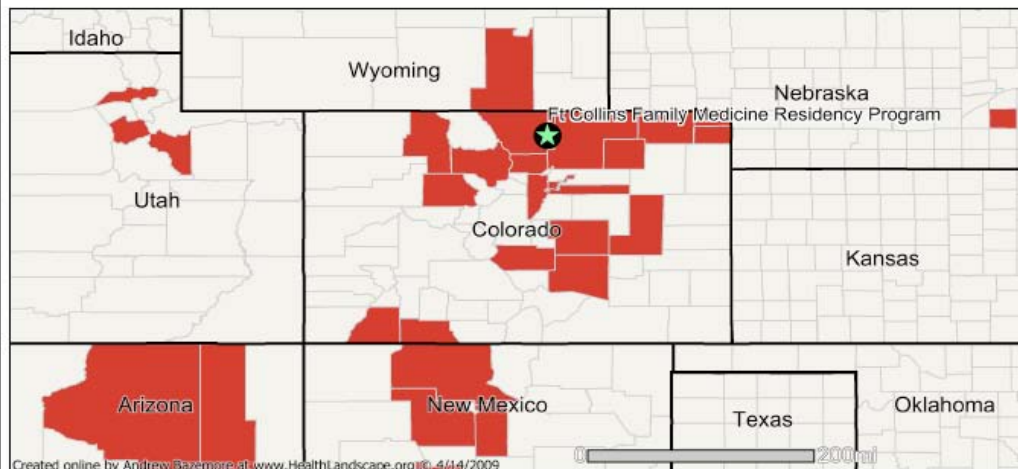


Source: AMA Master File 2006

Legend:

Exempla-St Joseph Family Practice Footprint (70%)

Fort Collins Family Medicine Residency Program Footprint (100% Threshold)

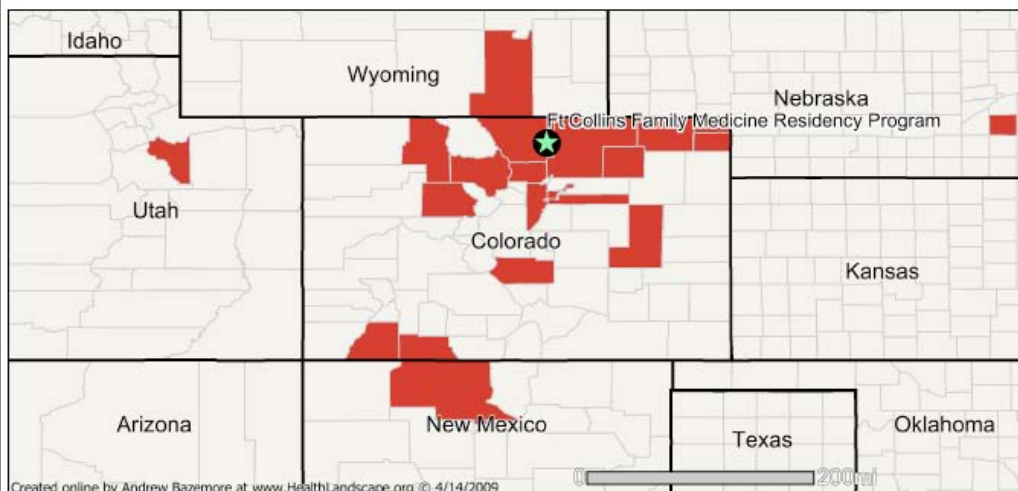


Legend:

■ Ft Collins Family Medicine Residency
Program Footprint (100%)

Source: AMA Master File 2006

Fort Collins Family Medicine Residency Program Footprint (70% Threshold)

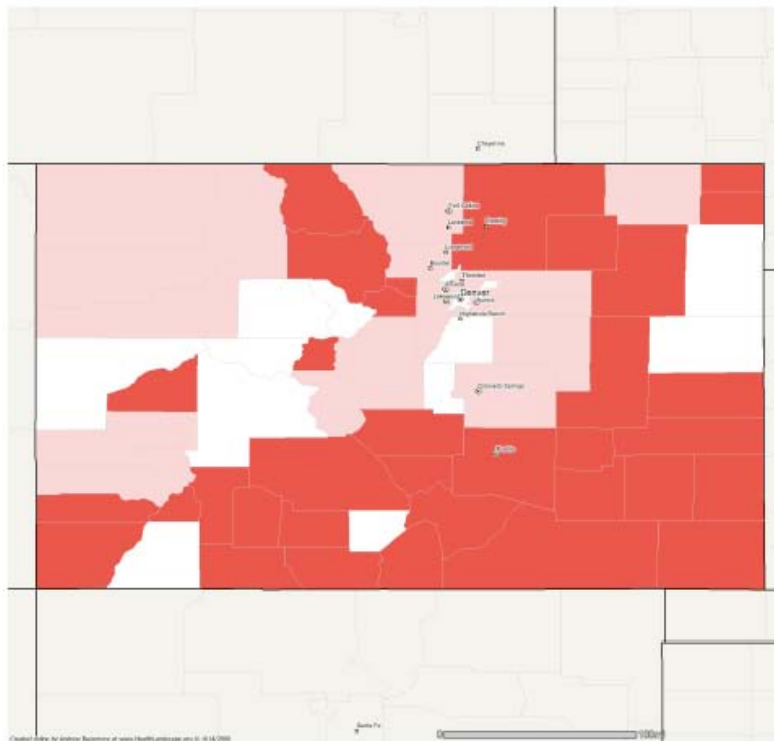


Legend:

■ Ft Collins Family Medicine Residency
Program Footprint (70%)

Source: AMA Master File 2006

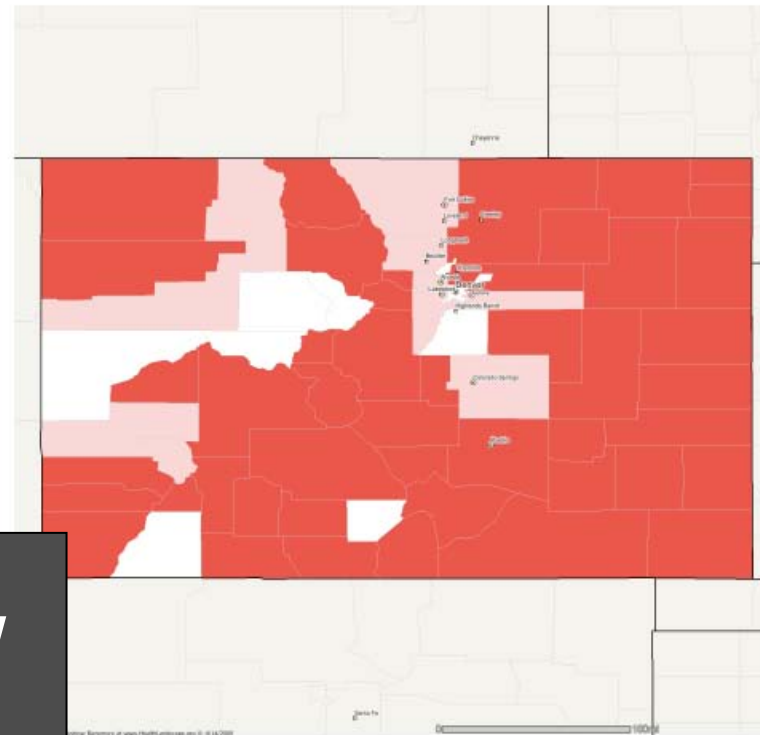
Health Professional Shortage Area (HPSA) Map: Colorado



Legend:
HPSA Wizard -- 2006 Federal
HPSA Designations
■ Full HPSA
■ Partial HPSA
□ Not a HPSA
■ Status Not Available

Cities
■ Major City
● City
○ Cities
□ Cities

CO HPSAs: With No Family/Gen. Practice Physicians



Legend:
HPSA (2006) After
Family/General Practice
Physicians
■ Becomes or is already full
HPSA
■ Remains partial HPSA
□ Not a HPSA
■ Status Not Available

Cities
■ Major City
● City
○ Cities
□ Cities

Source: HRSA 2006

These two maps were made
from the *Health Professional
Shortage Area Wizard*

Role of NPs & PAs

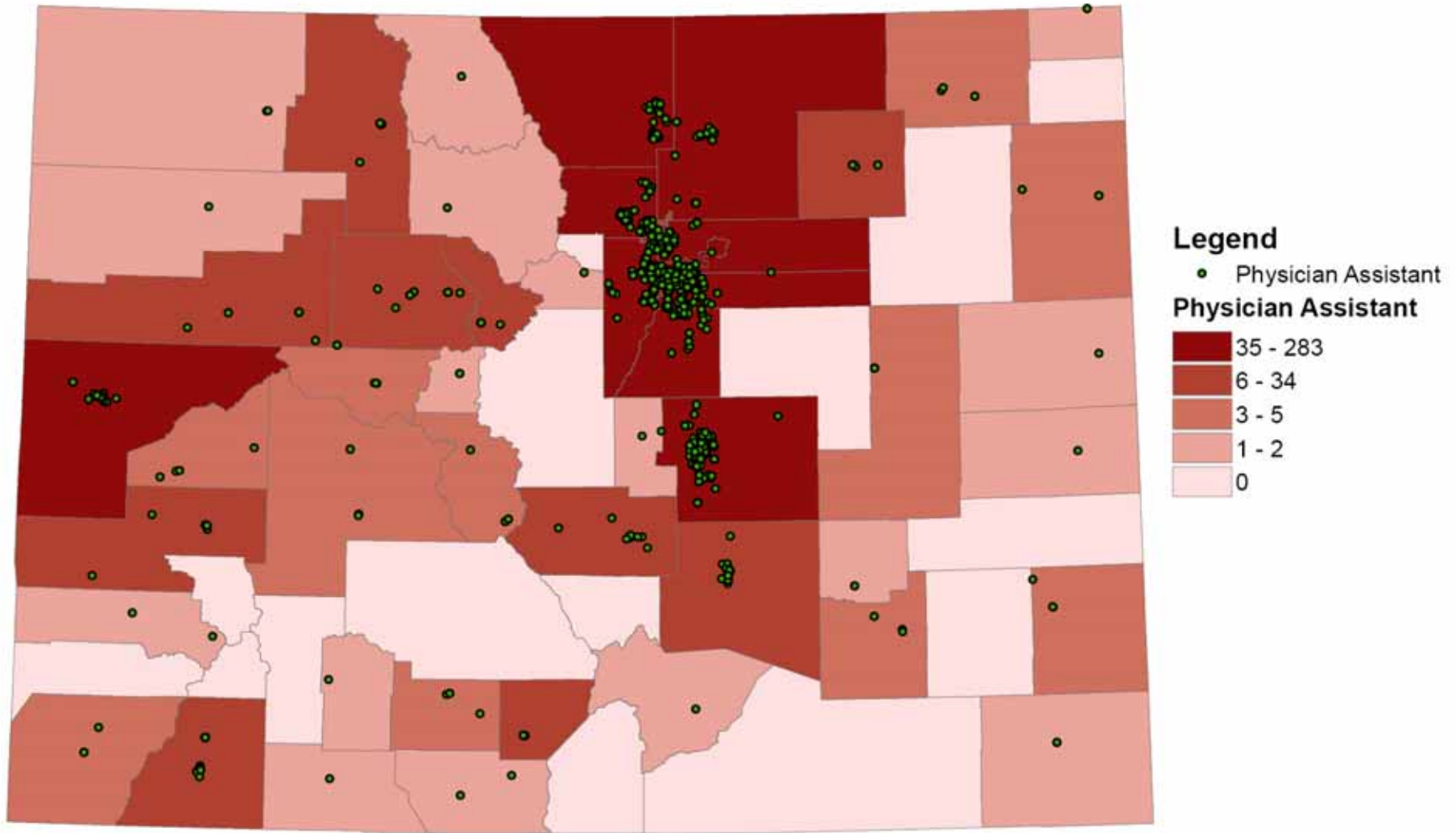
- Important, but distributing much like physicians



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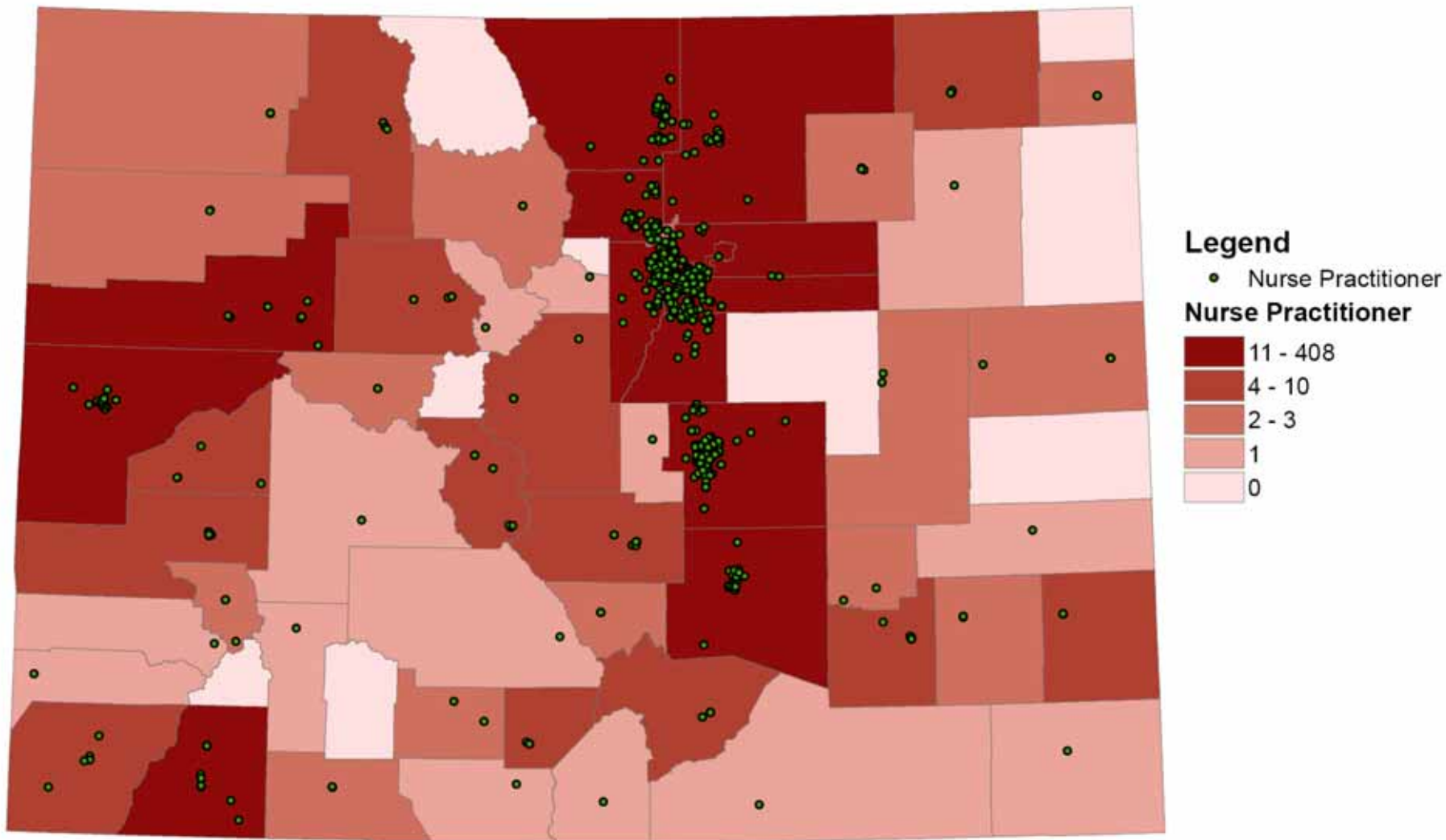
2008 Colorado Physician Assistant by County



Data Source:

1. CMS National Provider Identifier (NPI), Nov. 2008
2. 2007 Census Population Estimate

2008 Colorado Nurse Practitioner by County



Data Source:

1. CMS National Provider Identifier (NPI), Nov. 2008
2. 2007 Census Population Estimate

Health Center Capacity

- Massachusetts
 - 43 CHCs
 - 430,000 patients (grew to 482,000 2007)
 - 1 in 13 people in Massachusetts
- Colorado
 - 14 CHCs
 - 396,000 patients
 - 1 in 12 people in Colorado

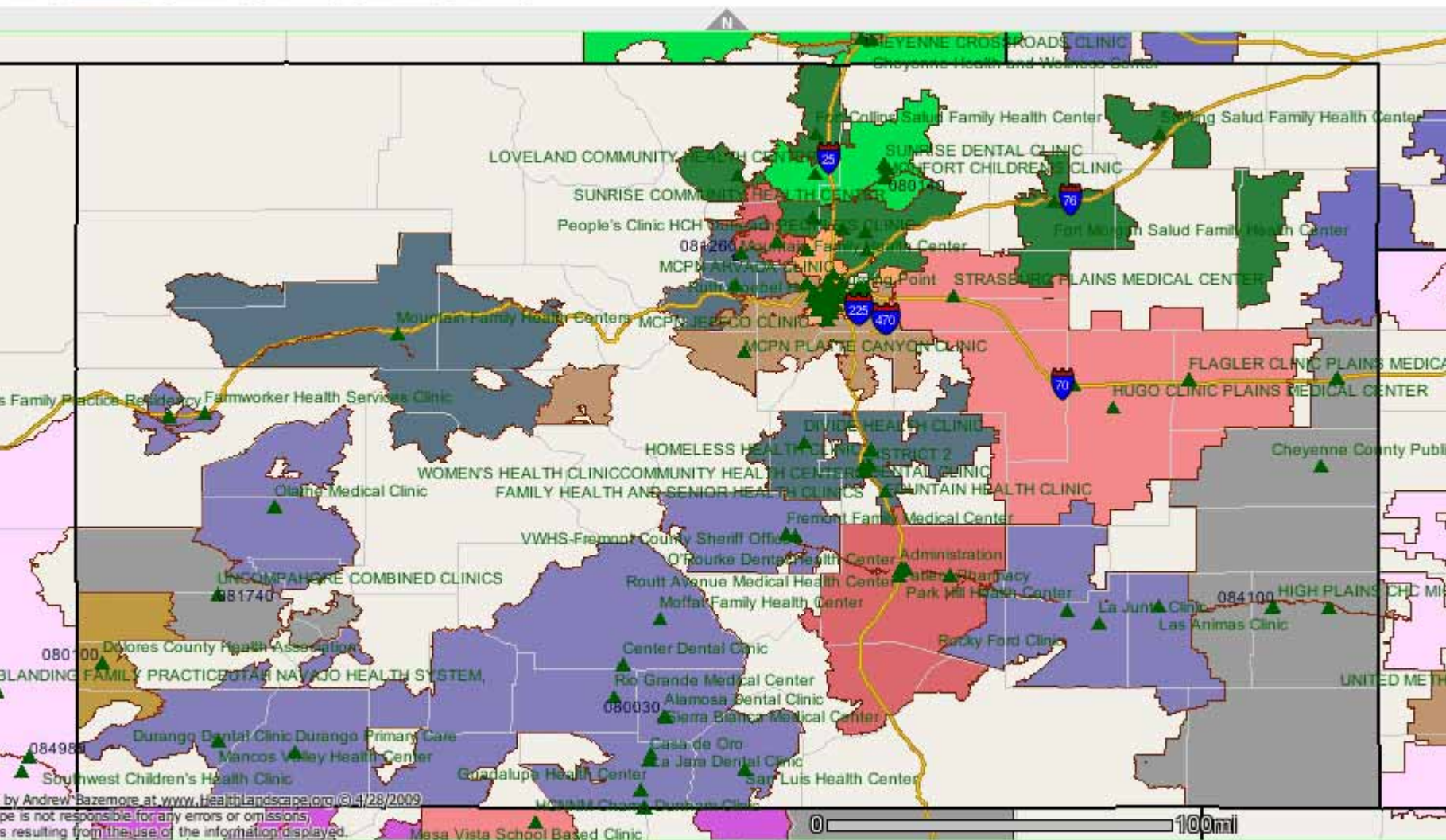


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<http://www.kff.org/healthreform/upload/7878.pdf>

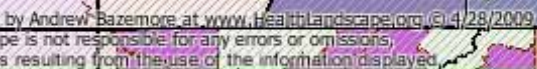
http://www.cchn.org/pdf/health_centers/2007_fact_sheet.pdf

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by Andrew Bazemore at www.healthlandscape.org © 4/28/2009
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Targeting Resources

- HPSAs
- MUAs
- Rural
- Former PSAs
- Obvious staffing deficits



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What Enhanced PC Could Do

- Potential cost savings
- Potential morbidity, mortality reduction



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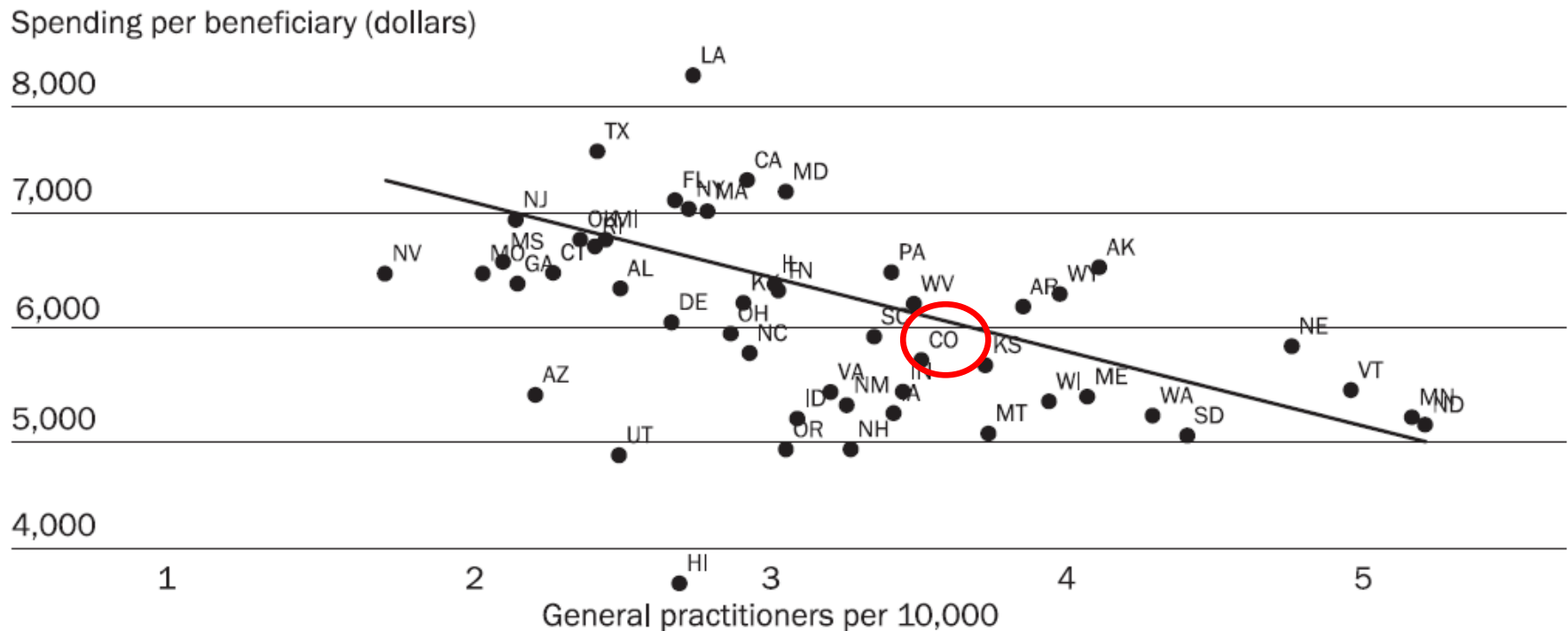
Insuring Everyone

- Massachusetts cost model
 - Cost of care for all people(60 million) currently without a usual source of care (MEPS)
\$125 billion - \$145 billion
- Enhanced PC cost model
 - Give everyone cost of Top 5 states: Save \$70 billion
 - Give everyone cost outcomes of Community Health Centers: Save \$450 billion

Greater numbers of primary care physicians per capita is associated with lower cost care

EXHIBIT 9

Relationship Between Provider Workforce And Medicare Spending: General Practitioners Per 10,000 And Spending Per Beneficiary In 2000

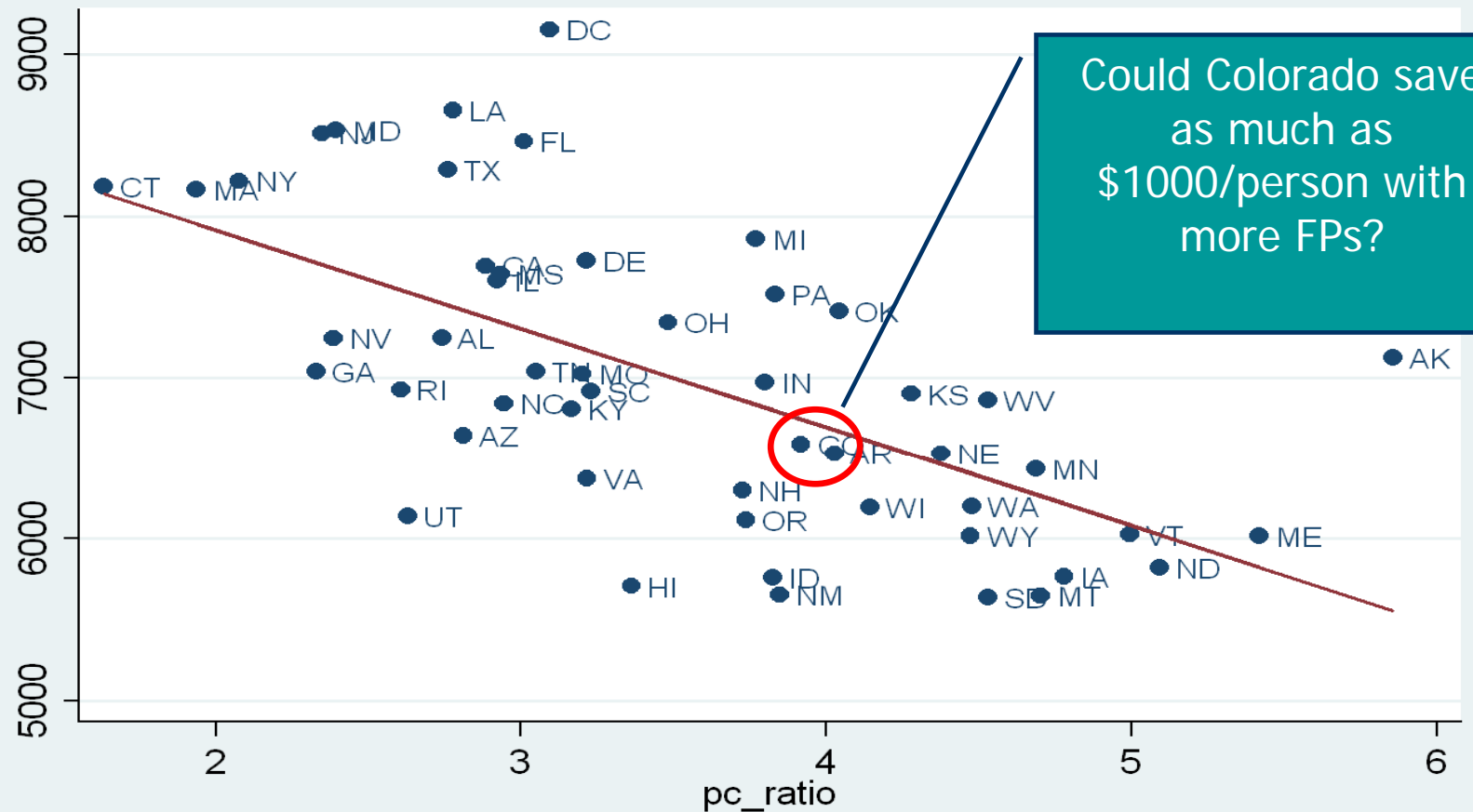


SOURCES: Medicare claims data; and Area Resource File, 2002

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Baicker and Chandra, Health Affairs April 2004

Greater numbers of family physicians per capita is associated with lower cost care



Family Physicians per
10,000 and spending, 2006

● cost — Fitted values

Lessons from Macy Study



Specialty and Geographic Distribution of the Physician Workforce:

What Influences Medical Student & Resident Choices?

Funded by the Josiah Macy, Jr. Foundation



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Market doesn't absolve Schools

- Rural birth – 2.4 x rural practice
1.8 x Family medicine
- Public Medical School
1.8 x FM and Rural
- Interest in Serving Underserved
3 x an FQHC
4 x Rural Health Center
- Inner City, Rural and Primary Care
Clerkships and Electives Matter



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Factors Affecting Medical Student and Resident Career Choices.

Graham Center 2009. Funded by the Josiah Macy Jr. Foundation

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Medical Schools can choose and train
students to produce

- More Primary Care
- More Rural Access
- More Access for Underserved

Despite the Market



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Title VII

- Significantly increased perceived quality of primary care clerkships, electives
- Increased likelihood of FM and rural electives
- Title VII interacted/enhanced effects of debt and scholarships
- School exposure increased specialty choice, residency exposure increased NHSC



Recommendations

- More debt for service
- Decrease disparities in physician income
- Change admissions: students more likely to choose primary care, rural practice, and care of the underserved
- Shift training: community, rural and underserved settings



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Recommendations

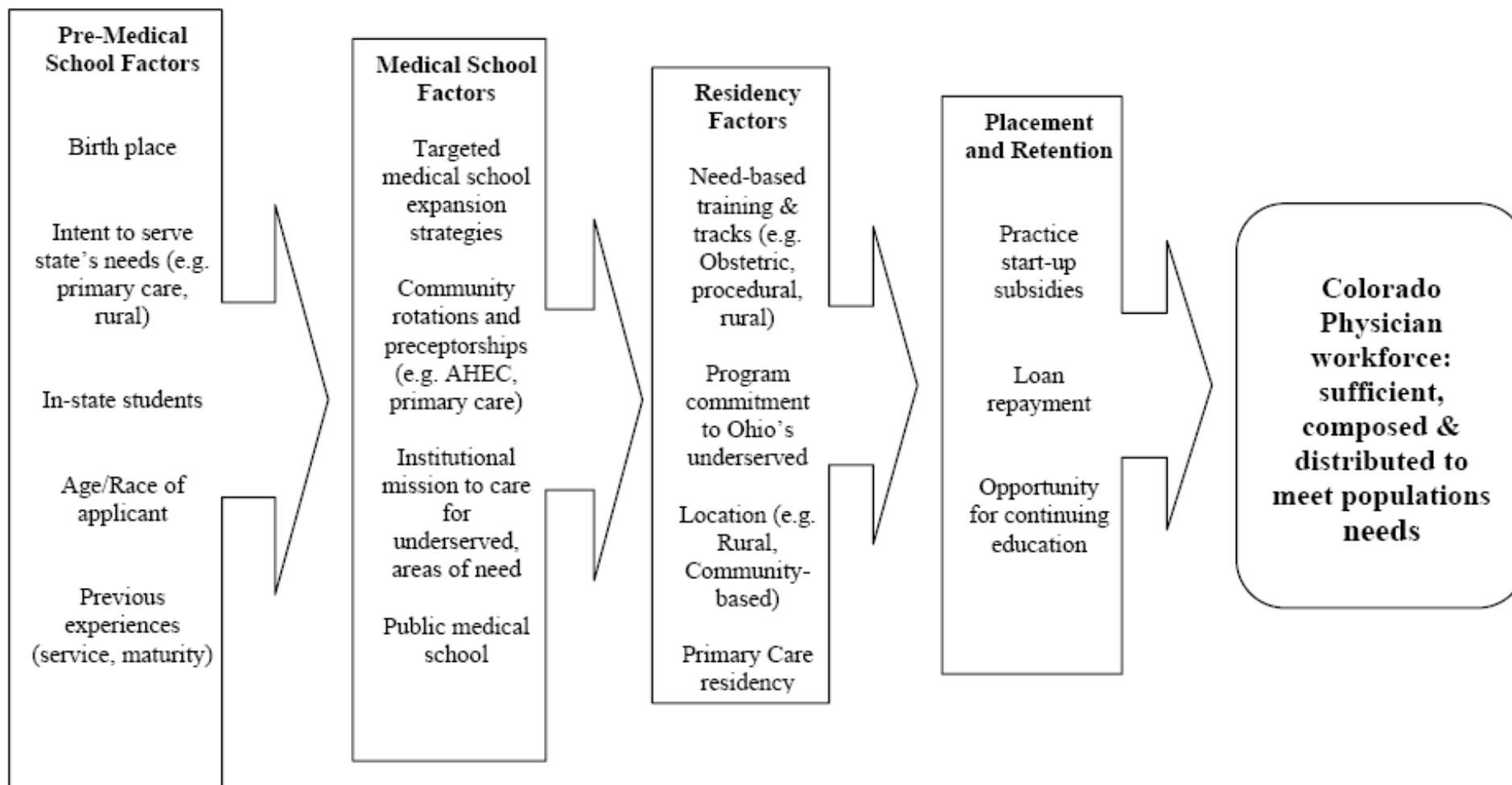
- Support primary care Departments & Residencies--teaching, mentoring
- Reauthorize and revitalize Title VII
- Study how to make rural areas more likely practice options, especially for women
- New Medical schools: public and rural



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Meeting Colorado's Physician Workforce Needs: Options and Ideas



So, Is Colorado Ready for a Primary Care-Based Health System?

- Readying the Home and its occupants
 - **Cards** for all would-be occupants: If fiscal reality and the need to address the needs of 800K, not 100K as is currently proposed, can meet
 - **Hosts** adequately distributed, composed and trained in full spectrum, new model practice
 - **Homes** in all corners of Colorado, outfitted for transformative primary care

So, Is Colorado Ready for a Primary Care-Based Health System?

- You tell us...



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Extra



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HOUSE BILL 09-1111

A BILL FOR AN ACT

101 CONCERNING MEASURES TO INCREASE THE AVAILABILITY OF HEALTH
102 RESOURCES IN DESIGNATED AREAS IN COLORADO, AND, IN
103 CONNECTION THEREWITH, CREATING THE PRIMARY CARE
104 OFFICE IN THE PREVENTION SERVICES DIVISION IN THE
105 DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT TO
106 MAXIMIZE STATE AND FEDERAL PROGRAMS THAT PROVIDE
107 HEALTH RESOURCES.

Bill Summary

(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.