

Dr. Deb Richter 1/29/2015

Definition of Primary care:

The provision of *integrated, accessible health care services* by *clinicians* who are *responsible* for addressing a large *majority of personal health care needs* in the treatment and prevention of disease, maintenance of health by developing a *sustained relationship* with *patients*, and practicing in the *context of family and community*. (*Institute of Medicine*)

The proposal: To publicly finance *primary care* for all Vermonters.

There are good evidence based reasons for this. All national and international evidence shows that:

One, primary care for all improves population health. No other sector of health of care has been shown to do that. Not hospital care, not RX drugs, not nursing home care, etc.

Two, primary care lowers overall costs,

Three, primary care reduces ER visits

Four, primary care reduces hospitalizations .

Five, primary care improves quality (see references)

Every study points to one conclusion: Primary care is a good societal investment that pays big dividends. If it were a “miracle” drug or treatment, we wouldn't hesitate for a second.

One reason for publicly funding primary care is that we can guarantee financial barriers for patients who need access to care – co-pays, deductibles, ready cash – are removed. As a result people get care earlier in their illness which leads to better outcomes and that leads to overall lowering of overall costs. This will affect every Vermonter.

Another big reason is that it will improve conditions of practice for doctors and clinicians. This is more important than it may sound. The morale among primary care doctors is at a new low. National surveys, local surveys, even the national media – the *New York Times* – have caught on to this.

Dissatisfactions with conditions of practice are leading doctors and other clinicians to retire early, switch professions, never go into primary care at all.

The leading reason is that they're not given enough time with patients. Primary care, above all, takes time with patients – not so much with computers, algorithms, questionnaires, payment, administrative work and so on. All of which has readily increased in the primary care over the past 20 years to the point where actual time spent with patients has been dangerously eroded.

Primary care practitioners want to practice good medicine and to do this right they need more time with patients. Less time can lead to higher costs due to more tests.

The patients need continuity of care from a practitioner who knows them and their medical conditions – not in passing, but well. In other words they specialize in *you*.

Publicly funding primary care is good for patients. Currently patients are faced with co-pays and deductibles and studies show they often avoid getting the necessary care to prevent further complications of chronic disease, or they seek care later in the course of their disease leading to worse outcomes and higher costs.

Patients' personal responsible medical decisions become more about money than their health. (Include 4 pages of codes)

Why fund a sector of care?

Primary care is a definable sector of care. Funding a sector of care is a way of implementing Act 48, with a slower phase-in and a more gradual way of changing the way we finance health care overall.

- 1 Administratively simpler
- 2 Guaranteed dedicated funding
- 3 Establishes a Budget
- 4 Responsive to problems when they arise
- 5 Allows for systemic efficiencies and adjustments
- 6 Allows us to put services where they are needed most
- 7 Eliminates the potential for cost shifting
- 8 Establishes this sector as a Public good
- 9 Eliminates damaging inequities in costs to patients and reimbursements to clinicians

Why primary care and not another sector?

- 1 Best investment for the reasons cited above.
- 2 We need to invest in this sector because it is the backbone of the entire health care system
- 3 It touches EVERYONE.
- 4 It's cheap. The estimated cost per capita spending is roughly 5% of what is spent in total per capita
- 5 Also, it will support and directly enhance Blueprint for Health, Accountable Care Organizations (ACOs), and payment reforms.

How to implement this plan:

- 1 Every Vermonter will receive a card entitling them to primary care free of co-pays, deductibles, cash payments
- 2 Estimated cost of such a program is approximately \$500 per person
- 3 Approximately \$160 million needed. Could be a package of taxes, (1.22 % payroll tax)

- 4 Collect the money through some taxes , put money in trust
- 5 Pay docs and clinicians capitated rate directly, gets rid of FFS
- 6 Lowers premiums approximately 5% due to risk reduction
- 7 What to include? FPs internists, pediatricians and basic GYN and allied health professionals associated with these specialties

Questions yet to be answered:

- 1 Waiver from the Exchange
- 2 There is some overlap of specialties and at some point may be necessary to determine what should be excluded.
- 3 Should it be risk based capitation for more complicated patients since a flat compensation rate would punish clinicians with a more complicated patient panel?