Publicly Financed Universal Primary Care- It's Time Has Come

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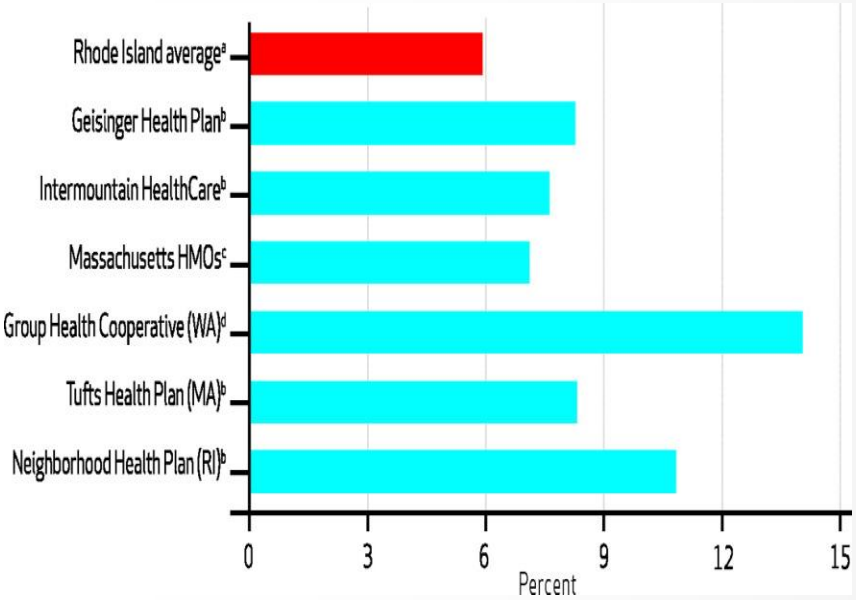
Primary Care is unique in the health care system

- The foundation of primary care is prevention and population health-not illness care
- Every study has confirmed that specific investment in primary care improves quality and reduces cost. (No other medical service has been able to consistently improve quality at lower cost.)
- Now payment for primary care is lumped in with acute care, specialty care, and hospital care
- Payers have not increased expenditures on primary care, mental health, and community based services unless forced to do so (Blueprint)

Rhode Island recognized the need to increase expenditures on primary care

(Koller, et al. Health Affairs 2010;29:941)



- RI mandated an increase in PC spending from 5.4% to 8% from 2007-2011
- This led to an 18% drop in total spending (a 15 fold ROI)
- The legislature next required commercial insurers to increase the proportion of medical expense allocated to PC by 1% per year 2011-2014.
- Results are not yet available.

Publicly financed universal primary care is the only way to focus expenditures on prevention

- 2014 Vermont resident expenditure analysis:
  - $5.5 billion which was an increase of 4.6%
  - Hospitals: 37%, Clinicians:17%, Mental Health:14% Home health:2%
- There is no breakdown of the actual investment in primary care services, including mental health
- The Blueprint legislation required the payers to invest in primary care (PMPM payment for qualifying PCMH and community health teams.)
- Most clinicians agreed that the payment model did not adequately cover the administrative costs in the Blueprint
- The American Academy of Family Physicians states that primary care spending must increase from 6% to 12% to control costs

Universal Primary Care is a way to improve the primary care workforce

- Primary care cannot be overburdened with performance measures, prior authorization, and dysfunctional computerized medical records.
- Primary care must be compensated adequately and fairly for the work they do both with the patient and after hours
- The way to achieve these goals is to recognize that primary care is unique and should be publically financed
- Unless these goals are achieved we will continue to have only modest increases in quality, significant increases in cost, and fewer graduates will choose a primary care career

The Universal Primary Care Fund (UPCF)

- The cost estimate for UPC reported in December 2016 (Wakely) was not a cost/benefit analysis.
- The APM/ACO model does not have a detailed plan for transitioning resources to improve access to primary care and mental health. A UPCF would be a step to achieving this transition.
- The GMCB has the authority to review/advise Medicaid rates and sets commercial/Medicare rates for certified ACOs. This could be a funding source for the UPCF.
- Health care expenditures were $5.5 billion in 2014. Every .5% reduction in expenditures saves Vermont $27.5 million.

Questions?

Now is the time to do something really different for Vermonters and their care givers.

Publicly financed universal primary care could be Vermont's bridge to a high quality truly affordable health care system- the goal of Act 48.