

Community-Based Independent Practices

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HealthFirst, Vermont's Independent Practice Association

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About HealthFirst

- Independent Practice Association (IPA) formed in Fall of 2010 by group of independent physicians
 - Non-profit taxable organization, fully financed by member dues
 - Governed by BOD elected by members
- Mission is to promote & foster the long-term success of independent healthcare practices throughout VT
 - Group purchasing & discounted medical malpractice insurance
 - Facilitate collaboration between offices/sharing of best practices
 - Group contracting with payers
 - Loan repayment program
 - Collaborative care agreements → agree to work together towards high quality re: issues of access, communication & clinical quality standards of care

What are Independent Practices?

- Small, community-based, physician-owned practices; not hospital-owned, not federally-subsidized FQHCs
- Some consist of a solo practitioner; many are small group practices with between 2 – 11 physicians
- HealthFirst represents 69 physician-owned practices & more than 210 practitioners, including MDs, DOs, & APPs
 - 31 primary care sites and 27 different specialty fields
 - Members in 10 counties: Addison, Bennington, Chittenden, Franklin, Lamoille, Orange, Orleans, Rutland, Washington, and Windsor

Why Do Vermonters Care?

- The experience of care at small, community-based, physician-owned practices is different
 - Comparatively lower cost, often dramatically
 - High performance on quality measures
 - Enhanced accessibility & availability
 - Personalized, friendly care
- Small practices are nimble, flexible, & innovative
- Support for small physician practices whose doctors are known & appreciated by members of the local community is a Vermont tradition

How Many Independent Docs are There?

- HealthFirst currently has 138 independent MD/DO members
 - Slow, steady decline, mainly due to retirements, moving out of state & low reimbursements. Primary care most affected.
- We estimate that ~**20%** of Vermont's physicians are in independent practice
- Nationally, surveys suggest that between **31 - 46%** of physicians are in independent practice*

Priority Issues

- **Persisting through COVID**
 - Ensure practices remain sustainable & accessible to patients
- **Improve patient access to care**
 - Strengthen & expand primary care
 - Higher payments are needed, particularly by Medicaid
 - Improve broadband infrastructure & maintain reimbursement for telehealth, i.e., paid at parity for both video/audio & audio only visits

Priority Issues

- Addressing the unsustainable situation of rising costs coupled with flat reimbursement rates
 - Health insurance premiums have increased 42% over the last 5 years yet Medicaid & commercial reimbursements essentially remain flat year after year. This is UNSUSTAINABLE for practices.
 - See related [handout](#) from 12.16.20 GMCB meeting & recent Auditor's [report](#)
- Correcting commercial payment differentials
 - Providers with more leverage & negotiating power command higher rates each year, leading to widening payment differentials
 - Hospital price transparency data is confirming that independent providers are reimbursed less, sometimes many times less, for providing same service

Healthcare Reform

- Independent doctors are leaders in healthcare reform
 - HealthFirst's Vermont Collaborative Physicians (VCP) had the first Medicare ACO in VT, the Accountable Care Coalition of the Green Mountains (ACCGM)
 - VCP routinely outperformed other two VT ACOs in quality & cost
- Independent practices participate in the APM/OCV
 - ~69% of the primary care patients in our network are in a OCV participating practice
 - Was ~93% but some practices opted out because of changes to 2021 program*
 - Several practices are in fully-capitated model; only independents in this model
- We embrace reform that properly supports practices & addresses key issues
 - Effectively engages specialists & other stakeholders responsible for majority of costs
 - Reimburses primary care at a level in line with its value
 - Is transparent & clearly demonstrates a positive ROI
 - Has high enough penetration to change the way care is delivered, i.e. $\geq 60\%$ of a practice's patient panel is attributed to the model

*OCV changes include accountability tied to others that PCPs have no control over, cut or long delay in up-front payments. Thank you for your support on helping us reach a compromise with OCV.

Why Maintaining Access to Independent Doctors is Good for Vermonters

- Independent practices have demonstrated high quality & the ability to keep overall cost of patient care low - precisely what Vermonters need
- Patients must have options for care -- health care services are personal, tailored services unique to different individuals
- To retain physicians in Vermont & attract new physicians in the future, we must protect independent practice as a viable practice option

Thank You!

- HealthFirst Website
<https://www.vermonthhealthfirst.org/>
- List of Member Practices
https://www.vermonthhealthfirst.org/physician_directory.php
- Questions? I'm happy to chat.
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