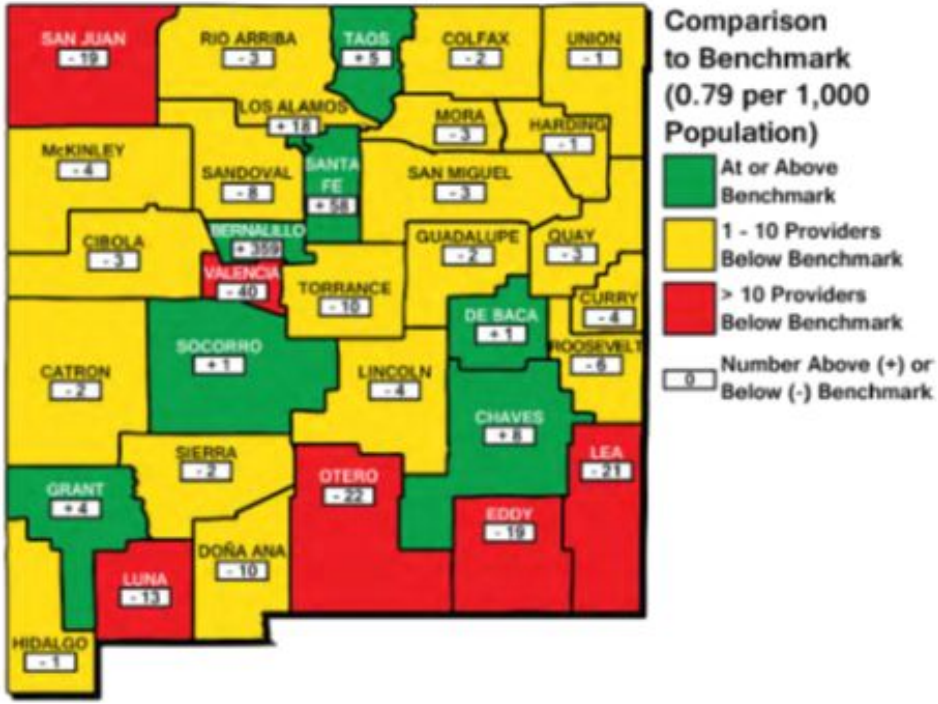
Effects of Covid-19 on Primary Care in New Mexico

John Andazola, MD, FAAFP
Stephanie Benson, MD, FAAFP

Wednesday, October 21, 2020

Primary Care Physicians Compared to Benchmark, 2018*



Importance of Primary care

- The more primary care providers in a community, the better the overall health of the community.

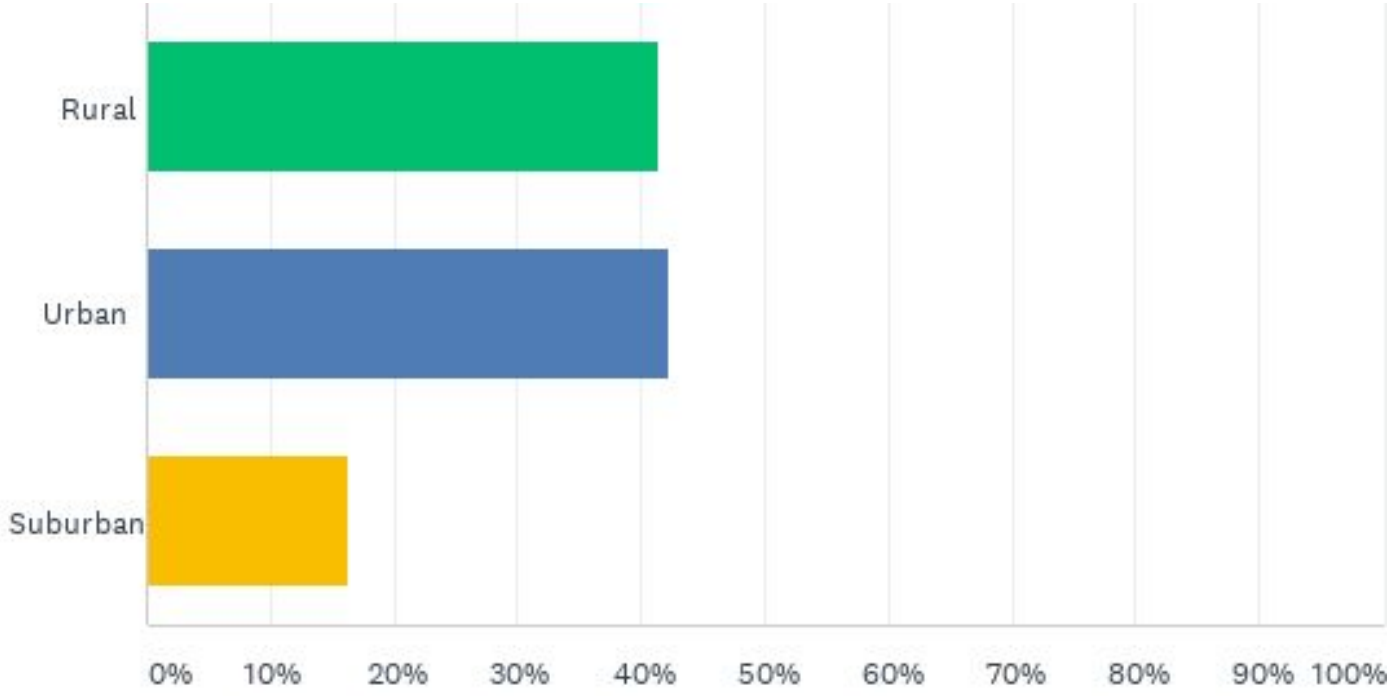
- Lowers overall health care costs

* Starfield, B. Is US Health Really the Best in the World? JAMA, July 26, 2000, v.284, no. 4: 483-485

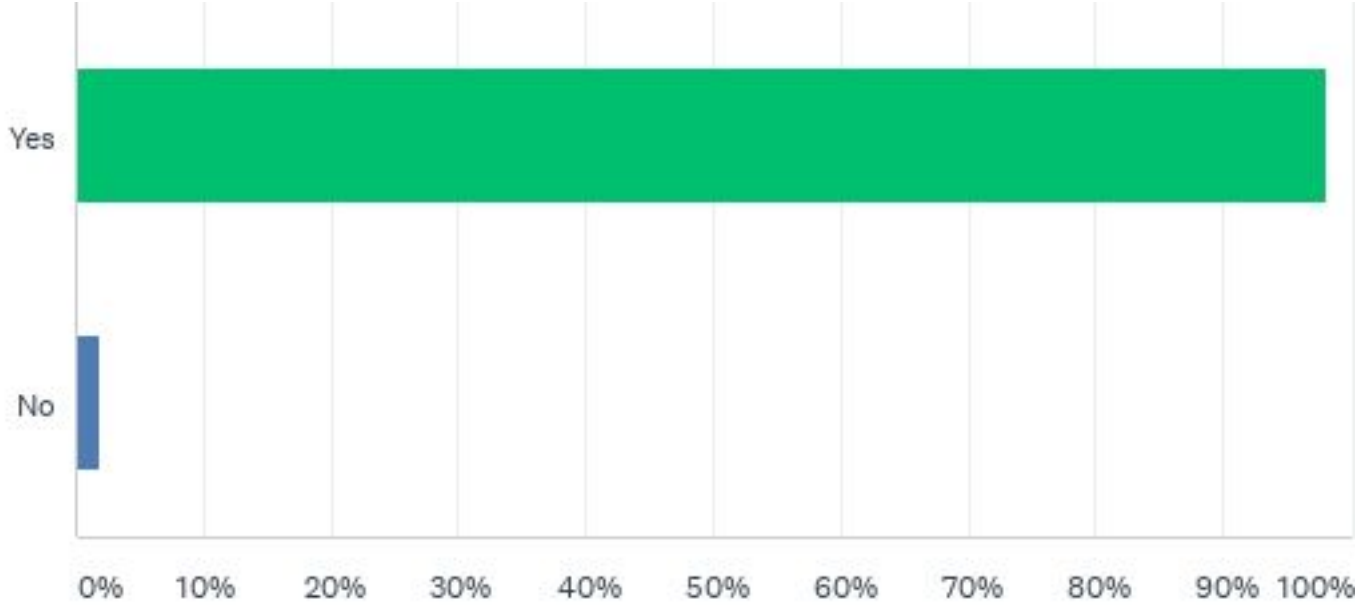
Survey of Family Physicians in NM

- New Mexico Academy of Family Physicians
- 557 Current Active Members
- Anonymous survey
- 111 responses

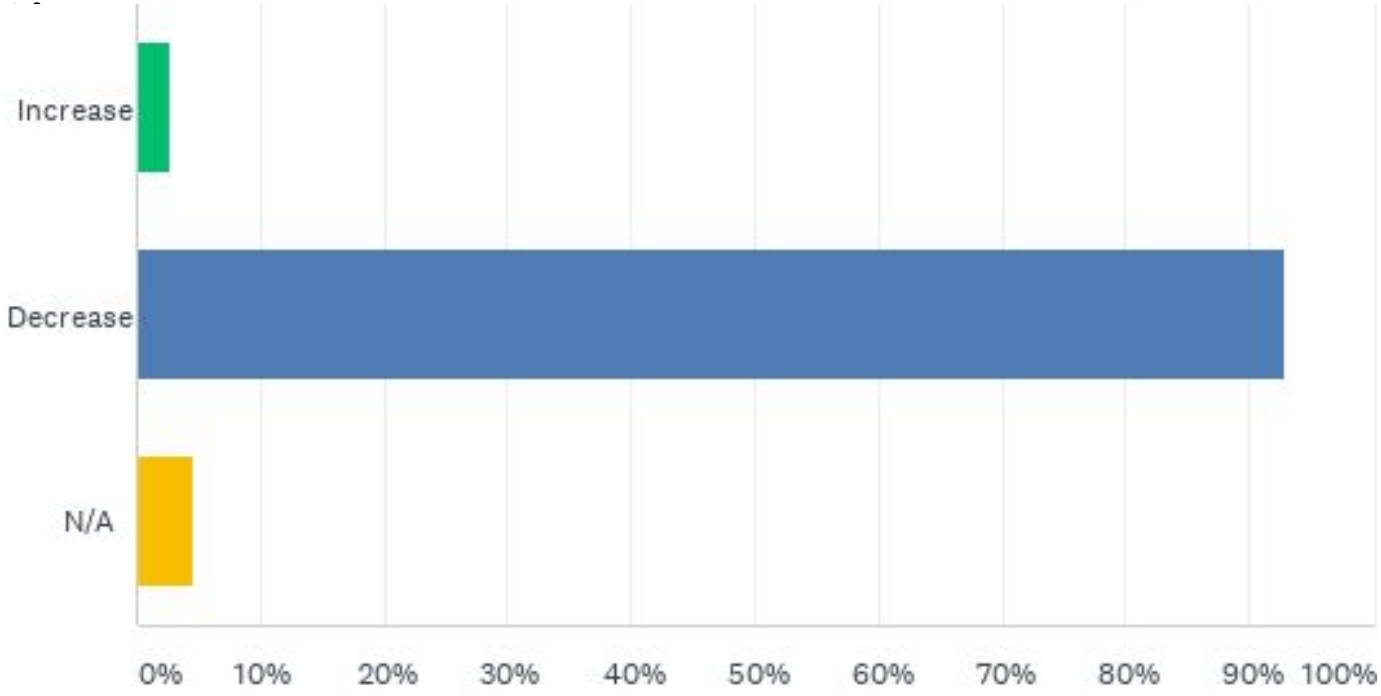
Q1: Choose the one that best describes your practice location



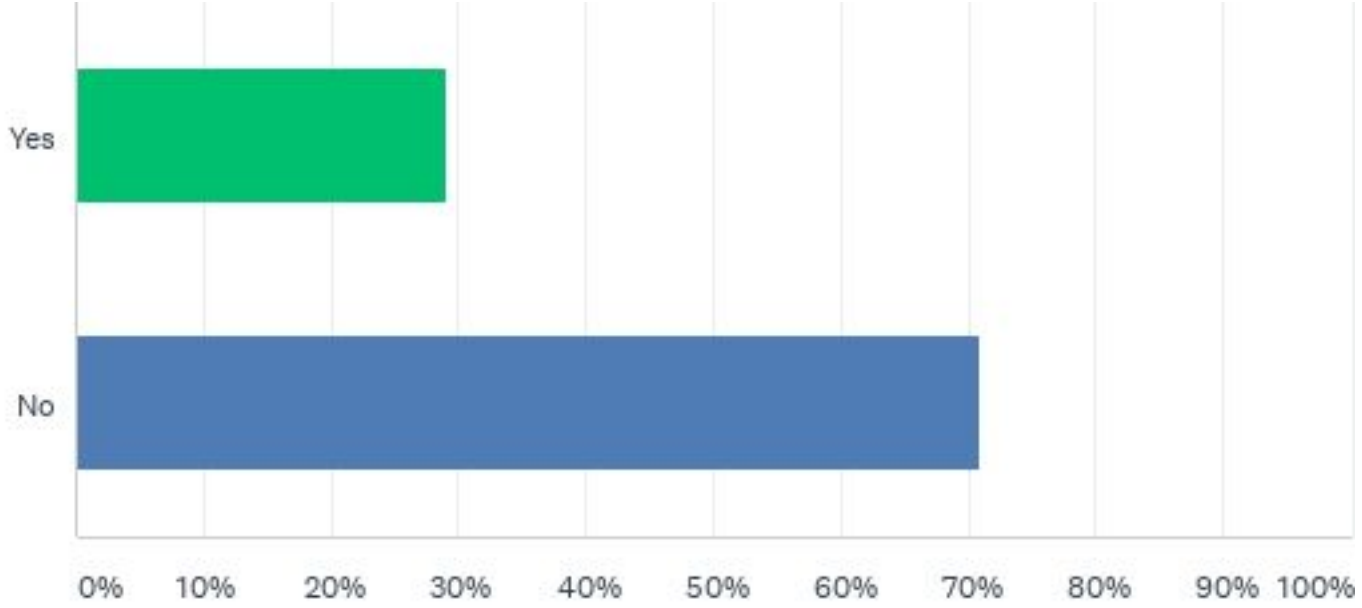
Q2: Has COVID-19 affected your in-office patient volume?



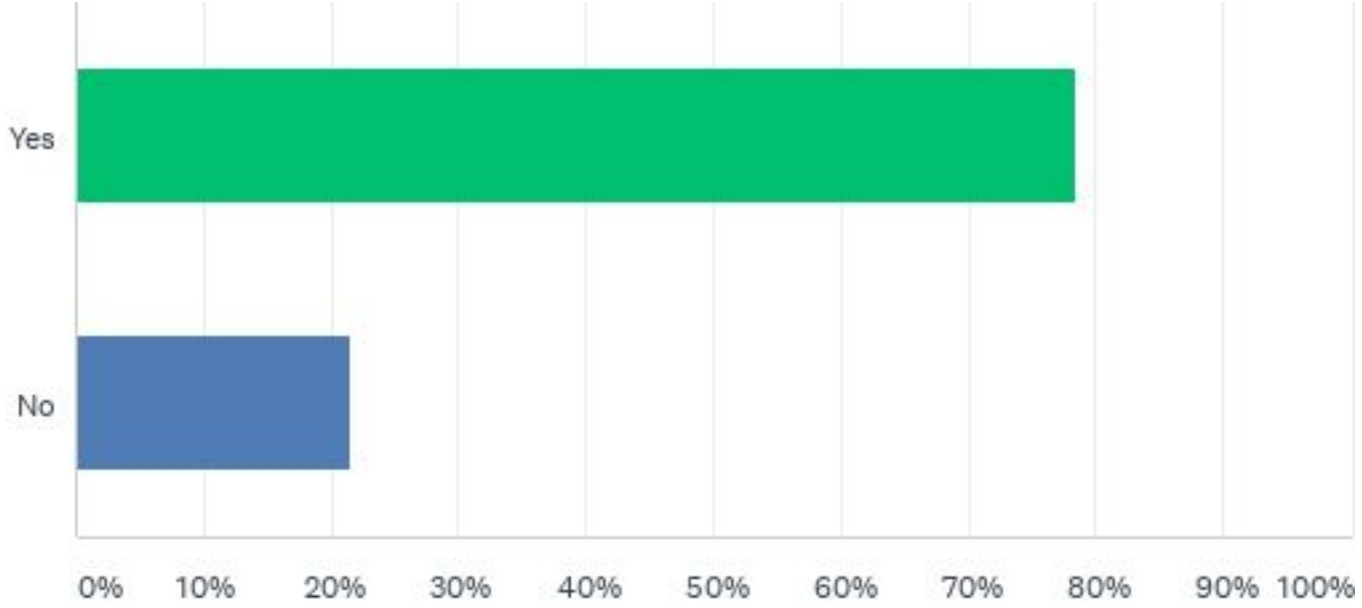
Q3: If yes, did it increase or decrease your office volume?



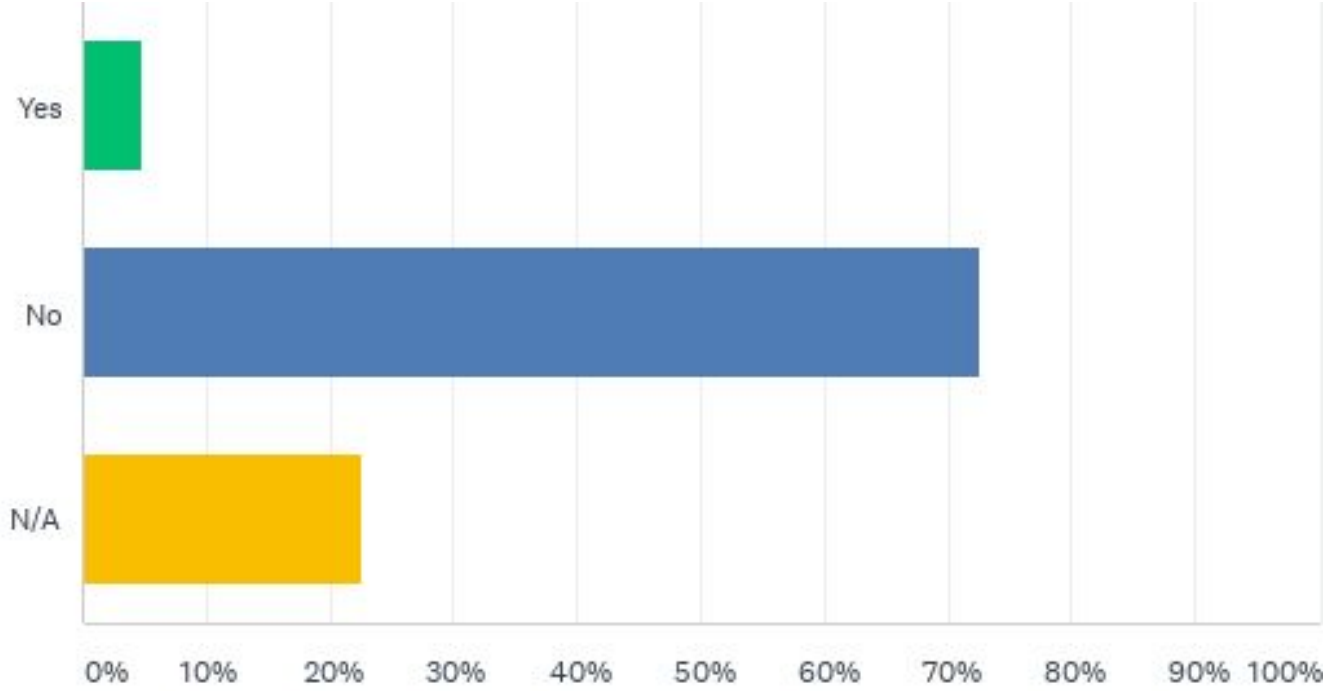
Q7: Were any staff in your office furloughed or laid off due to COVID-19 related revenue changes?



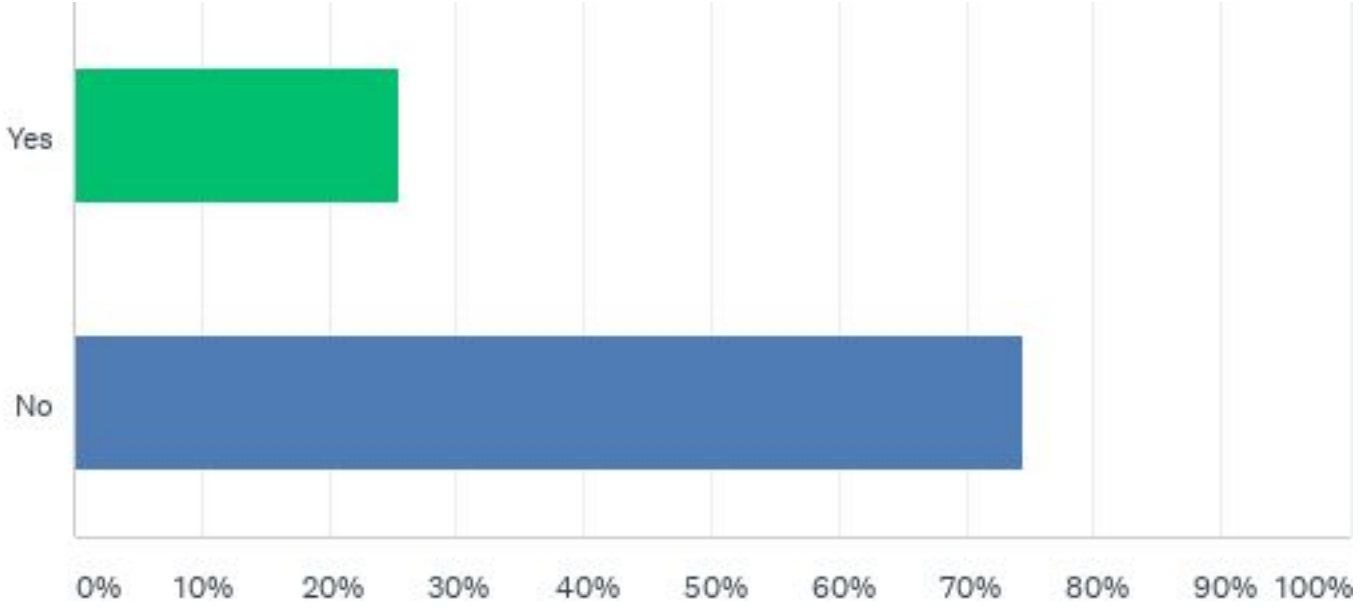
Q8: Are you an employed physician?



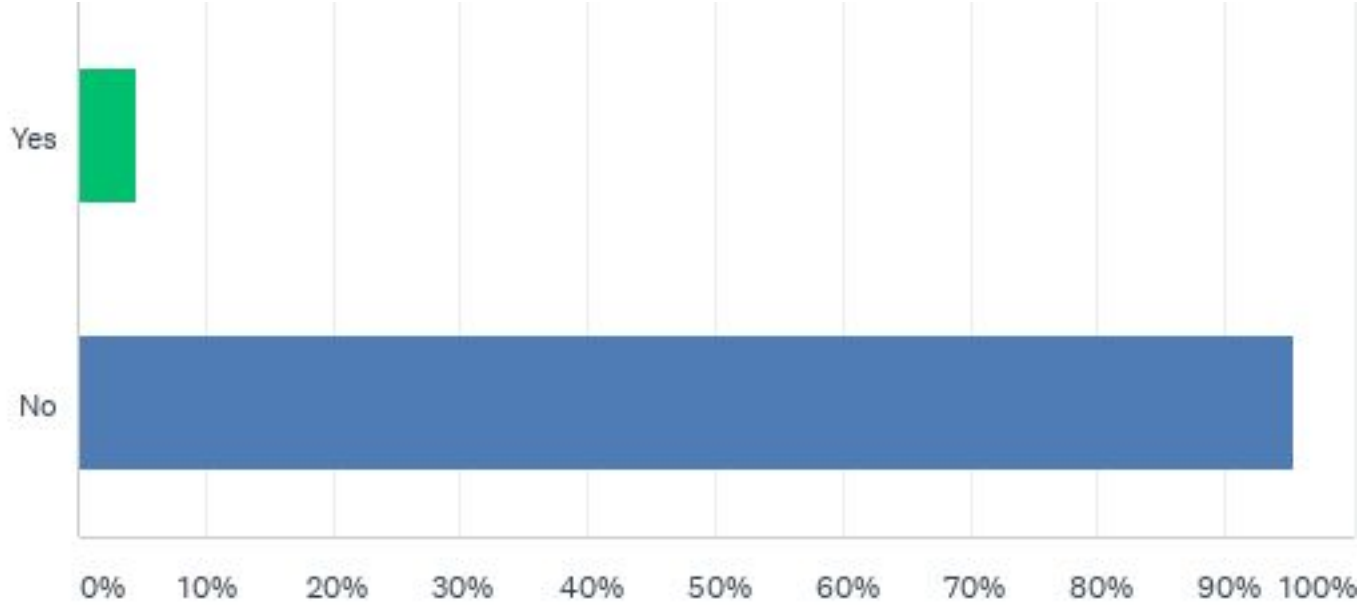
Q9: If yes, were you laid-off or furloughed due to COVID-19 revenue changes?



Q10: Were your work hours or office hours cut due to COID-19 related revenue changes?



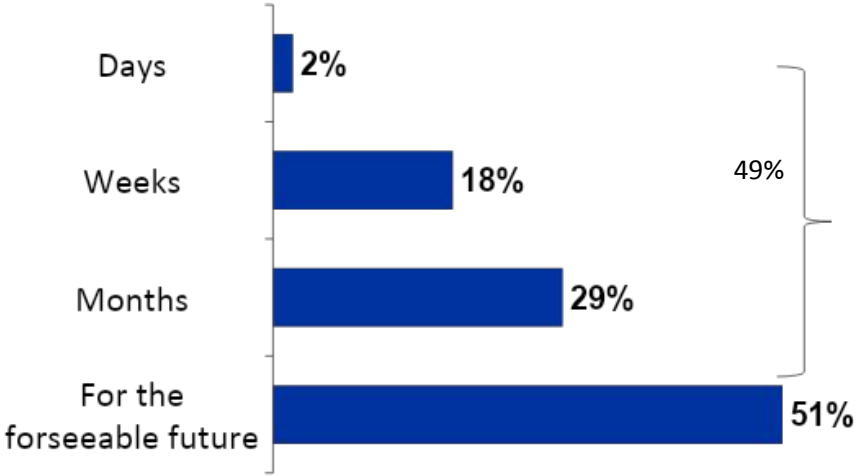
Q11: Did your practice close due to COID-19 related revenue changes?



The Future of Running Their Practice

- Less than half (49%) said their practice will close if things stay the same in the environment as a result of COVID-19.
- Lack revenue was stated as the primary factor that could impact the closure of their practices.

The Length of Practice Being Open if Things Don't Change



Factors that Could Impact the Closure of Practice

	Completely	Quite a Bit	A little	Not at all	DK
Lack of revenue	36%	37%	12%	6%	9%
Lack of PPE	8%	28%	34%	24%	6%
Lack of staffing	7%	18%	25%	43%	7%

Q. How long can you continue to run your practice if things don't change?
Q. Please rate the extent to which you feel the following factors could impact the closure of your practice.

Telemedicine Visits

> 300% increase (over 60,000 more encounters) in telehealth claims for NM Medicaid

13% of NMMS members were providing telemedicine pre-COVID, 92% are providing telemedicine now

13% of AAFP members were providing telemedicine pre-COVID, 94% as of May

TERRESTRIAL BROADBAND COVERAGE

WIRED LOW-PRICE PLAN ACCESS

56.9

MBPS AVERAGE STATE-WIDE SPEED

49th

STATE BROADBAND ACCESS RANKING

Quotes from the frontline…

- “My revenue is down by 60% due to Covid. I have had to pay staff for covid exposure for a total of 7 weeks”

- “We have furloughed half our staff and I'm not taking any salary. We still have a full office practice panel seeing our patients on a regular basis and if the influenza A/B is high we will open our practice on Saturdays. I can survive alone on my savings and military retirement and hope to help my 10 staff employees survive also.”

- “32 providers were laid off from Christus St. Vincent Santa Fe due to anticipation of "tough times", including me”

Quotes from the frontline…

- “I own a private practice with my husband who is also a physician. Early in the pandemic and during peaks we closed to in person visits but continued telemedicine. We did not pay ourselves for a month early on and until we received HHS stimulus payments, Medicare advance payments, and a PPP loan. Had we been “employed” we would have been furloughed.”
- “I'm losing money hand over fist, but my patients are cared for and my staff have a job. I can't get adequate PPE and when we get COVID we will have to close”

Quotes from the frontline…

- “We received money from the CARES Act otherwise I think we would've gone under. Up until we received that, it was frightening. We have staff who depend on their job here and I was very worried they would be unemployed (before we knew how much unemployment paid).”
- “I kept my employees fully employed, but did not pay myself for 3 months, got a PPP loan which saved us, and our volume was massively affected for several months and is now recovering.”
- “Decreased patients seen and lower reimbursement for phone visits have closed at least 2 primary care doctors offices in Rio RAncho. We cannot afford to lose ANY primary care doctors.”

Quotes from the frontline…

- “We stayed open (and currently remain open) with normal office hours but saw a greatly diminished number of patients last spring probably because of fear of COVID-19 contagion. We were lucky to get a PPP loan which kept us afloat. The practice has begun to recover…”
- “As a family physician, my work hours increased b/c we immediately converted to phone visits & our patient loads started to significantly increased b/c specialists were not providing appointments for patients. Patients were reverting to family practice docs for their care. It has been exhausting”

Quotes from the frontline…

- “Fewer patients more work and less pay for each one. Rather than lay off staff I just lost money to practice medicine. In July my profit/loss was a negative $10,000. I hope my practice will survive as I care for a panel of 2300 people and have 3 families that depend on payroll. PPE is impossible for small practices to get so I anticipate I will have COVID before this is over”
- “We have lost significant patient volume and the health system has lost millions of dollars. We have shifted heavily toward virtual medicine, which is good in many ways. But overall, the pandemic has been devastating from an economic standpoint.”

Quotes from the frontline…

- “I work for IHS, our scheduled office volume went to 0 and now much lower than preCOVID, our walk-in volume went way down and now way up. We started a car testing clinic and that volume went up and down and now up again. Inpatient went up and then down and now roughly normal. We started phone clinics and that volume has steadily crept up. While we were able to stay open w full staffing (bored surgeons, but everyone else was reassigned) our revenue went way down without elective surgeries and procedures and fewer in person visits. (We can’t realistically do vídeo visits)”
- “The emotional toll this pandemic has caused my family and myself may well end my practice”

Key take away points…

- We had a primary care shortage in NM prior to Covd-19
- Primary care practices have closed, and other practices are still at risk
- Health care providers have lost their jobs
- Aid is tremendously helpful and can keep struggling practices afloat
- Telemedicine visits have greatly increased
- Significant disparities exist that limit patient's access to telemedicine

Recommendations

- Continue to invest in primary care training and retention to address shortage and increase access
- Invest in IT infrastructure to address barriers to access for patients as the need for telemedicine visits have increased
- Continue to develop new and support existing programs that provide aid to struggling primary care practices
- Work with Medicaid, CMS, and private payers to limit barriers to telemedicine for primary care
- Ensure that total investment in primary care for our state is at a level that will improve desired outcomes

Primary Care Council Bill

LHSS

21 OCT 2020

Rick Madden, MD

Jeff Clark, MD

Background

- There is a clear association between increased primary care investment and fewer emergency department visits, total hospitalizations, and hospitalizations for ambulatory care-sensitive conditions; in Rhode Island, there is an association between increased primary care expenditure and decreased total state health care expenditure. Availability of primary care providers is associated with improved health outcomes, including reduced mortality rates, reduced rates of low birth weight and preventable hospitalizations, and better self-rated health status.

- States (OR, WA, CO, RI, etc) seeking to understand primary care expenditure in an effort to improve access, quality, equity and reduce overall cost have statutorily established:
  - All-Payer Claims Data Base (APCD)*
  - Health Care Analytics (Expenditure, Quality, Access, etc)
  - Primary Care Council to monitor and make recommendations
  - Primary Care Payment Reform Initiative.
  - Mandate and/or incentivize Value-based primary care and Patient Centered Medical Home

New Mexico currently has none of the above.

*Note: NMDOH is currently establishing an APCD

All-Payer Claims Data Base (APCD)

- APCDs are statewide health insurance claims data repositories established to collect health insurance claims information from health care payers. The data is used to understand and improve health outcomes and to decrease and/or contain health care costs.
- 18 states have passed legislation to establish APCDs; 11 of these states have incorporated APCD governance directly into their state's government system.
- APCD data gives the state a view of the whole health care delivery and payment system allowing for geographic, facility, or provider-level data to target quality, safety, and cost-saving interventions.

New Mexico's Primary Care Expenditure is Unknown

- Based on the 23 states in which primary care expenditure can be determined, the average proportion of total health care cost that is spent on primary care in the United States ranges from 5.6% using a narrow definition to 10.2%.
- 5.6% if using a narrow definition of primary care: Family Physicians, General Internists, General Pediatricians, Geriatricians, General Practice.
- 10.2% if using a more broad definition: Family Physicians, General Internists, General Pediatricians, Geriatricians, General Practice; plus Advanced Nurse Practitioners, Physician Assistants, Obstetrics and Gynecology

State Primary Care Initiatives

- Delaware

In 2018, DE created an office of value-based health care delivery to reduce health care costs and establish targets for investment to support a robust system of primary care by 2025.

- Colorado

In 2019, as part of broader set of policies designed to improve health care affordability, CO enacted legislation to convene a primary care reform collaborative that would recommend how to measure and focus primary care investment.

- Oregon

In 2016, Oregon started to collect primary care spending data and then formed a collaborative to assist the state in transforming primary care payment to strengthen primary care.

- Washington

In 2019, WA appropriated $110,000 to determine annual primary care spending, mandated via its Office of Financial Management, which oversees the state's APCD.

- Maine

In 2019, the state adopted legislation directing an annual report on primary care spending using claims data and non-claims information tied to alternative payment methods used by payers.

New Mexico *Medicaid* Primary Care Expenditure

New Mexico does not have an All Payers Claims Data Base (APCD).

- Thus, the data required to determine the Proportion of New Mexico's *Total* Health Care Expenditure that is spent on primary care is not available.

Human Services Department Centennial Managed Care claims data is available. *Thus, NM's analysis is currently limited to Medicaid Managed Care Health Expenditure*.

- Mercer, contracted actuarial consultant, did the analysis including the primary care practitioners/providers listed on the next slide.
- Analysis included managed care paid claims based on only ambulatory or office based primary care claim types, places of care, procedures and/or revenue codes.

Primary Care Practitioners and Providers that were used in the Mercer analysis to determine the Proportion of New Mexico's 2018 *Medicaid Managed Care Health Expenditure* that was Spent on Primary Care:

Practitioners

- Family Medicine
- General Practice
- General Internal Medicine
- General Pediatrics
- Geriatrics
- Nurse Practitioners
- Physician Assistants
- Obstetrics & Gynecology

Providers

- Federally Qualified Health Clinics
- Indian Health Service/Tribal Health Providers/Urban Indian Providers
- Rural Medicine

Proportion of New Mexico's 2018 *Medicaid Managed Care Expenditure* that was Spent on Primary Care = 6.6%

Note: Medicaid National Avg: 11.2%

- Numerator: $201,065,345
  - Primary Care Expenditure: All billed expenses towards office-based and outpatient visits to primary care practitioners and providers.
- Denominator: $3,052,309,843
  - Total Health Care Expenditures:

Primary Care
InPatient Care
Nursing Home
Physician Services (not primary care)
Specialty Care
Pharmacy
Dental
Behavioral Health
Outpatient Clinics (not primary care)
Home Services, Community Services

Primary Care Council Bill

- Primary Care is New Mexico's health care front line.
- There is a clear association between increased primary care investment and fewer emergency department visits, total hospitalizations, improved outcomes, and lower cost.
- New Mexico is currently unable to determine its primary care investment.
- The Primary Care Council Bill, if passed, will mandate that primary care investment and the primary care workforce be determined and analyzed annually. The data will be used to improve equity in access, quality, and affordability of primary care for New Mexicans while improving overall health care cost.

An act: relating to health care; creating an interdisciplinary primary care council; providing duties

Current Draft of Bill to be considered by the January 2021 New Mexico Legislature

A Story About Primary Care

Primary Care Council Bill Summary

Establish a Primary Care Council to:

- Analyze and understand health care expenditures in our state with a focus on primary care.
- Based on this analysis, recommend policies, regulations, and legislation to improve equity in access, quality, and affordability of primary care for New Mexicans while reducing overall health care cost.
- Annually publish a review of the state of active primary care providers in New Mexico and suggest strategies to increase the number and geographic distribution of providers;

An Act: RELATING TO HEALTH; CREATING AN INTERDISCIPLINARY PRIMARY CARE COUNCIL; PROVIDING DUTIES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

- **SECTION 1.** SHORT TITLE. —This act may be cited as the “Primary Care Council Act”
- **SECTION 2.** DEFINITIONS — As used in the Primary Care Council Act:
- “department” means the human services department;
- “primary care” means integrated, accessible health care services provided by clinicians accountable for addressing the majority of a patient’s personal health care needs, developing a sustained partnership with patients and practicing in the context of family and community.
- “secretary” means the secretary of human services;

An Act: RELATING TO HEALTH; CREATING AN INTERDISCIPLINARY PRIMARY CARE COUNCIL; PROVIDING DUTIES.(cont.)

SECTION 3. PRIMARY CARE COUNCIL –CREATED —DUTIES

3.A. Prior to October 1, 2021, the department shall create the "primary care council" to:

- Develop a shared definition of primary care;
- Annually analyze the proportion of New Mexico's healthcare delivery expenditures currently allocated to primary care;
- Review national and state models guiding optimal primary care investment with the objectives of improving access, increasing quality and reducing overall cost;
- Recommend policies, regulations, and legislation to improve equity in access, quality, and affordability of primary care for New Mexicans while reducing overall health care cost.
- Coordinate efforts with the New Mexico Graduate Medical Education Expansion Grant Program and other primary care workforce initiatives to develop a plan that addresses the inadequate rural and urban primary care workforce;
- Annually publish a review of the state of active primary care providers in New Mexico and suggest strategies to increase the number and geographic distribution of providers;
- Develop and present to the secretary a five-year plan to determine ways primary care investment will improve equity in access, quality, and affordability; increase the number of primary care providers statewide; and reduce overall health care cost while increasing its value.

An Act: RELATING TO HEALTH; CREATING AN INTERDISCIPLINARY PRIMARY CARE COUNCIL; PROVIDING DUTIES. (cont.)

3.B. The primary care council shall include 9 members appointed by the department. The primary care council shall include representation from:

- The department;
- Department of Health;
- Superintendent of Insurance;
- A statewide organization representing Federally Qualified Health Centers in New Mexico;
- Statewide organizations representing primary care providers, statewide health professional societies and/or associations;
- The secretary shall appoint up to 13 non-voting representatives of stakeholders to serve as an Advisory Group to the Primary Care Council.
- The chair of the primary care council shall be elected by the council. The council shall meet at the call of the chair.

QUESTIONS?

Back Up Slides

References

- Martin, S. et al. Primary Care Spending in the United States, 2002-2016. Journal of the American Medical Association. Published online May 18, 2020.
- All-Payer Claims Data Base. Frequently Asked Questions. American Academy of Family Physicians.
- Investing in Primary Care: A State-level Analysis. Patient-Centered Primary Care Collaborative, Robert Graham Center. July, 2019
- Primary Care Spending in Oregon Annual Report, February 2020.
- Colorado Primary Care Payment Reform Collaborative First Annual Report, December 2019

Martin, S. et al. Primary Care Spending in the United States, 2002-2016. Journal of the American Medical Association. Published online May 18, 2020.

- Total annual health care expenditures in the US increased from $810B in 2002 to $1.6T in 2016.
- Inpatient services, prescriptions, and specialty care accounted for about two-thirds of the increases.
- Subspecialist expenditures as a percentage of the total increased from 15.1% to 16.5%.
- Primary care expenditures as a percentage of the total, decreased from 6.5% to 5.4%.