

New Mexico's Primary Care Clinics – Status Update and Policy Issues

Prepared for the Legislative Health & Human
Services Committee

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New Mexico Primary Care Association July 11, 2023



New Mexico
PRIMARY CARE
ASSOCIATION



New Mexico's Primary Care Safety Net

Over the past 50 years with the help of

- ▶ Federal
- ▶ State
- ▶ Local
- ▶ and Community Support

New Mexico has built one of the finest
primary care safety nets in the nation.

In 2022 Primary Care Clinics Served 1 in 6 New Mexicans

- ▶ 66,127 Uninsured (31 % of NM's Uninsured)
- ▶ 142,351 Medicaid Patients
- ▶ 62,266 Medicare Patients
- ▶ 81,836 Private Insurance
- ▶ 352,580 Total Patients

In 2022 Primary Care Clinics Provided 1.76 million Visits

• 352,580 Total Patients	• Medical Visits	966,669
• 24,000 migrant/seasonal farmworkers	• Dental Visits	221,564
• 13,638 homeless patients	• Mental Health &	
• 14,800 school-based patients	Substance Abuse Visits	483,114
• 7,580 veteran patients	• Health Ed./Case Mgmt.	76,836
• 2,482 prenatal care patients	• Vision & Other Visits	12,675
Total Visits		1,760,858

Capacity and Workforce – 4,000 FTEs – \$260 Million Payroll

▶ Physicians	138
▶ Nurse Practitioners	186
▶ Physicians Assistants	<u>49</u>
▶ Total Medical Clinicians	373

Capacity and Workforce – 3,700 FTEs – \$375 Million Total Budget

▶ Dentists and Hygienists	186
▶ Psychiatrists and Psychologists	26
▶ Licensed Counselors	<u>306</u>
Total Med/Dental/BH Clinicians	891

Primary Care Clinics Serve New Mexico's Most Vulnerable

2022 Patient Poverty Status

- ▶ 60% Below 100 % Federal Poverty
- ▶ 77% Below 150 % Federal Poverty
- ▶ 84% Below 200 % Federal Poverty

Primary Care Clinics Serve almost 60% of all New Mexicans living below 100% of the FPL

80 % of the Clinic sites are in Rural or Frontier Areas

- ▶ Number of Sites Delivering
- ▶ Medical Services 101
- ▶ Dental Services 61
- ▶ Behavioral Health Services 90
- ▶ School-based Health Clinics 44

Note: 175 Physical Locations – Many Dental & Beh. Health services are co-located with Medical



New Mexico's Primary Care Clinics Are Focused on Quality & Improved Outcomes

- ▶ For 45 Years Federal Funders (DHHS–HRSA) have required that FQHCS monitor and report on quality and strive to improve health status
- ▶ Today clinics work with HRSA, DOH, HSD, UNM, the CDC, MCOs and others to monitor dozens of critical health indicators and outcome measures



FQHCs Monitor Key Quality Indicators and Provide Intervention & Treatment

NMDOH, NMHSD and the Clinics recognize that preventive services, and treatment and control of chronic diseases are critical for the low-income & vulnerable.

- ▶ Behavioral Health and substance abuse screenings and Intervention
- ▶ Obesity Screening and Treatment
- ▶ Tobacco Use Screening and Cessation
- ▶ Cancer Screening and referral
- ▶ Hypertension, Diabetes Treatment and Control and other chronic care management

2023 Legislative support for FQHCs and other Providers

- ▶ The 2023 Legislature appropriated \$2 million in recurring funds to provide increased Medicaid payments to FQHCs of between \$6 and \$7 million utilizing Federal Matching funds. (Projected FY 24)
- ▶ House Bill 2 also included \$80 million in non-recurring funds for the Governor's Rural Primary Care Infrastructure fund. This will offset start up and operating losses for organizations implementing new and/or expanded services in 28 rural counties. (Bernalillo, Dona Ana, Sandoval, San Juan, and Santa Fe excluded.)

Challenges for Primary Care Clinics 2022 and Going Forward

No. 1 – Workforce Retention, Recruitment, and Training

- ▶ While FQHCs have not been impacted as severely as hospitals, clinician and support staff costs continue to rise significantly, not only due to competition in the healthcare sector, but also in the general workforce.
- ▶ FQHC stakeholders face a severe lack of trained Community Health Workers, Case Managers, and SBIRT (BH/Substance Abuse Screeners), available for recruitment in the workforce. These individuals help improve health status and reduce overall healthcare costs

Challenge Number 2 – Wage and General Inflation

- ▶ The cost of nearly everything has gone up since the onset of the Pandemic. There have been dramatic increases in supply costs and wages at highly-staffed businesses like restaurants as a result of labor force shortages. Outpatient clinics expend **70%** on wages and benefits. A 5% wage increase requires \$12.5 million in additional funds.
- ▶ All healthcare providers (including FQHCs) face the daunting and potentially de-stabilizing challenge of absorbing both labor and supply cost increases, if revenues do not increase proportionally.

Challenge Number 2 – Wage and General Inflation

- ▶ At the same time patient revenues Health insurers and MCOs, which largely determine healthcare costs, have been reluctant to increase provider rates. They would have to pass those costs on the insured, which would be another blow to already-stressed consumers and employers.
- ▶ The clinics are particularly grateful for the legislature's support of the 2 million increase, when matched with Medicaid dollars results in a \$6–7 million Medicaid fee increase.

Challenge Number 3 – Loss of Existing Revenues and patients

- ▶ The Medicaid Enhancements, implemented during the Public Health Emergency, have been beneficial for patients, the State, and providers. FQHCs, in particular, have benefitted because of our patient income mix. The end of the emergency has resulted in many FQHC patients losing their Medicaid.
- ▶ Federal support increased significantly during the pandemic, but due to Congressional pressures to reduce deficits has all but disappeared.

Summary

Although Many Challenges remain New Mexico's Primary Care Clinics:

- ▶ Are providing more services in more low-income and rural communities than ever.
- ▶ Are providing better quality care and utilizing care management tools and technology to make it even better.
- ▶ Have dramatically increased Behavioral Health capacity and are providing nearly a half a million visits annually to patients.

Summary

- ▶ Have bi-partisan support for primary care at the federal, state, (Thanks to the Legislature and Governor!!), and the local level.
- ▶ Are benefiting from the recognition that primary care and the effective use of care coordination and case management have the greatest potential to solve our health care crisis.
- ▶ Enjoy cooperation, coordination, collaboration and support at many levels, including HRSA, the MCOs, and especially HSD and DOH.

THANK YOU!

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