



The Health Care Delivery System Should Focus on Primary Care

Issue: The health care system emphasizes specialist care rather than primary care, despite the fact that money spent on basic primary care is money well spent. According to Center for Studying Health System Change only 37% of doctors currently specialize in primary care, which is much lower percent than other developed countries. The American Association of Family Physicians (AAFP) predicts a shortage of 40,000 family physicians by 2020. Effective measures exist today to prevent or delay much of chronic disease burden and curtail its devastating consequences. A focus on primary care can dramatically reduce the long-term cost burden and health care demands of chronic conditions.

The Patient Protection and Affordable Care Act (Affordable Care Act):

- Provides \$250 million from a new Prevention and Public Health Fund to increase the nation's supply of primary care health professionals; \$168 million will go toward creating more residency slots to train more than 500 new primary care physicians during the next 5 years;
- Provides \$5 million for states to plan and implement strategies to expand their primary care workforces by 10% to 25% during the next 10 years to meet the increased demand for primary care services and another \$32 million to train more than 600 new physician assistants, and gives \$30 million to help more than 600 nursing students attend school full time, so they can earn their nursing degrees faster;
- Provides primary care/general surgery doctors in health professional shortage areas a 10% Medicare bonus for 5 years, beginning in 2011;
- Creates a new Medicaid state plan option for seniors with 2 or more chronic diseases could designate a provider as their medical home—providers must meet infrastructure systems requirements and report to states on all quality measures approved by state Medicaid programs
- Distributes \$25 million in 2010 and up to \$50 million in 2011 and thereafter annually in grants to “Teaching Health Centers”, or ambulatory care centers that operate as primary care residency programs, to increase the training of primary care services (additional \$320 million for primary care resident training); and
- Tests payment models in CMS’ Center for Medicare and Medicaid Innovation (CMMI) for primary care/medical homes.

Position: The National Business Group on Health (the Business Group), representing over 300 large employers who provide coverage for 55 million Americans, believes that both the public and private sector should support and reward effective and efficient

primary care.

The Business Group supports the following principles for reforming the health care system:

- Primary care as foundational to a high quality, efficient and effective health care delivery system;
- Payment policies that recognize the value of primary care and primary care like services;
- Support the concept of an “advanced medical home” as appropriate;
- Growth in health information technology (HIT) to support and enable efficiency, quality and safety in practices of all sizes; and
- Educational and loan programs that encourage physicians and other health professionals to work in primary care.

Primary Care Will Improve Health Outcomes

- By shifting emphasis from treatment of illness and specialist care to prevention and primary care better health outcomes will be achieved. Screening for just a few key healthcare indicators can help prevent serious chronic disease and identify areas for improvement in diet and behavior.
- In the U.S., each additional primary care physician per 1000 (about a 20% increase) is associated with a decrease in mortality of about 5%, adjusting for limiting long-term illness and for various demographic and socioeconomic characteristics

Primary Care Will Significantly Reduce Cost

- When compared with other developed countries, the United States ranked lowest in its primary care functions and lowest in health outcomes, yet highest in health care spending. Studies have shown that expenditures for care for common illnesses such as community-acquired pneumonia were higher when provided by specialists than if provided by primary care practitioners, with no difference in outcomes.
- Adults (age 25 and older) with a primary care physician rather than a specialist as their personal physician had 33% lower cost of care.

Primary Care Will Improve Health Care Delivery

- The current medical delivery system provides no incentive for physicians to coordinate the tests, procedures, or patient health care generally and it puts very little emphasis on preventive services and health maintenance. An advanced medical home model will change the way in which doctors are reimbursed for medical care, from fee-for-service to a mix of fee-for-service and per month stipend for care coordination, and it will increase involvement between the patient and the physician. This will eliminate the misaligned incentives which reward individual physicians for ordering more tests and performing more procedures.
- The Commonwealth Fund reports that Denmark has organized its entire health

care system around patient-centered medical homes, achieving the highest patient satisfaction ratings in the world. Primary care physicians are highly accessible and supported by an outstanding information system that assists them in coordinating care. Among Western nations, Denmark has among the lowest per capita health expenditures and highest primary care rankings.

Primary Care Will Improve Quality

- Within the United States, adults with a primary care physician were 19% more likely to survive their conditions when compared to those who received care from a specialist, after adjusting for demographic and health characteristics.