

5. EXPAND AND IMPROVE COVERAGE

Problem:

Uninsured and underinsured persons receive less preventive care, are diagnosed at a more advanced stage of illness and, once diagnosed, tend to receive less therapeutic care and suffer higher mortality. Lack of insurance results in higher rates of emergency room use and avoidable hospitalization, especially for conditions that could have been prevented or treated in a primary care setting. Gaps in insurance coverage also contribute to economic instability of primary care providers. In addition, inadequate reimbursement by all payers for primary health care services jeopardizes the economic viability of the very providers that people rely upon for cost-effective care.

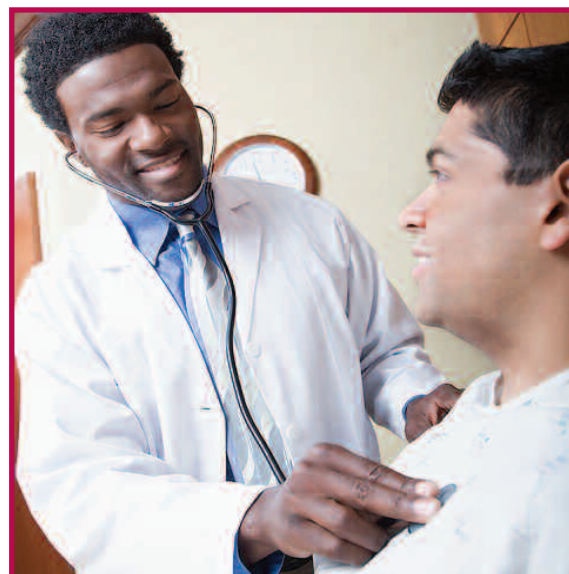
Where are we now?

New York has taken laudable steps to expand public insurance programs and support coverage for individuals and small employers, with a vision of moving to universal coverage. As they expand coverage, however, other states such as Massachusetts are finding that lack of primary care capacity is producing a crisis of access. Patient care access problems will be unaffected by having new health insurance cards if providers are unavailable or services are provided only in emergency rooms or over-crowded, poorly organized clinics. Conversely, patients will not use even the finest primary care system if they lack financial resources or coverage to do so.

The costs of expanded or universal coverage are unsustainable in an environment where access to effective primary health care is limited and care is left to high cost, acute care institutional settings. A strong primary and preventive care sector is essential if New York is to afford expanded coverage.

Next Steps:

- Assure that coverage expansion efforts are undertaken with reform of the health care delivery system.
- Ensure that patients can afford access to care and providers are adequately paid for providing it.



Improving Quality and Lowering Costs for All New Yorkers: The Primary Care Agenda

THE PRIMARY CARE AGENDA

The Primary Care Coalition has identified five actions required to build a strong, effective primary care sector which constitute “the primary care agenda” for New York State:

1. Reform the payment system to encourage primary care by enhancing reimbursement for primary care services;
2. Preserve and expand primary care infrastructure and workforce capacity;
3. Transform the current model for delivering health care services into a patient-centered healthcare home;
4. Aggressively promote the use and adoption of health information technology among providers of primary care services; and
5. Expand and improve coverage to remove financial barriers to care.

1. REFORM THE PAYMENT SYSTEM FOR PRIMARY CARE

Payment reform is the most important of all measures required to address the primary care agenda in New York State because primary care services are severely underpaid and thus underdeveloped. Payment reform is essential to accomplish all other items on the primary care agenda.

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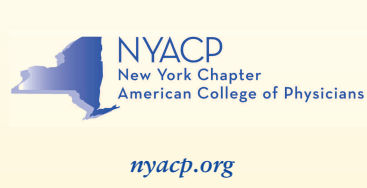
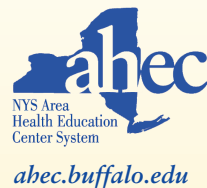
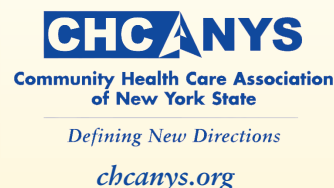
Currently, reimbursement is inadequate and often inequitable for primary care services, regardless of the payer. Moreover, in many cases, payment is for episodic visits rather than prevention and care management. Prevention and care management are essential to improving outcomes and decreasing costs over the long-term, especially for complex, chronically ill patients, yet they are neither reimbursed nor rewarded for prevention or care coordination. And while primary care providers bear the costs of prevention and care management, the financial benefits of fewer emergency department visits and hospitalizations accrue to the payers.

Where are we now?

New York State took a major first step toward payment reform in the FY2008-09 budget by moving to: substantially increase primary care physician rates; establish a new fee-for-service payment system for clinics and outpatient departments; and provide payment for select components of prevention and care management (diabetes and asthma educators). FY2008-09 represents the first year of a four-year phase-in of these reforms, making full phase-in critical to sustaining primary care capacity in New York State.



The Primary Care Coalition looks forward to working with all willing partners in the coming weeks, months and years to realize our shared vision for a healthier New York.



www.nyprimarycarehome.org

Next Steps:

- Fully phase-in improved Medicaid primary care rates.
- Assure that payment by all payers supports prevention and care management — key elements of a patient-centered healthcare home — for all patients, as well as the use of information technology which is essential to achieving health outcomes.
- Align the incentives to allow primary care providers to share in the savings achieved by good primary care management and prevention.

2. PRESERVE AND EXPAND PRIMARY CARE INFRASTRUCTURE AND WORKFORCE CAPACITY

Problem:

Many communities lack the primary care capacity needed to ensure that all New York residents have a primary care home. Not only do they lack the resources to expand, renovate or build new provider sites, but workforce shortages are growing as many current and future providers turn away from primary care in the face of increasing demands and continued underpayment.

Where are we now?

New York State took significant first steps to address primary care capacity in its FY2008-09 budget by creating the Doctors Across New York program, which funds loan repayment and practice support for physicians willing to practice in underserved areas and ambulatory care training in community-based sites. While the proposed program was to be phased in over a three-year period, no increases were included for subsequent years, thus stunting the impact of the program. In addition, the Budget also provides for enhanced Medicaid reimbursement for providers offering evening and weekend hours. Finally, the HEAL 6 grant program, funded at \$105 million, is targeted to building new primary care infrastructure in limited settings.

Next Steps:

- Fully fund the future phase-in of the Doctors Across New York loan repayment, physician practice support and community-based ambulatory care programs and expand these programs to include nurse practitioners and physician assistants.
- Study the roles, qualifications and training for using non-physician practitioners in primary care.
- Continue to expand Area Health Education Centers (AHEC) and other community-based initiatives to recruit health professionals into primary care and into communities of need.
- Assure that communities experiencing the downsizing or closing of hospital capacity retain or build adequate primary care capacity to meet their needs.

3. TRANSFORM THE CURRENT MODEL OF CARE INTO A PATIENT-CENTERED HEALTHCARE HOME

Problem:

Many New Yorkers currently receive care that is episodic, reactive, lacks continuity, and is costly. Care too often is fragmented and entails multiple visits and long waits for appointments. Such care is wasteful and ineffective. Reform of the payment system and implementation of electronic health records are essential elements in achieving a patient-centered healthcare home.

What is it?

The patient centered healthcare home model puts the needs of the patient first. It is the base from which healthcare services are coordinated to provide the most effective and efficient care to the patient. This includes: coordination of diagnostic, specialty, inpatient, behavioral and other needed services; health promotion and maintenance, disease management and prevention, patient education services; diagnosis



and treatment of acute and chronic illnesses; and use of health information technology.

Studies increasingly show that primary and preventive care, delivered in the patient centered healthcare home model, reduces hospitalization rates, lowers death rates for heart disease, cancer and stroke, and reduces rates of medical errors, resulting in increased quality, patient satisfaction, and cost efficiency.

Where are we now?

The FY2008-09 Budget took incremental steps toward supporting essential elements of the patient-centered healthcare home model including funding for diabetes and asthma educators and enhanced payment for evening and weekend hours, as mentioned above. In addition, the State has proposed new quality of care standards for primary care providers serving Medicaid patients, with implementation intended for January 1, 2009.

Next Steps:

- Adopt standards that reflect established best practices in access, efficiency, and clinical effectiveness and are consistent with Patient-Centered Medical Home standards developed by the NCQA (with the consensus of a broad array of provider organizations, employers, payers, consumers and foundations). Apply the same standards across all payers and all providers.
- Provide assistance to primary care providers to transform their practices. Achieving these standards requires changes in practice patterns. Proven methods exist to redesign the current work and care processes, including both service delivery and clinical care, and they produce dramatic, measurable and sustainable results.
- Reform payment systems to reward and support providers whose care meets these standards.
- Support multiple demonstrations of this model of care by providers, payers and foundations and coordinate the implementation, progress and evaluation of results.



4. AGGRESSIVELY PROMOTE THE USE AND ADOPTION OF HEALTH INFORMATION TECHNOLOGY AMONG PROVIDERS OF PRIMARY CARE SERVICES

Problem:

Advancing health information technology (HIT) is essential to facilitating the prevention, care management, and quality improvement necessary to build a patient centered healthcare home. However, it remains expensive, complex and risky. Unlike hospitals, primary care providers are many in number, small in size, and lack capacity and necessary financial reserves to invest in and maintain information technology systems.

Where are we now?

New York City is sponsoring a \$27 million initiative to assist hundreds of primary care providers in adopting electronic health records by supporting both the cost of acquisition and implementation support. New York State has, through the HEAL NY program, allocated millions in grants to support HIT adoption in communities across the state. Much of this support has been targeted to institutional and hospital implementation as well as to regional planning, but little has been allocated to support individual practices and providers.

Next Steps:

- Assure that primary care providers receive needed capital resources for HIT acquisition and implementation support;
- Assure that reimbursement covers the cost of HIT maintenance and operations.

