Primary care access is a key to disparities among counties

An annual ranking of counties based on health status found that gaps between the healthiest and unhealthiest regions of states are wide— and getting wider.

JENNIFER LUBELL
AMNEWS STAFF

Washington If you’re a resident of Howard County, Md., chances are fairly
Maryland’s healthiest in the most recent County Health Rankings and Roadmaps survey, only 9% of residents are uninsured, and just 8% are considered in poor health. There’s one primary care physician for every 577 patients. In Baltimore City, the unhealthiest county in the state, the uninsured rate is nearly twice as high, and there’s only one primary care doctor for every 985 patients—a combination that means a significant

the healthiest counties are 1.4 times more likely to have access to a primary care physician than those in the least healthy counties. Unhealthy areas also had higher rates of child poverty, teen pregnancy and premature death.

This is the fourth year that the Robert Wood Johnson Foundation and the University of Wisconsin School of Medicine and Public Health have surveyed the health of every county
Premise

1. The quality of care varies across states
2. Availability of primary care providers improves access to care
3. PAs & NPs serve as primary care providers
Primary Care and Life Expectancy

Shi L et al. J Fam Practice 1999
Projected shortages of Patient Care Physicians: 2010 to 2020

Projections by The Lewin Group for the AAMC
Primary Care Workforce

Growth of primary care physicians needed by 2025: **20%**

- 64% due to population growth
- 20% due to aging of the population
- 16% due to ACA insurance expansion

Peterson SM et al. *Annals Family Medicine* 2012
Background

- Although allowable scope of practice for PAs & NPs has increased nationally (spanning 4 decades), enabling legislation in a handful of states is limited.

- **Efficiency and patient care outcomes are improved when PAs and NPs are part of primary care teams.**

- Expanded access to primary care provided by PAs and NPs could reduce health care costs by preventing medical complications and reduce utilization in more expensive settings.
Assumption

- The practice environment of PAs and NPs is predominantly shaped by laws and regulations overseeing the professional autonomy, reimbursement, and prescriptive authority of the two professions.

- State statutes and regulations that control the scope and flexibility of practice for health professionals play a significant role in shaping access to primary care.
Alabama (as an example)

• Top of 5 states for deaths related to:
  – Obesity
  – Heart disease
  – Stroke

• Rural Alabamans: 41%

• 61 of 67 Counties: primary care shortages

• ACA added >400,000 Alabamans to patient pool
Primary Care Physicians in Alabama by Age

Total = 3,048
Age Not Given = 4
Average Age = 50.1 years
Purpose of the Study

- Examine the impact on access to primary care services resulting from “enabling” legislation for PAs and NPs using Alabama as a case study

- Estimate the reduction in health care costs due to improved access to primary care through “enabling” legislation for PAs and NPs
NP & PA Supply: ALABAMA

61/67 of Alabama’s counties face primary care shortages

2013: 48 PA/NPs for every 100 primary care physicians

ACA added over 400,000 Alabamans to the patient pool
Study Design

- Estimate the supply of primary care providers in Alabama
  - Included primary care physicians (MD/DOs) and PAs/NPs as primary care providers

- Compare current Alabama laws and regulations with enabling legislation supported by the American Academy of Physician Assistants (AAPA) and The National Council of State Boards of Nursing (NCSBN)

- Simulated the change in the supply of PA/NP resulting from “enabling” legislation by assuming that the PA/NP to primary care physician ratio would increase from the current 0.48 ratio in 2012 to 1.05 by 2021
  - Increase in the PA/NP to primary care physician ratio is based on an average PA/NP to primary care physician ratio observed in Arizona and Washington
  - PA and NP legislation in Arizona and Washington: most expansive in the nation and closely reflect the legislation supported by the AAPA and NCSBN

- Calculated the cost savings that would result in the added primary care services provided by PAs and NPs by assuming a savings in spending of 11.3 percent for every one additional primary care provider per 10,000 population (MGMA 2012 productivity data)
Current v. Proposed PA Practice Legislation in Alabama

Current Legislation
- Barred from prescribing Schedule II controlled substances
- Constant physician supervision
- Supervising physician approval before applying for PA licensure

Proposed Legislation
- Prescriptive authority extended to include Schedules II substances
- Intermittent physician supervision throughout practice
- Independent application for PA license
Current v. Proposed NP Practice Legislation in Alabama

**Current Legislation**
- Diagnosis requires physician involvement and documentation
- Prescriptive authority limited to non-controlled substances
- Indirect Medicaid/Medicare reimbursement

**Proposed Legislation**
- Autonomous practice as primary care provider
- Prescriptive authority similar to primary care physician
- Reimbursed directly at primary care physician rate
Compensation for Primary Care Providers

Source: MGMA Physician Compensation and Production Survey (2010)

Note: Sample sizes for the comparison of compensation for primary care providers are as follows: Family Practice Physician (n=5,524), Nurse Practitioner (n=718), and Physician Assistant (n=800).
## Net Health Care Savings from Legislation to Increase Access to PAs and NPs in Alabama

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2016</th>
<th>2021</th>
<th>Total</th>
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<tbody>
<tr>
<td><strong>Baseline</strong></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Projected Supply of PAs/NPs in Alabama</td>
<td>2,409</td>
<td>2,801</td>
<td>3,433</td>
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<tr>
<td>Weighted Average Salary of PAs/NPs</td>
<td>$99,086</td>
<td>$118,133</td>
<td>$147,170</td>
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<td>Projected Supply of Primary Care Physicians in Alabama</td>
<td>5,019</td>
<td>5,061</td>
<td>5,114</td>
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<tr>
<td>Ratio of PA/NP to Primary Care Physician in Alabama</td>
<td>0.48</td>
<td>0.55</td>
<td>0.67</td>
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<tr>
<td><strong>Impact of Proposed PA/NP Practice Enabling Legislation</strong></td>
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<tr>
<td>Ratio of PA/NP to Primary Care Physician in State with Optimal Legislation</td>
<td>0.76</td>
<td>0.87</td>
<td>1.05</td>
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<td>Projected Supply of Primary Care PA/NP in Alabama after implementation of PA/NP Practice Optimal Legislation</td>
<td>2,409</td>
<td>4,427</td>
<td>5,391</td>
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<tr>
<td>Projected Supply of Total Primary Care Providers in Alabama after implementation of PA/NP Practice Optimal Legislation</td>
<td>7,428</td>
<td>9,489</td>
<td>10,506</td>
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<tr>
<td>Medicare Expenditure per Enrollee</td>
<td>9,665</td>
<td>11,006</td>
<td>12,532</td>
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<tr>
<td>Proportion of Cost Savings</td>
<td>8.3%</td>
<td>8.3%</td>
<td>8.3%</td>
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<td>Cost due to Increase in PCP Supply</td>
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<td>$192,120,312</td>
<td>$288,259,563</td>
<td>$1,917,408,920</td>
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<td>Savings due to Increase in PCP Supply</td>
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<td>$742,556,049</td>
<td>$1,092,208,041</td>
<td>$7,367,319,344</td>
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<td>Net Savings</td>
<td>-</td>
<td>$550,435,737</td>
<td>$803,948,478</td>
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Projections of Primary Care Provider Supply under Baseline and Change in PA/NP Policy
Key Findings

- Implementation of “enabling” legislation would add 1,959 PAs and NPs by 2021 resulting in an increase of 3.8 primary care providers per 10,000 Alabama residents

- The cost of these services would be $1.9 billion over the 2012 through 2021 period

- Implementation of enabling legislation would result in gross savings of about $7.4 billion over the ten year period between 2012 and 2021, resulting in net savings of $5.4 billion over this ten year period
Costs and Savings of Increasing PCP Supply in Kentucky

Year:
- 2012
- 2013
- 2014
- 2015
- 2016
- 2017
- 2018
- 2019
- 2020
- 2021

Costs and Savings:
- Cost due to Increase in PCP Supply
- Savings due to Increase in PCP Supply

Millions:
- $0
- $100
- $200
- $300
- $400
- $500
- $600
- $700
Conclusion

- If Alabama were to adopt policies that permitted a broader scope of practice, the State could increase the supply and distribution of PAs and NPs such as that adopted in Arizona, Washington, Wisconsin, and North Carolina.

- We estimate that an expansion in scope of practice legislation impacting PAs and NPs in Alabama would result in savings for other types of care of about $7.4 billion over that ten year period. Thus producing a net savings of $5.4 billion over 10 years.
Modifying Laws for Physician Assistants and Nurse Practitioners Can Reduce State Cost of Medical Services

Roderick S. Hooker
Ashley Muchow

PAEA
October 2014
Philadelphia