

IMPACT OF THE ACA ON PRIMARY CARE PROVIDERS



JULY 10, 2012

TWO MAIN PROBLEMS



- How to provide primary care to an increasing number of commercial and Medicaid patients with the new ACA
- How to provide primary and geriatric care to an increasing number of patients

Patient Care Bottleneck



- 30+ million more patients will have health insurance with the ACA (CBO estimates) and they will need to find a primary care provider (PCP)
- Presently there is a significant shortage of primary care providers (60 million Americans lack adequate access to a PCP)*
- According to a Health Industry article published in 2010, 45000 more PCP will be needed by 2020

Increased Stress on an Already Stressed System



- 8% of medical school graduates go into family practice*
- 2% of medical school graduates go in to internal medicine*
- 0.5% of physicians in the US are geriatricians – that is about 150 geriatricians for each state in the US*
- The Baby Boomers (1946-1964) are arriving and the Medicare population is growing

No Money



- To pay for the ACA, the U.S. Congress is taking \$550* billion out of the Medicare budget from 2012-2022 – at a time when our population is aging
- President Obama stated that this will not mean a reduction in care to seniors because it will be paid for by a reduction in payments to providers

Decreasing Provider Payment



- Medicare provider reimbursement now is 65% of the average market rate (commercial insurance)
- Provider payments from Medicare has increased 10% since 2001 (10% total increase from 2001-2011)*
- Rate of inflation during that same period of time was 2.44 % per year (26% total from 2001-2011)*
- Provider payments were scheduled to decrease by 21% March 2012

What's My Incentive?



- Many primary care providers are limiting the number of Medicare patients they are accepting and many have dropped out of Medicare*
- A few reasons:
 - Poor reimbursement
 - Increased overhead
 - Increased Medicare required paperwork
 - Very little time to see complicated patients
 - Very long working hours
 - Poorer reimbursement in the future

The Future of Medicine



- A current shortage of providers will be compounded with the enactment of the ACA as 30 million more insured patients seek a PCP and providers limit their exposure to Medicare and Medicaid patients
- Impacts will be twofold:
 - Longer waits to see your PCP
 - Fewer PCP accepting a growing Medicare/Medicaid population