Provider Workgroup Meeting Summary

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INTRODUCTION

An important component of the HRSA State Planning Grant is to elicit public and private sector clinical representatives' opinions on quality, access and health outcomes related to proposed health coverage and program design options under consideration. The purpose of the meeting held at Vermont Technical College March 26th from 6:30 p.m. to 8:30 p.m. was to begin the dialogue with providers to obtain their perspectives and suggestions. Both administrators and direct care providers took part in the meeting. A list of participants, including two who were unable to attend the meeting and were interviewed separately, is included in **Appendix A**. The agenda and protocol used to lead the discussion are presented in **Appendix B**.

Although the original intent was to consider the appropriate use of resources, utilization and health outcomes *outside of restrictive economic considerations*, a major theme throughout the meeting was the need to update Medicaid reimbursement levels.

SUGGESTED CHANGES TO THE HEALTH CARE SYSTEM

Along with general introductions, each participant was asked to mention one aspect of the healthcare system they would most like to change. Following are the responses, in no particular order:

- Overcome fear of involving the community in the discussion of the uninsured and access to healthcare.
- Pay providers (clinicians, hospitals, not-for-profit health centers and dentists) fairly for what they do, recognizing that Vermont's low reimbursement rates are of great concern to providers.
- Establish universal coverage (especially considering the size of the state).
- Take inventory of successful community healthcare systems and model change after what has been shown to work.
- Support a single clearinghouse for quality in health care.
- Eliminate pre-authorization (as Aetna did and saved $32 million); "unmanage" healthcare.
- Be able to put the Free Clinics "out of business," having achieved universal access to health care services.
- Heavily tax direct-to-consumer pharmaceutical marketing/advertising and other non-essential health services as these are often the drivers of healthcare inflation.
- Reimburse hospitals for community outreach.

HEALTH OUTCOMES

Healthy Vermonters 2010 goals (**Appendix C**) were used as a starting point for discussing health outcomes pertinent to designing a health benefits package for the uninsured.

- Access by the uninsured and underinsured to primary and preventive health care services, specifically mental health and dental health, was identified as crucial to improving health outcomes. One participant cited Vermont Free Clinic data in listing the most common reasons for free clinic visits: mental health, including anxiety and depression; diabetes; hypertension; high cholesterol; and repetitive injury stress such as back and joint pain. Each of these can be chronic conditions which could result in significant healthcare expenditures if not monitored and addressed through primary and preventive healthcare, "the uninsured need a healthcare home".

- Obesity is considered a risk factor associated with many serious and chronic health conditions. Reducing the overall rate of obesity is seen as a means of improving health outcomes through a reduction in morbidity.

- Successful healthcare reform at the macro level (i.e. through legislation and regulation) is dependent upon micro level change. Encouraging personal accountability for health decisions is the foundation of micro level health reform. Two participants expressed that coalition-building between the Department of Health and providers is key to improving the health of Vermonters.

ACCESS TO HEALTHCARE SERVICES

The discussion of prioritizing various health outcomes was imbedded within a broader discussion of reduced access, in part due to provider shortages.

- The point that access to healthcare is not the same as insurance coverage was made. Insurance coverage does not guarantee access, and may not be the best vehicle to improve continuity of care. Some participants were in favor of establishing universal coverage through a single payer system but there was not consensus on this issue. However, there was consensus around establishing universal *coverage*.

- Provider shortages in certain specialty areas are likely to broaden due to inadequate compensation. Disparities in access already exist within specialty areas (the community mental health system sees 10-12% uninsured patients, compared to the state's average mental health providers see who 7-8% uninsured patients.)

- Several participants expressed the importance of utilizing private sector solutions to address the issue of the uninsured before expanding the public sector. That is, before earmarking funds for safety-net healthcare provision systems (such as Free Clinics and community health centers) operating in parallel to "traditional" providers such as hospitals and individual provider practices, it is important to exhaust resources available in the traditional sector. This could include improving reimbursement rates in Vermont.

- Participants cited a need for more mental health providers. Vermont currently has few child psychologists, with sufficient demand to employ many more.[1] Demand for dental services also outstrips capacity. There are eight pediatric dentists in Vermont. This is probably not a sustainable number. Older dentists are retiring at a rate faster than new dentists are opening practices. Some may leave the state due to a perception of unfair compensation practices.

- There is concern that insufficient resources will be expected to serve an increased demand if Medicaid coverage is expanded. Participants agreed that the state should focus on current Medicaid enrollees and prioritize among services.

- A participant stated that "negligence towards preventive healthcare for the uninsured and underinsured" exists in Vermont.

- It was suggested that the state research the health education and services currently being provided in Vermont schools. (For example: child psychiatry, dental and ophthalmology.) Capitalize on the ability to reach children (and their parents) and do not duplicate efforts/services.

- One participant mentioned a study in which elderly people with good preventive care were found to die later but more quickly than those without access to preventive care, suggesting preventive care does minimize the need for extensive end-of-life nursing care.

COORDINATION IN PROVISION OF HEALTH CARE

When asked if there is a way to characterize the statewide "safety net", most participants agreed that there is no single coordinated statewide effort.

- "We have safety net provisions but we don't have a statewide response. That's what's lacking. We haven't articulated what a safety net needs to be in terms of insurance coverage, access to providers, location of providers, support for providers. It would be great to have a statewide response."

- One provider described how the disjointed structure created by the lack of a statewide safety net affects the daily work of providers: "It's distracting...you end up doing the best you can do. We're missing a step [in terms of] implementing the best medicine [and] practices in treating patients."

- One participant said the "safety net [in Vermont] is superb...Vermonters have excellent hospital care". However, the same participant acknowledged that access to primary care is a problem in certain areas.

[1] According to the 1998 Survey Report: Health Care Professional Profiles, published by the Department of Health in Decenber, 2000, there are an average of two child psychiatrists per 100,000 population compared to the suggested average of 13 per 100,000.

- Participants concurred on the need to identify effective models of affordable, accessible care that currently exist to determine if they are replicable and sustainable in other parts of the state.

QUALITY IN HEALTHCARE DELIVERY

A consequence of providers being stretched to capacity could be a diminishment in the quality of care provided. Additionally, participants fear that providers will be driven out of the state if the number of patients receiving state medical assistance increases and reimbursement rates do not.

- There was general consensus that the state should pay providers fairly for the services they are currently providing.

- One participant suggested that patients should share in the cost savings involved in making decisions about where to seek care, from what type of providers, what brand of medication to prescribe/purchase, etc. Under such a system, providers and patients would work together to insure cost effective quality care. Also, there should be a mechanism for full disclosure on providers' number of operations, outcomes, credentials and costs such that purchasers of healthcare and patients can make the most informed decisions possible.

- Participants agreed that providers are looking for some level of intellectual or educational support. The academic "detailing" provided by the Vermont Child Health Improvement Program (VCHIP) on pediatric preventive services was cited as an example. In addition to VCHIP, the Vermont Program for Quality in Health Care (VPQHC), and AHEC programs also function in a small learning group capacity. According to providers, improvement in the system must be tied to improving the quality of care.

- When asked if there is a difference in the quality of care uninsured people receive, participants agreed that while there shouldn't be, there *is* often a disparity. For example, it may not be possible to follow prescribed drug formularies in caring for an uninsured person, due to the expense of the drug.

BENEFITS DESIGN

In an exercise designed to prioritize current services offered through VHAP, participants were asked to choose four services (see **Appendix D** for complete list) that they would **not** include in an insurance program for the uninsured. This exercise was very difficult for participants, and was described as "painful".

- Participants chose to remove chiropractic services and provision of orthotics, organ transplants, and transportation services from the covered service list. All agreed, however, that eliminating these services would probably have only a marginal effect on cost.

- One participant said it shouldn't be an exercise in *completely* eliminating services. Example: dental coverage should not be cut across the board but only certain dental services could be included in a benefits package for adults (services to manage pain and infection) while children would receive comprehensive care.

REIMBURSEMENT

There was general agreement that Medicaid reimbursement is insufficient. "We may be able to say that we have the highest insurance coverage rate in the nation but if there aren't any providers to take those patients, we won't have accomplished our goal."

- Currently, dental providers are reimbursed 60-70 percent of the cost of providing care. This is about the same cost as the national average for overhead in dental practices (between 65 and 70 percent). Providers were asked to consider whether there should there be differential rates within the Medicaid reimbursement system to further compensate providers who accept a larger caseload of Medicaid/uninsured patients. Reaction was mixed about this issue.

- Comparatively, several participants noted that physicians are reimbursed about 40 percent of their charges, asserting that it is not a sound business practice to try and make up cost with volume.

- Providing services to patients without insurance does not necessarily entail lack of compensation. A provider described extending the same discount provided to Blue Cross Blue Shield-insured patients to uninsured patients. Payment plans designed to allow patients to make regular installments over time are often devised as well.

- The amount of money being spent on alternative health therapies such as herbals, massage and chiropractic care is increasing while reimbursement for "traditional medicine" is less than the cost of providing it (in the Medicaid program).

RECOMMENDATIONS

- Design Medicaid benefits programs such that they do not provide disincentives to providers participation. One participant said, "If the state paid cost for Medicaid, it would find more providers, especially dentists, willing to care for the uninsured".

- Both the reimbursement structure and the actual functioning of the Medicaid system need to be addressed in order to effectively extend insurance coverage to more Vermonters. The state should consider addressing the feasibility of obtaining direct healthcare services for uninsured persons.

- Continue to support the historic and effective public/private partnership between the state government and health care providers (such as that between the Department of Health and primary care providers which has been a major factor in Vermont's leading child immunization rates).

- Look at community-based systems of health care delivery that are working to provide good quality care, in a cost-effective way while providing equal access to benefits.