



How to Support the Primary Care Safety Net – Three Areas of Concern

FQHCs provide High Quality Comprehensive Primary Care and Deliver Improved Health Outcomes for Underserved Communities

FQHCs improve health outcomes through high quality care, integrated services, and care management. Through their delivery of comprehensive primary care, FQHCs save the State 30% or more in annual spending per beneficiary due to reduced specialty care referrals and fewer hospital admissions. In a review of chronic illness care for depression and diabetes, Maine FQHCs have saved at least two dollars for every dollar that the state has invested in Medicaid care management alone.

*The state's health care strategy in this time of health care reform should not only sustain but utilize the life-saving and cost-saving preventive and planned care found in community health centers as the centerpiece. The Governor's **Wellness Initiative** is one such vehicle and so too is the **Patient Centered Medical Home Multi-Payor Pilot**. However, more is needed to ensure the sustainability of primary care and position primary care in its full capacity of producing the savings necessary in any reform effort.*

Loss of Universal Access to Vaccines and Declining Immunization Rates in Maine

The loss of Maine's universal distribution of childhood vaccine in Maine is hurting on-time vaccination rates as well as burdening primary care providers with additional overhead costs.

- ✓ Support LD 353 funding for Childhood Vaccine (Governor's Budget Bill)
- ✓ Support LR 1459 (Rep. Connor) An Act To Establish the Universal Childhood Immunization Program

Maine's vaccination rates continue to drop and lag the nation as a whole. The public health concern shows up in outbreaks of disease and loss of life. Just in this last year we've seen increases in pertussis and a resurgence of Hib. Federal cuts and the costs of vaccine have forced Maine to abandon universal distribution, leaving the underinsured exposed unless there is both a state public investment as well as overarching plan to restore access. The \$4.0 million in funding in the budget along with the creation of a public-private partnership are both required to restore universal access to vaccine which will:

- ✓ Reduce costs to health plans
- ✓ Reduce administrative hassles and costs newly imposed upon primary care providers
- ✓ Improve immunization rates for the entire State of Maine

Primary Care Workforce

The primary care safety net cannot maintain capacity at the current level of vacancies and the increased difficulty in recruiting an adequate supply of primary care providers

- ✓ Restore and increase funding in the budget (LD 353) by \$300,000 for the State Loan Repayment Program (SLRP), which includes much needed support for both medical and dental professionals.

SLRP is run by the state but enjoys a federal dollar for dollar match on state investments. Maine is poised to gain \$300,000 in federal funds for SLRP if we can provide the state match.

Maine's primary care safety net has a vacancy rate of 20%. This vacancy rate increases the cost of care by necessitating temporary staff (more expensive) and by lowering productivity of health centers. More importantly, a high vacancy rate lowers access to primary care. Among last year's recruited clinicians, 93% of them were able to start service at a community health center with some type of loan repayment for their medical school debt. This has proven to be a critical element that supports medical professionals' choice of primary care and service in underserved communities versus more lucrative specialties and settings. SLRP is vital to communities that are in need but don't have access to federal loan repayment support. **\$300,000 in funding is needed in FAME's budget for the State Loan Repayment Program.**

FQHCs Squeezed by Higher Costs without Matching Revenues

Since 2002, Maine's Federally Qualified Health Centers have more than doubled overall access to comprehensive primary care, nearly tripling the number of patients. In addition to primary medical care, health centers have boosted dental care by five fold, and tripled the amount of mental health access available to underserved communities. (See Maine 2008 Fact Sheet.)

Health centers have been a crucial source of leveraging federal funds to support local services to communities in need. FQHCs have gone after and secured a doubling of federal funds over the last six years. However, this hasn't kept pace with the expansion in actual service delivery. Nor has Medicaid, Medicare or commercial reimbursements kept up with the true costs of care as health centers struggle to fill physician vacancies, maintain health insurance benefits, and respond to growing community need.

The chart below shows that for the period from 2004 to 2007, medical staff compensation per patient rose 29%, physician salaries nationally rose 16%, and health insurance costs rose by 31%, while Medicaid reimbursement went up by 11% and federal grants per patient actually declined by 16%. *While health centers continue to lead the state in quality care initiatives, adoption of HIT, access for MaineCare and uninsured patients and availability of comprehensive care under a single patient-centered medical home, this cannot continue without appropriate policy supports for the primary care safety net.*

