



*Advising the Congress on Medicare issues*

# Medicare's role in the supply of primary care physicians

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# Today's presentation

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- Background
- Prior Commission recommendations on primary care
- Access to primary care physicians
- Factors that influence physicians' specialty choice
- HRSA programs to increase supply of primary care clinicians
- Options for Medicare to increase supply of primary care physicians

# Background

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- High-quality primary care essential for creating a coordinated health care system
- Primary care physicians: family medicine, internal medicine, geriatrics, pediatrics
  - 19% of professionals who billed Medicare in 2016
- Other health professionals (e.g., nurse practitioners and physician assistants) may also deliver primary care

# Prior Commission recommendations on primary care

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- Create budget-neutral bonus for primary care services (2008)
  - Congress created Primary Care Incentive Payment (PCIP) program, 2011-2015 (not budget neutral)
- Repeal sustainable growth rate formula and provide higher updates for primary care services relative to other services (2011)
- Identify overpriced fee schedule services and reduce their payment rates; use data collected from cohort of efficient practices (2011)
- Establish per beneficiary payment for primary care clinicians to replace expiring PCIP (2015)

## MedPAC survey and beneficiary focus groups (2017): Most beneficiaries currently able to obtain clinician care when needed

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- Beneficiaries' access is comparable to (or better than) access reported by privately insured individuals ages 50-64
- A small share of beneficiaries who are looking for a new doctor report trouble finding one
- Beneficiaries more likely to report trouble finding a new primary care doctor than a specialist

# Absolute number of primary care physicians billing Medicare has increased, but number per 1,000 beneficiaries has decreased

Year	Primary care specialties		Other specialties	
	Number	Number per 1,000 beneficiaries	Number	Number per 1,000 beneficiaries
2011	169,640	3.8	379,411	8.4
2012	174,848	3.8	388,237	8.4
2013	178,404	3.7	394,103	8.2
2014	180,165	3.6	396,289	8.0
2015	182,767	3.6	398,840	7.9
2016	184,905	3.5	403,822	7.8

Note: Primary care specialties include family medicine, internal medicine, pediatric medicine, and geriatric medicine. Data are preliminary and subject to change.  
 Source: MedPAC analysis of Medicare claims data for 100 percent of beneficiaries and 2017 annual report of the Boards of Trustees of the Medicare trust funds.

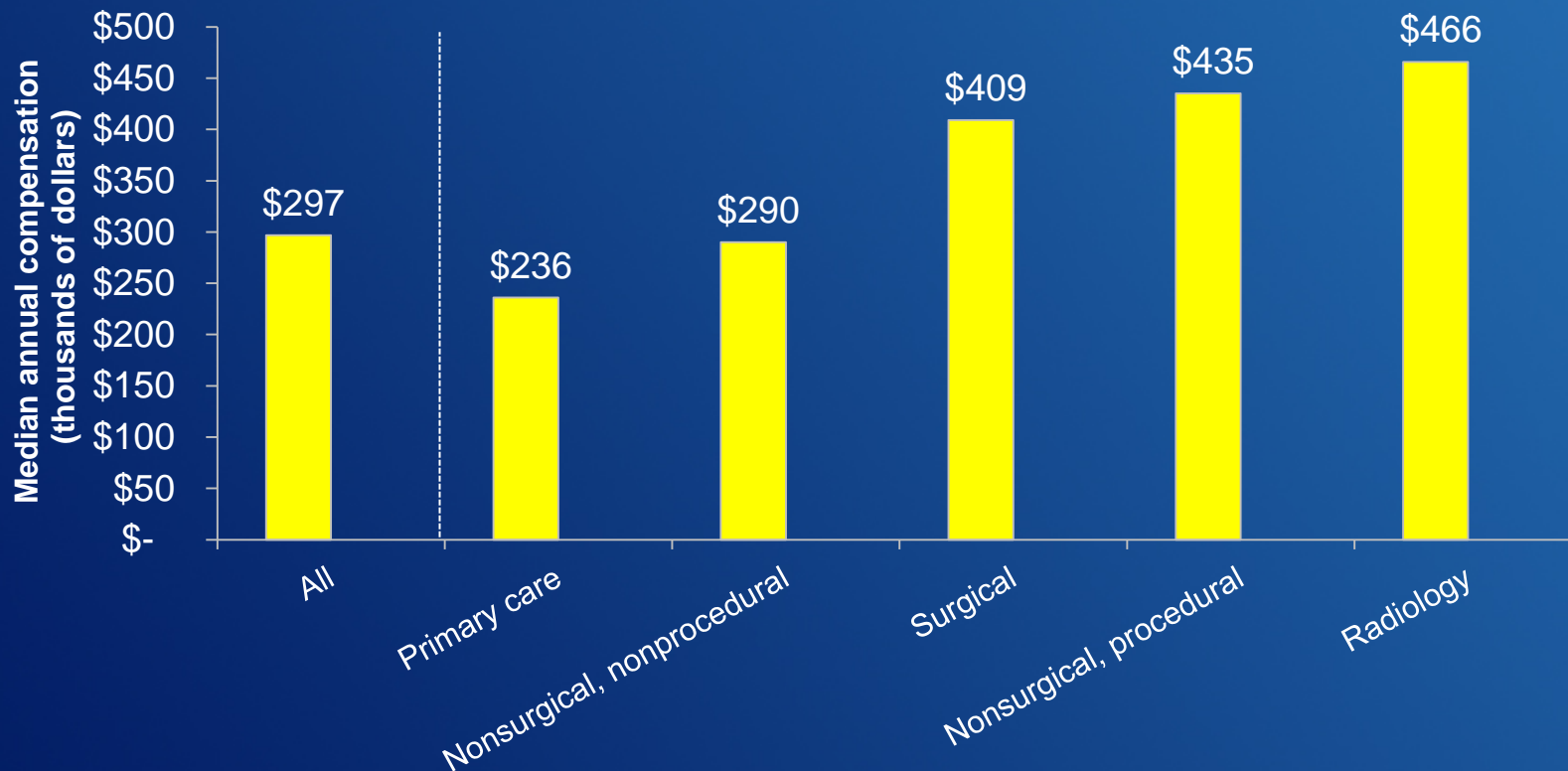
# Mixed evidence on adequacy of pipeline of primary care physicians

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- Number of family medicine and internal medicine residents grew faster than total number of residents, 2013/14 to 2017/18
  - Family medicine residents grew 17.9%
  - Internal medicine residents grew 15.7%
  - Total residents (all specialties) grew 12.7% (Accreditation Council for Graduate Medical Education 2018)
- But share of internal medicine residents who remained in primary care decreased between 2001 and 2010 (Jolly et al. 2013)
- Concerns that large compensation disparities could deter medical students from choosing primary care

Data are preliminary and subject to change.

# Wide compensation disparities between primary care and nonsurgical procedural specialties/radiology, 2016



Source: MedPAC analysis of data from SullivanCotter's Physician Compensation and Productivity Survey, 2016. Data are preliminary and subject to change.



# Factors that influence physicians' specialty choice

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- Lifestyle preference (e.g., work hours and family time)
- Student characteristics (e.g., rural background, lower SES)
- Type of medical school and curricula (e.g., using community hospitals as teaching sites)
- Income expectations
- Evidence of the effect of student debt is mixed
  - Some studies find it has modest or no impact
  - Other studies find that students with no debt or high debt are less likely to choose primary care

# Medical education debt has grown

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- Median debt among medical school graduates grew from almost \$165,000 in 2010 to \$180,000 in 2016 (Grischkan et al. 2017)
- But share of students graduating with no debt increased from 16% in 2010 to 27% in 2016
- Debt is concentrated among smaller share of students
- Suggests growth in the share of students from affluent backgrounds

# HRSA programs to increase supply of primary care clinicians

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- National Health Service Corps: Scholarship and loan repayment programs for primary care clinicians (\$300 million in FY 2019)
- Recipients must commit to practice in an underserved area for at least 2 years
- 10,200 NHSC clinicians provide care to 10.7 million people (up from 3,000 clinicians in 2009)
- Clinicians include primary care physicians (20%), NPs (21%), PAs (11%), dentists, mental health professionals
- Must serve in sites approved by HRSA; 57% of clinicians serve in federally-qualified health centers

# HRSA programs to increase supply of primary care clinicians (cont.)

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- Primary Care Loan program provides low-interest loans to medical students who commit to practice primary care
- Must practice for 10 years (time includes residency) or until loan is paid off
- No requirement to work in underserved areas
- Participating medical schools must match 1/9<sup>th</sup> of the loan
- Provided \$30 million in loans to over 400 medical students in 2009 (most recent public information)

# Options for Medicare to increase supply of primary care physicians

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- Today: Discuss scholarship/loan repayment program for medical students who commit to providing primary care to Medicare beneficiaries
- Future meeting: Increasing accountability for Medicare's GME payments
  - 2010 recommendation: Secretary should create performance-based GME program to support workforce skills that will improve value of delivery system. Funds should be distributed to institutions that meet goals for practice-based learning and improvement, interpersonal and communication skills, professionalism, systems-based practice

# Medicare scholarship/loan repayment program: Design issues

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- Size of program: Budget and number of recipients
- Financing
- Should it target certain students (e.g., those from minority, low-income, or rural backgrounds?)
- Which types of specialties should be considered primary care?
  - Commission recommendation for primary care bonus included family medicine, geriatric medicine, internal medicine, pediatrics (2008)
- Requirement for physicians to treat a minimum number of Medicare beneficiaries
- Length of service commitment

# Discussion

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- Additional information?
- Interest in developing idea of scholarship/loan repayment program for medical students who commit to providing primary care to Medicare beneficiaries?
- Comments on design issues