

Stand with Primary Care Providers

Preserve state funding for small businesses that accept Medicaid

The issue:

In 2013, Colorado did the right thing by bringing Medicaid reimbursements in line with what it was already paying primary care providers to offer the same services to Medicare clients by leveraging federal dollars.

State lawmakers **reaffirmed that important step** in 2014 by dedicating state dollars to the effort.

Now, Governor Hickenlooper and state lawmakers are considering taking a step backward by slashing fair payments to primary care doctors in order to balance the state budget. The current proposal amounts to **an average reduction of more than 23 percent**, a cut so deep and devastating that it will certainly limit access to quality health care in many communities and could drive some primary care doctors out of business altogether.

Maintaining fair reimbursement for Medicaid primary care providers benefits all Coloradans. Consider the following benefits of primary care access:

- Primary care **improves health, can prevent severe illnesses** from developing and **saves money** by making the health care system more efficient.
- Enhanced reimbursement rates **increase participation** by primary care physicians, **improving access to health services**.
- Fair payments in Medicaid **reduces cost shifting** to the privately insured and employers.
- Primary care **improves health outcomes and generates cost savings** by keeping people out of emergency rooms.

We all pay if primary care shoulders the burden for balancing the budget

Jobs

There are more than **6,500 primary care providers in Colorado**. Research shows that each physician job has a multiplier effect, which helps to create and support other jobs. Estimates of the size of impact vary widely, but it is safe to conclude that revenue reductions in primary care businesses will have impacts on job creation in health care and beyond.

Economic Growth

Primary care clinics contribute more than **\$1 million in economic activity** to their communities

Health Insurance Premiums

Without adequate access to primary care and a medical home, Medicaid patients will seek more expensive care in the emergency department, resulting in cost shifting to health insurance premiums.

Health Care Access

Medicaid is the primary source of health care for vulnerable populations, including children, the elderly, and persons with disabilities. **More than 30 percent of Colorado's children are enrolled in Medicaid.**

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Limiting primary care access will particularly hurt important groups that are part of Colorado communities

Rural residents

Some rural counties need to double or even triple their number of primary care providers to meet current health care needs – before the proposed cut. The cut will exacerbate the rural access problem.

Children

- 32.2 percent of Colorado's children, or 418,000 kids, are enrolled in Medicaid. Fewer physicians participating in Medicaid will limit the number of providers, increasing wait times for appointments and forcing families to travel long distances for care.

Primary care residencies

- An already strained residency pipeline for primary care physicians stands to lose an additional \$2.7 million, impairing its ability to train the next generation of primary care providers in Colorado.

Coloradans with disabilities

- Medicaid is a critical support for Coloradans with disabilities, allowing many to live independently and remain in the workforce.

Health care providers in their own words:

First quote was taken from data compiled from independent surveys done by CAFP, CCHAP, CMS, COAAP & ClinicNET. The second quote is from a profile of a Colorado provider. Please contact lobbyists for more information on these surveys and provider profiles.

“As one of the few provider groups that accept Medicaid in our valley, we have already seen patients driving 30 or more miles from their home to come see us because we do take Medicaid. Our clinic is therefore absorbing losses that other clinics can or will not afford. Further cuts in Medicaid reimbursement will only exacerbate this problem and threaten the financial solvency of our primary care group.”

—Family physician, Roaring Fork Valley

“Are the cuts they are considering effecting my business? Yes. It absolutely will put people's jobs at risk. But more importantly, the cuts will erode care for the most vulnerable citizens we have; our children. And doing so will literally cost the state money in the long run. “

—Pediatrician, Jefferson County

The **Colorado Primary Care Alliance** represents more than 20 health, business, consumer, insurance and rural organizations concerned about proposed cuts in Medicaid rates for primary care services across Colorado. The coalition believes these cuts will negatively impact access to care and preventive health services, while challenging the viability of many small practices that provide jobs and are deeply rooted in their communities.



Safety net clinics would be hit hard by cut

When you are Bebe Kleinman, chief executive officer of Doctors Care a Littleton-based clinic providing health care to low income individuals, you have a lot to worry about. How will you continue to cobble together the network of specialists and other primary care doctors you need to ensure that the 4,000 people who come to your clinic get the help they need? How will you support comprehensive care coordination that keeps people out of emergency rooms and in less expensive care options without additional staffing?

Add to these huge questions one new hurdle that is keeping Kleinman up at night. How will she raise an additional \$150,000 next year if threatened Medicaid primary care reimbursement cuts become a reality?

For that, the can-do Kleinman doesn't have an answer.

"Every day is a hustle. I will never say we are going to limit access to care. But I don't really know what we are going to do. I have to believe that we will figure it out. But right now, I don't know the answer," Kleinman said. "What I do know is that with this kind of cut, we're taking three steps back and saying, there is only room in the system for the absolutely sickest patients. We'll manage by crisis again. One crisis into the next crisis to the next crisis without hope of ever making real progress in keeping people healthy and without hope of ever really reducing costs."

For Kleinman's clinic director and licensed physician assistant, Sue Covington, that will be a hard reality, should it come. Her thoughts go immediately to a recent success story. A 24-year-old man came to the clinic with his mother, who is disabled, and for whom he had been caring. He struggled with a mixture of health issues as well as addiction problems. He was unemployed and hopeless.

Seventeen months later, Covington was meeting with that same man, who had before been hopeless and sick, to talk with him about how he would transition off of Medicaid and onto the private insurance provided by his employer- an accomplishment that Covington describes as "awesome motivation" to keep doing the job she does.

"It took a lot of work put-

"Our goal is to provide high quality care for every patient that walks through our doors. That is very hard to do if we are reduced to relying on volunteer and part-time providers because we can't afford to pay a competitive wage."

Sue Covington,
Clinic Director, Doctors Care

ting the team together that helped that young man," she said. "But when you see those kinds of results, you know you are doing something really important. He says we saved his life. I think he saved his own life, and it was an honor to be able to help him do it."

But Covington worries about keeping the teams together that can work these kinds of miracles and lifesaving interventions if Medicaid is cut. She already works hard to attract and retain quality mid-level health care employees. Without competitive pay, her ability to put quality people in provider roles will evaporate.

"Our goal is to provide high quality care for every patient that walks through our doors," Covington said. "That is very hard to do if we are reduced to relying on volunteer and part-time providers because we can't afford to pay a competitive wage."

For Kleinman and Covington, the hardest pill to swallow in all the talk about Medicaid cuts is that they come at a time when both felt they were really making progress toward better health care. For the first time in years, they and their staff were talking about wellness rather than just crisis care.

"If you set us all back with these cuts, what you

are doing is putting the patient back into the most expensive place to serve them: emergency departments. What sense does that make?" said Kleinman, whose thoughts then turn to her job as CEO of the clinic.

"Anytime a safety net clinic is asked to cut 25 percent of its budget, that's a crisis. A crisis for our staff but most importantly, a crisis for those we are trying to serve."



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Durango doctors struggle to fill access gaps

If no one is truly an island, Dr. Cecile Fraley and her physicians at Pediatric Partners of the Southwest might be as close as you get.

As the only pediatric hospitalists in their region, they are the only admitting physicians in the south western corner of the state for kids until you reach north to Montrose and Grand Junction. The providers in the practice see about 23,000 children annually as outpatients and an additional 3,500 children as inpatients. Nearly fifty percent of both groups are on Medicaid.

"We run a frugal, lean model that – by virtue of the fact that we take all children regardless of payor source – relies heavily on innovative delivery of care," Fraley said from the Durango health care campus her practice built to accommodate the increasing numbers of children coming to her offices.

Four pediatricians, including Fraley, opened the practice in 2005, but demand and the need for additional primary care physicians that would accept Medicaid encouraged her to expand to 14 providers today. To bring specialists to the area, the practice has started a telemedicine relationship with the Children's Hospital of Colorado as well as holding regular clinics in their facilities with doctors from the Aurora-based hospital.

Fraley's practice fundraises \$75,000 annually to help families travel to Children's for treatment. Due to the new clinic partnership, 2015 was the first year they had enough funds to cover the travel because more children were able to get specialty care without leaving home.

The doctors have also added integrated behavioral health services for their patients, which has improved their ability to help

kids with various behavioral issues and developmental delays. All of these things contribute to improved outcomes for children.

But all of these innovations, as well as salaries, benefits and 401Ks for all of the 41 employees that work at the office, will have to be

"There isn't a single cut back that we might be forced to do that will keep children healthy. It is unfortunate that the state's budget situation will most directly impact children and really our most vulnerable children."

Dr. Cecile Fraley,
Pediatric Partners of the Southwest



revisited if state lawmakers opt to reduce the reimbursements for Medicaid services. Also on the chopping block at Fraley's practice could be continuing to see as many Medicaid kids as they currently do as well as curtailing their clinic hours. Currently the clinic provides expanded hours on weekends and in the evenings as well as holidays to assist working families in getting the preventative care their children need and avoid costly trips to the emergency room.

"We started this practice because there is a real need here. And we've continued it and to grow it because we want to make sure every parent has the access they need for their child," Fraley said. "There isn't a single cut back we're considering that we want to do. There isn't a single cut back that we might be forced to do that will keep children healthy.

"It is unfortunate that the state's budget situation will most directly impact children and really our most vulnerable children."



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Primary care doc: Challenge to ‘just help kids’

Dr. Brian Gablehouse is no stranger to what it takes to ensure kids have a healthy start. He began his career as an elementary school teacher only to eventually follow his mother into her now 25-year-old health care business, Peak Pediatrics.

The goal in the practice has always been to serve every child that comes through the door, regardless of ability to pay. That's one reason Peak Pediatrics sees the largest number of Medicaid patients of any private practice in Jefferson County. With two locations in Wheat Ridge and Thornton, about 65 percent of the children seen are on Medicaid.

"It's important to take care of these kids," said Gablehouse. "If we don't see them, where are they going to go? I'll tell you where. They are going to go back to the emergency rooms and urgent care facilities. And they are going to go back to largely going untreated until they are in serious trouble."

Gablehouse knows a thing or two about getting families out of emergency rooms and getting them better connected with primary care that catches issues before they become emergencies. His two offices see about 27,240 kids a year. After working with the Regional Care Collaborative for Jefferson County to make systemic improvements and add more integrated care, Gablehouse saw emergency room utilization among his patients drop from a high of 25 percent to below 10 percent.

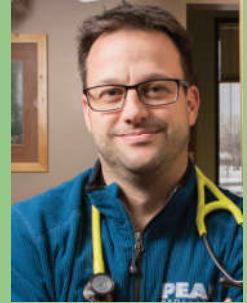
With threatened Medicaid reimbursement cuts, Gablehouse fears a return to less coordinated care because of the staffing cuts he might be forced to make and an increase

in emergency room visits for his young patients. That's a shift he's convinced won't really save Colorado any money in the long run.

"When a kid has a cold, their parents are going to go somewhere to get them help," he said. "And that somewhere – likely an urgent

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Dr. Brian Gablehouse, Peak Pediatrics

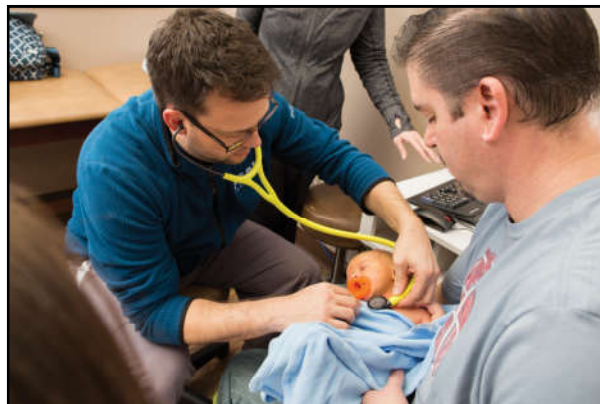


care or emergency room – is going to cost Colorado a lot more than if they came to see me."

Gablehouse has already begun the grim job of calculating how he will deal with a nearly 26 percent reduction to 65 percent of his office's income. Maybe he will have to let some of his 30 staffers go. Maybe he will have to curtail a quarter century's worth of mission-drive care provision that says every kid that walks through the door gets help.

It's that reality that eats at Gablehouse. Trying to get him to talk about the small business aspects of his work – outside of his staff that he sees as family – is difficult.

"Are the cuts they are considering effecting my business? Yes. It absolutely will put people's jobs at risk," he said. "But more importantly, the cuts will erode care for the most vulnerable citizens we have; our children. And doing so will literally cost the state money in the long run. "



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Solo doctor struggles to keep seeing Medicaid patients

Dr. Robert Vogt, a board-certified family physician, traces his philosophy about seeing patients at his solo practice in Colorado Springs to his years serving in the Air Force.

Whether you were an airman or a general, the care was the same.

Now 11 years into the practice he opened after retiring from the service, he tries to continue that, but the struggle to keep his practice afloat while taking Medicaid patients is real. Of the 3,600 patients in his practice, about 250 of them are on Medicaid.

"I feel a huge responsibility. There is a segment of the population, who, through no fault of their own don't have private insurance. They are left to the safety net clinics or no health care at all. I can't change everything for everyone, but I can change something,"

Vogt said from his office near Colorado Spring's Rockrimmon neighborhood.

"But I can clearly see why physicians sell their practices to hospitals or just give up all together. The ongoing stressors just make it hard to keep going."

Vogt started his practice from scratch and now employs one physician assistant and two nurse practitioners. He has watched his reimbursements rates from all insurers drop anywhere from 10 to 30 percent. And he still carries debt from starting up his practice.

"We live month to month here. The money that comes in pays the bills and then we

"I've never practiced before where I have to stop and ask whether the person is on Medicaid or not. It goes against everything I've been trained to do and everything I believe about providing a patient-centered medical home to anyone that needs one."

Dr. Robert Vogt, Colorado Springs



move on to the next month," he said. Because he felt strongly about children and vaccinations, his practice provided all recommended vaccinations to children and adults. Doing so ended up costing his practice about \$12,000 to \$15,000 a year in unreimbursed costs.

And now he estimates he has to turn away as many as five potential patients a week who call looking for a doctor that takes Medicaid.

In order to keep his practice financially solvent, he has had to find a way to balance private insurance with Medicaid, Medicare and Tricare, the government health insurance provided to the military.

"I've never practiced before where I have to stop and ask whether the person is on Medicaid or not," he said. "It goes against everything I've been trained to do and everything I believe about providing a patient-centered medical home to anyone that needs one. I can keep seeing the patients I have, but I just can't take on any new Medicaid patients and hope to keep my practice alive."



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@COPrimaryCare

Providing medical care is becoming increasingly difficult for rural doctor

Talk to Dr. John Fox for any amount of time, and you'll find out two important things.

First, he's been practicing in his small town of Hugo in the Eastern Plains county of Lincoln for 25 years. He is sure of this because he arrived with the tornados of 1990, in nearby Limon, a meteorological milestone that still graces the memory of those who live there. And second, he cares deeply about his patients.

Fox, like many rural, small town doctors is a jack of all trades. He does emergency medicine, trauma, hospice, general practice and he's even the sports medicine staff for Limon High School. Until a few years ago he also delivered babies, but he finally admitted to himself it was impossible to be on call 24 hours a day, seven days a week.

He is employed by Lincoln County Community Hospital, which insulates him somewhat from the lower reimbursement rates Medicaid provides and will likely help him weather a proposed additional reduction, should lawmakers cut the rates further. Still, the hospital writes off about \$4.5 million in care each year, a fact that Fox knows all too well.

"Even with reimbursements more equal to Medicare, it's just getting us headed back toward break even," he said. "That means we struggle each year to maintain competitive salaries and be able to upgrade equipment. Is that really fair to people who live here? That our hospital should struggle to provide even basic healthcare services?"

Fox worries about what will be

next for the community that he loves and the people there for whom he has been caring, some literally since birth. He sees the writing on the wall if Medicaid rates drop. Charge more for those with private insurance and shift the cost of care. Fewer providers

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Dr. John Fox,
Lincoln County Community Hospital



will have to see more patients or turn some patients away. Watch as younger doctors opt out of the kind of practice he operates, choosing instead more lucrative fields than family medicine.

"There comes a point where older doctors like me are going to just walk away," he said. "I could be talked into going fishing pretty easily about now."

In the Hugo and the surrounding area, Fox estimates the Medicaid population has

grown from about six percent in the early 1990s to about 15 percent today. Fox will be the first one to tell you, he wishes the Medicaid population would grow by another 100 specific people. "Members of the State Legislature and their staff should be forced to be covered by Medicaid. They need to understand what challenges we really face" he said. "And then I wonder if they will sleep at night knowing that they have potentially cut off health-care access for hundreds of thousands of Coloradans?"



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