

Primary Care Capacity and Health Reform: Is Michigan Ready?



POLICY BRIEF

In the fall of 2012, the Center for Healthcare Research & Transformation (CHRT), in partnership with the Child Health Evaluation & Research Unit (CHEAR) at the University of Michigan, conducted a statewide survey of primary care physicians. The purpose of the survey was to understand the challenges and opportunities primary care physicians are facing in their practices in this era of health care reform. Our goal was to inform policy makers on a number of key issues ranging from meaningful use of electronic health records to the capacity to care for Michigan residents, especially in light of the expected significant growth in insurance coverage beginning in 2014.

Since one of the most immediate questions facing the State of Michigan is whether to expand Medicaid coverage, this issue brief focuses specifically on one area of inquiry—Michigan primary care physicians' capacity to serve new patients in both Medicaid and the private insurance market. The bottom line of the survey is that **primary care physicians in Michigan overwhelmingly anticipate having capacity to serve more patients with all forms of health coverage, including Medicaid.**

The Center for Healthcare Research & Transformation (CHRT) illuminates best practices and opportunities for improving health policy and practice. Based at the University of Michigan, CHRT is a non-profit partnership between U-M and Blue Cross Blue Shield of Michigan to promote evidence-based care delivery, improve population health, and expand access to care.

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MAJOR FINDINGS

Capacity to Serve New Patients By Specialty	2
Capacity to Serve New Patients by Geography.....	3

Conclusion	4
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Survey Methodology	4
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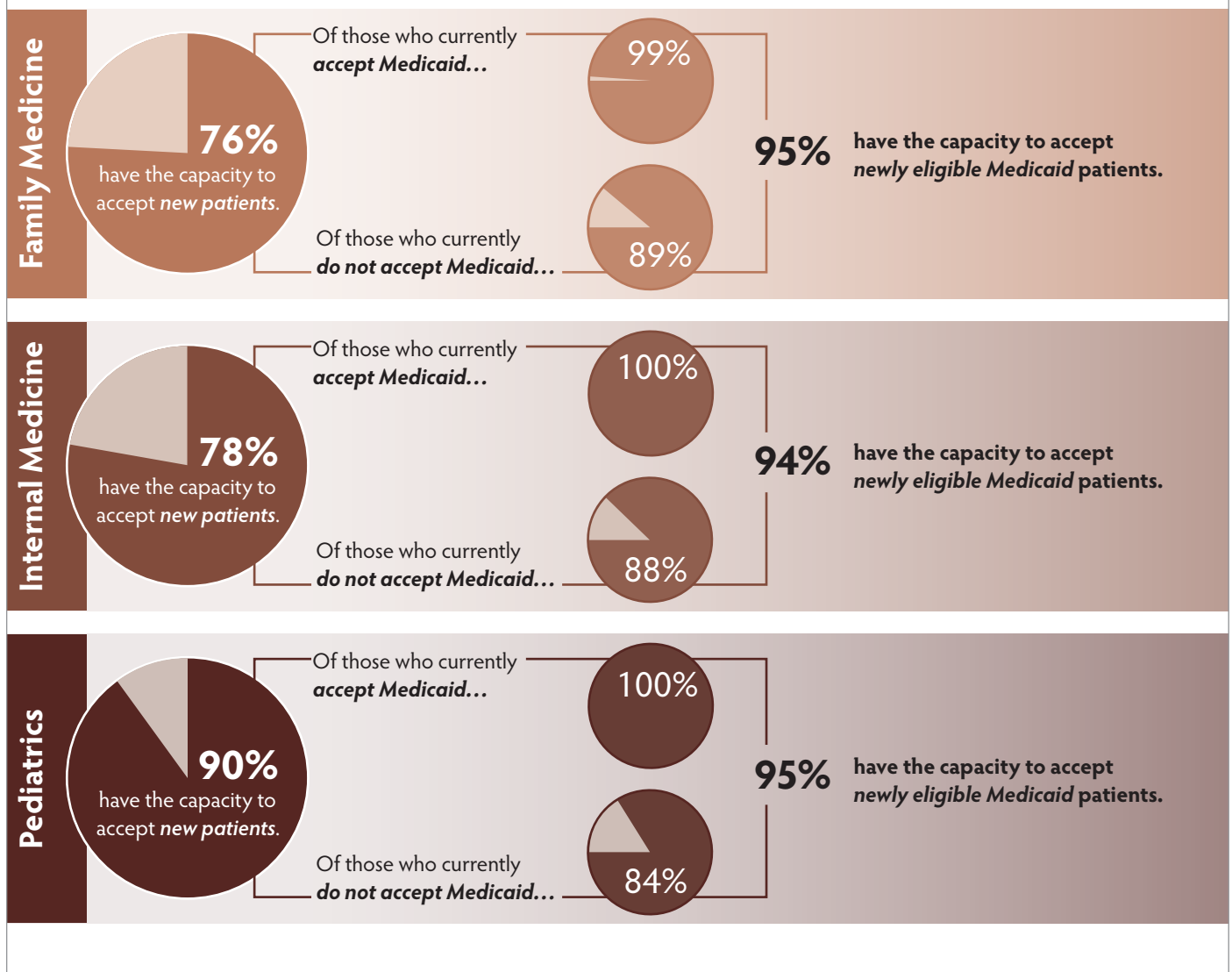
Capacity to Serve New Patients By Specialty

Overall, 81 percent of primary care physicians anticipate expanding their practices to include newly insured patients. Of those physicians, 90 percent of pediatricians; 78 percent of internal medicine practitioners; and 76 percent of family physicians reported that they will have capacity to accept additional patients if the number of Michigan patients with insurance coverage increases in the future.

- Among those physicians who anticipate having capacity for newly insured patients, more than 90 percent expected to have capacity for those newly covered by Medicaid (95 percent of pediatricians; 95 percent of family physicians; and 94 percent of internal medicine practitioners).
- Fifty-five percent of primary care physicians in Michigan reported that they currently accept new Medicaid patients. Almost all of these physicians anticipate having capacity for newly enrolled Medicaid patients in the future (99 percent to 100 percent, depending on the type of primary care).
- Even among physicians who do not currently take new Medicaid patients, most indicated that they would also take newly enrolled Medicaid patients (89 percent of family physicians; 88 percent of general medicine practitioners; and 84 percent of pediatricians).

FIGURE:1

Proportion of Primary Care Physicians Reporting Capacity to Accept Additional Patients with New Coverage in the Future



Capacity to Serve New Patients by Geography

If the state decides to expand Medicaid coverage, five counties are expected to see the greatest increase in the numbers of those with Medicaid coverage: Wayne, Oakland, Macomb, Kent, and Washtenaw. Five counties are expected to see the greatest percentage increase in those with Medicaid coverage: Ottawa, Washtenaw, Kalamazoo, Oakland, and Grand Traverse. Overall, 75 percent of primary care physicians in these eight counties stated that they expect to have capacity for patients who would be newly covered by Medicaid (ranging from 56 percent in Kent County to 86 percent in Wayne County).

FIGURE:2

Capacity to accept new Medicaid participants in counties with the highest expected number of newly eligible Medicaid recipients

County	Expected number of new Medicaid recipients in 2014 ¹	Percentage of primary care physicians who expect to have capacity for new Medicaid recipients
Wayne	98,903	86%
Oakland	38,220	80%
Macomb	31,843	82%
Kent	23,592	56%
Washtenaw	16,967	84%

FIGURE:3

Capacity to accept new Medicaid participants in counties with the highest expected percentage increase in total Medicaid enrollment

County	Expected percentage increase in new Medicaid recipients in 2014 ²	Percentage of primary care physicians who expect to have capacity for new Medicaid recipients
Ottawa	98%	61%
Washtenaw	56%	84%
Kalamazoo	51%	71%
Oakland	47%	80%
Grand Traverse	46%	83%

¹ Unpublished data analysis conducted by CHRT in January 2013 using 2011 American Community Survey data (via census.gov). This data includes only newly eligible non-elderly adults, not the "woodwork" (currently eligible) population that can be attributed to the Medicaid expansion.

² Ibid.

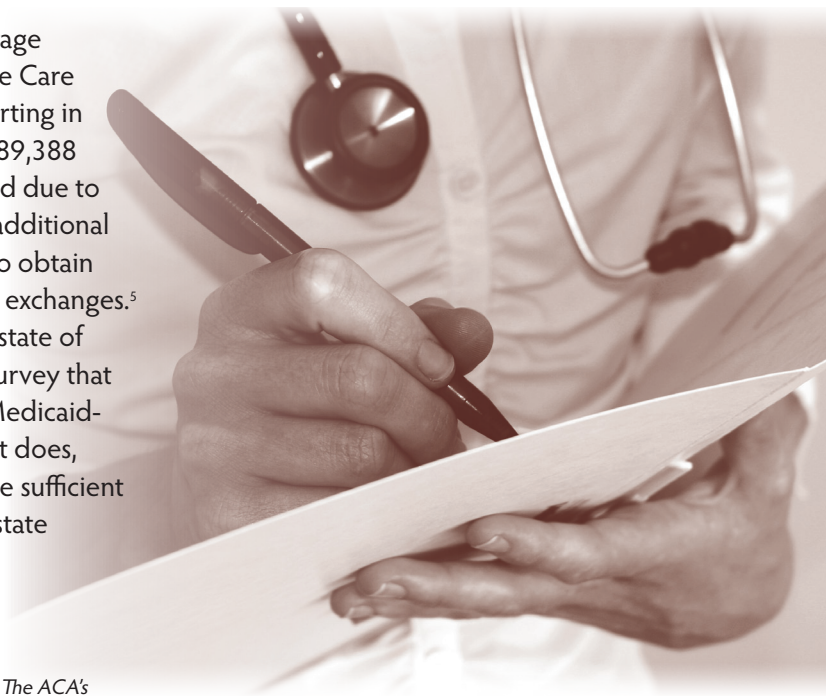
Conclusion

In 2011, 1.9 million Michigan residents had Medicaid coverage and 6.6 million had private coverage.³ Under the Affordable Care Act, health insurance coverage will expand considerably starting in 2014. If Michigan chooses to expand Medicaid coverage, 289,388 Michigan residents are expected to newly enroll in Medicaid due to the expansion in 2014 (growing to 619,862 by 2020).⁴ An additional 369,000 residents will be tax credit eligible and expected to obtain private health insurance coverage through health insurance exchanges.⁵ A clear majority of primary care physicians throughout the state of Michigan responded to the CHRT-University of Michigan survey that they do anticipate having the capacity to welcome newly Medicaid-enrolled patients in their practices. Based on these results, it does, indeed, appear that the state's primary care system will have sufficient capacity to match the growing resource requirements of a state Medicaid expansion.

³ 2011 American Community Survey.

⁴ Udow-Phillips, Marianne; Fangmeier, Joshua; Buchmueller, Thomas; Levy, Helen. *The ACA's Medicaid Expansion: Michigan Impact*. October, 2012. Center for Healthcare Research & Transformation. Ann Arbor, MI.

⁵ Ibid.



Survey Methodology

The survey data presented in this brief were produced from a mail survey of 1,500 primary care physicians practicing in Michigan, conducted between October 2012 and December 2012. Potential respondents received up to two mailings, with \$5 included in the first mailing to encourage response.

The physician sample was randomly generated from the American Medical Association (AMA) Physician Masterfile, a comprehensive list that includes both AMA members and non-members. The final sample included 500 physicians each from three primary care specialties: pediatrics, family medicine and internal medicine. The survey had an overall response rate of 54 percent (714 physicians) and has a margin of error of +/- 3 percent. Physicians who responded but reported they were no longer practicing primary care were removed from the analysis. Final results were weighted to adjust for non-response in each of the three primary care specialty groups.

Figure 4 below summarizes the sample characteristics and response rates.

FIGURE 4: Survey Sample And Response Rates			
Specialty*	Response Rate [^]	Respondents not practicing in primary care ^o	Analytic sample size
Family Medicine	53%	15	234
Internal Medicine	45%	5	198
Pediatrics	63%	6	282
Total	54%	26	714

* Initial mailing consisted of 500 providers from each specialty

[^] Adjusted for undeliverable surveys (family medicine = 35; internal medicine = 43; pediatrics = 36) and refusals (family medicine = 11; internal medicine = 7; pediatrics = 4)

^o Self-reported



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