

TESTIMONY IN SUPPORT OF Senate 532 AND Senate 569

MAY 30, 2009

Joint Committee on Health Care Finance

Ladies and Gentlemen:

The Massachusetts Council of Community Hospitals (MCCH) supports Senate 532 and Senate 569.

To different degrees, these bills support an immediate investment in the maintenance and expansion of the primary care physician network. For Chapter 58 to fulfill its expectations, not only must we have full health insurance coverage, but those that need care must have reasonable access to services. The primary care physician and their extenders are the first point of contact for care and possibly the most effective managers of chronic care. The more effective our management of chronic care becomes the greater the probability that we can moderate the ever growing cost of healthcare. However, we are in a nationwide competition for an increasingly scarce resource, the primary care physician. While laudable, the proposed expansion of the primary care residencies at the University of Massachusetts Medical Center and loan forgiveness programs, passed with Chapter 305, will not produce results in the near future, nor will they approach the scale needed to confront our most serious coverage and cost issues.

Much has been happening over the last several years that is very positive. However, on other fronts it is more worrisome. Specifically, we are greatly concerned about the ability of our private medical staffs to replace retiring primary care physicians, expand primary care practices, and expand their hours of operation to see more patients. The national economic situation may lead our individual physicians to become more risk adverse or concerned about their ability to fund additional physicians. This factor had a bearing on a recent survey we conducted that suggests our community hospital sector may require an additional 400-500 primary care physicians or extenders in the next three years. The probability of meeting these needs was rated low by those surveyed. A partial remedy to the problem of a deficiency in primary care is the possibility that individual community hospitals expand their employed physician practices. This expansion would partially offset the possible reluctance of the private physicians to expand. However, few community hospitals have the economic flexibility to engage in significant expansion while their financial situation is so precarious. A direct grant program offers a very rapid response to such a situation. We recognize that there is little funding available so it is proposed that funding come from the surplus realized from more effective management of the Safety Net Trust Fund. While it is very problematic that such a surplus will exist in the near future, we believe that should such a surplus exist it is more wisely targeted to expanding the number of caregivers than simply increasing the subsidy to insurance premiums in the Commonwealth Care Program. We also believe that this approach is entirely consistent with the Section 1115 waiver.

Senate 532 allocates 50% of any surplus to the direct grant program; Senate 569 allocates 100% to the direct grant program.

The teaching sector will have less of a problem in replacing and expanding their primary care physicians since their associated community health centers will likely see a major increase in funding from the federal stimulus program.

Investing in community medicine is good for our patients and our communities.

Thank you for considering these bills.

Donald J. Thieme, Executive Director  
Massachusetts Council of Community Hospitals