

Health Care and Rural Colorado

*Five Trends
on the Horizon*

Rebecca Alderfer

April 24, 2014



An Introduction

The **Colorado Health Institute** is a trusted and leading source of credible health information for Colorado leaders.

Our insight is used to:

- Inform policy.
- Contribute to effective implementation.
- Support state efforts to improve health.



Health Care and Rural Colorado: Five Trends

- Colorado is aging and diversifying, but community trends differ.
- Expect rapid growth in the health and wellness sector.
- Cost control efforts are of increasing interest.
- The insurance picture will continue to change.
- Impacts of health reform are emerging.

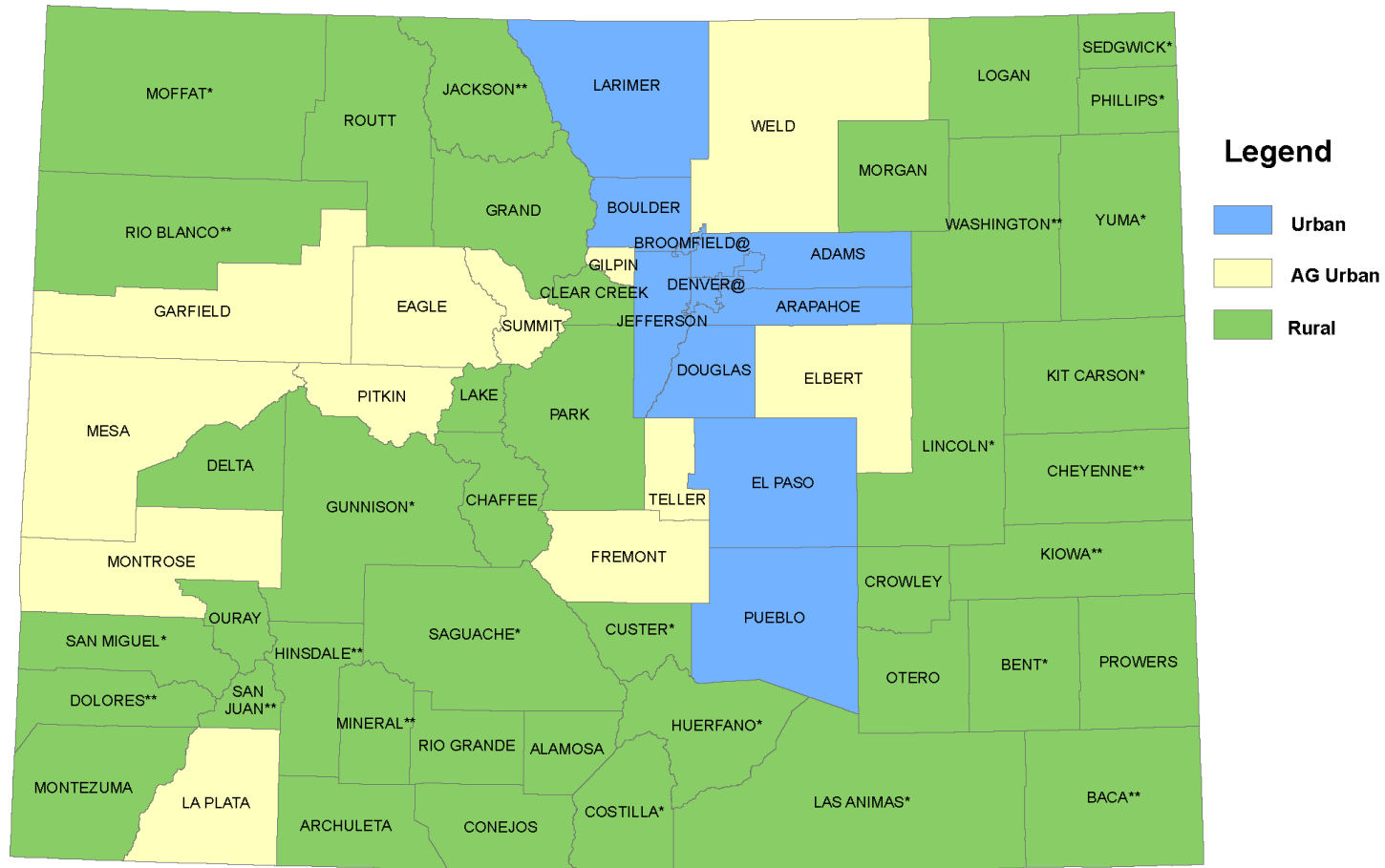




*Trend 1:
Colorado Is Aging, Diversifying,
But Community Trends Differ*

A Rural - Urban Breakdown

Colorado Regions

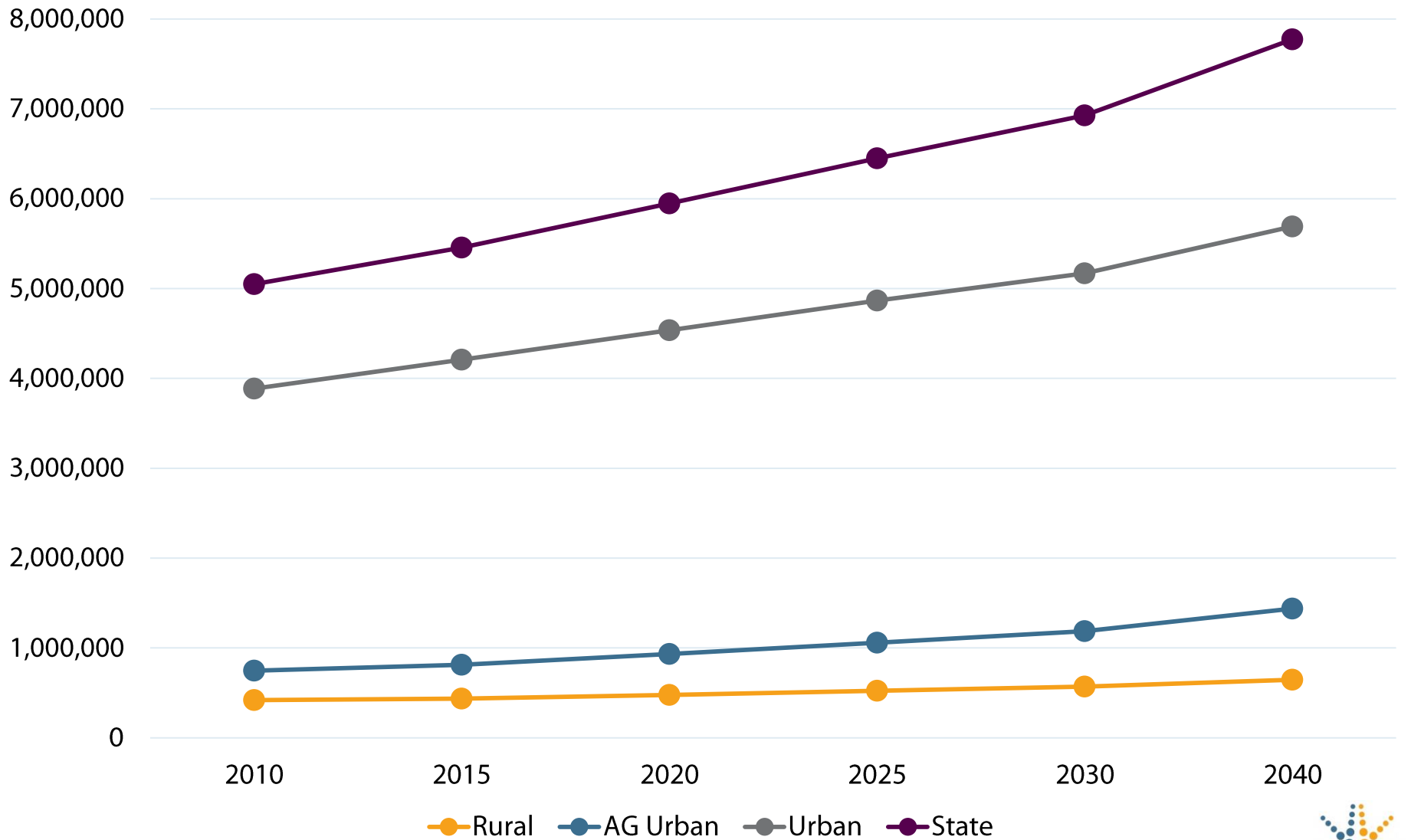


* Less Than 6 Persons Per Square Mile
** Less Than 2 Persons Per Square Mile
@ City & Counties-no rural



map prepared by State Demography Office

Rural Areas are Still Growing



A Closer Look at Population Changes



Race/Ethnicity Projections, Colorado

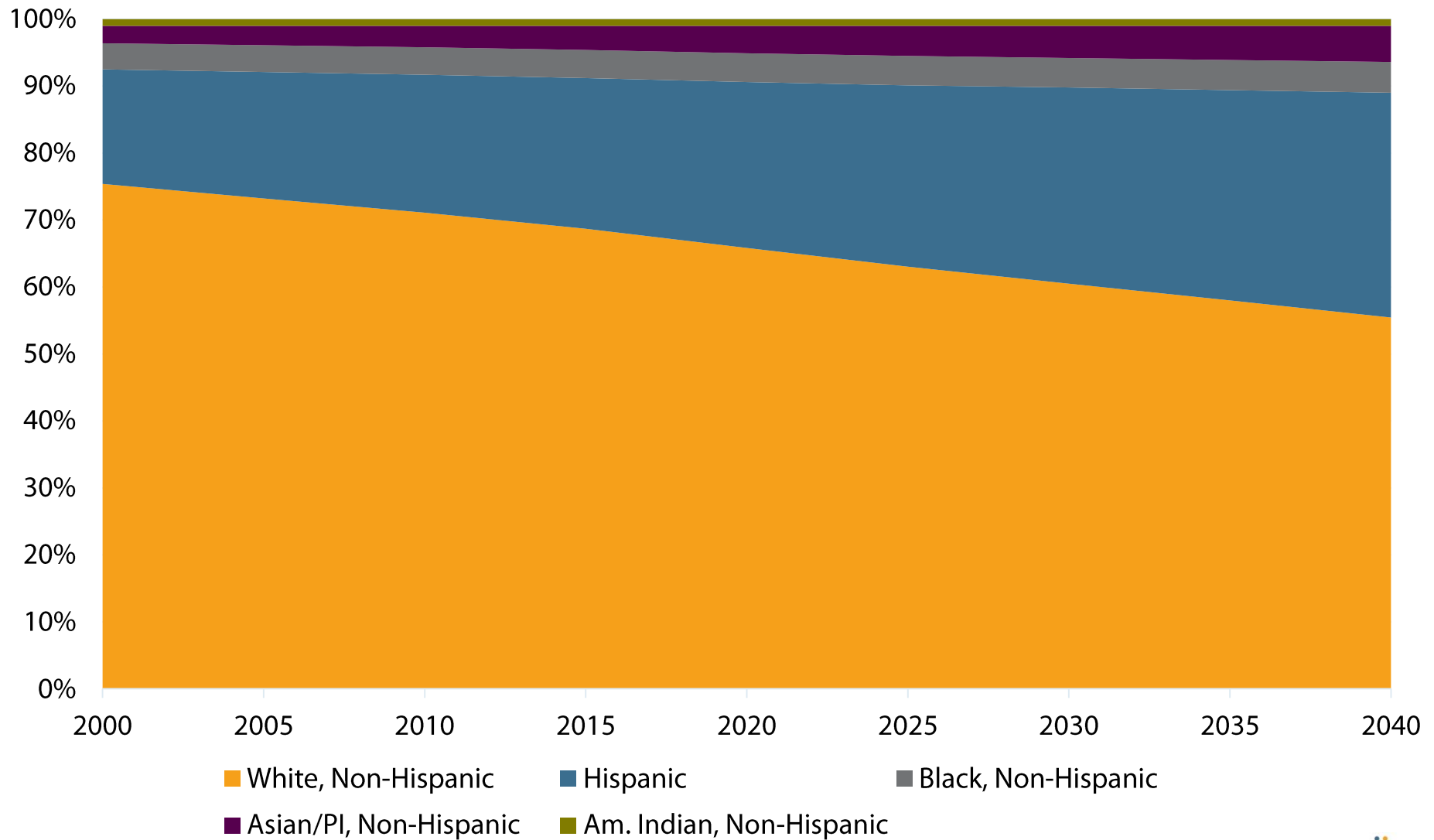
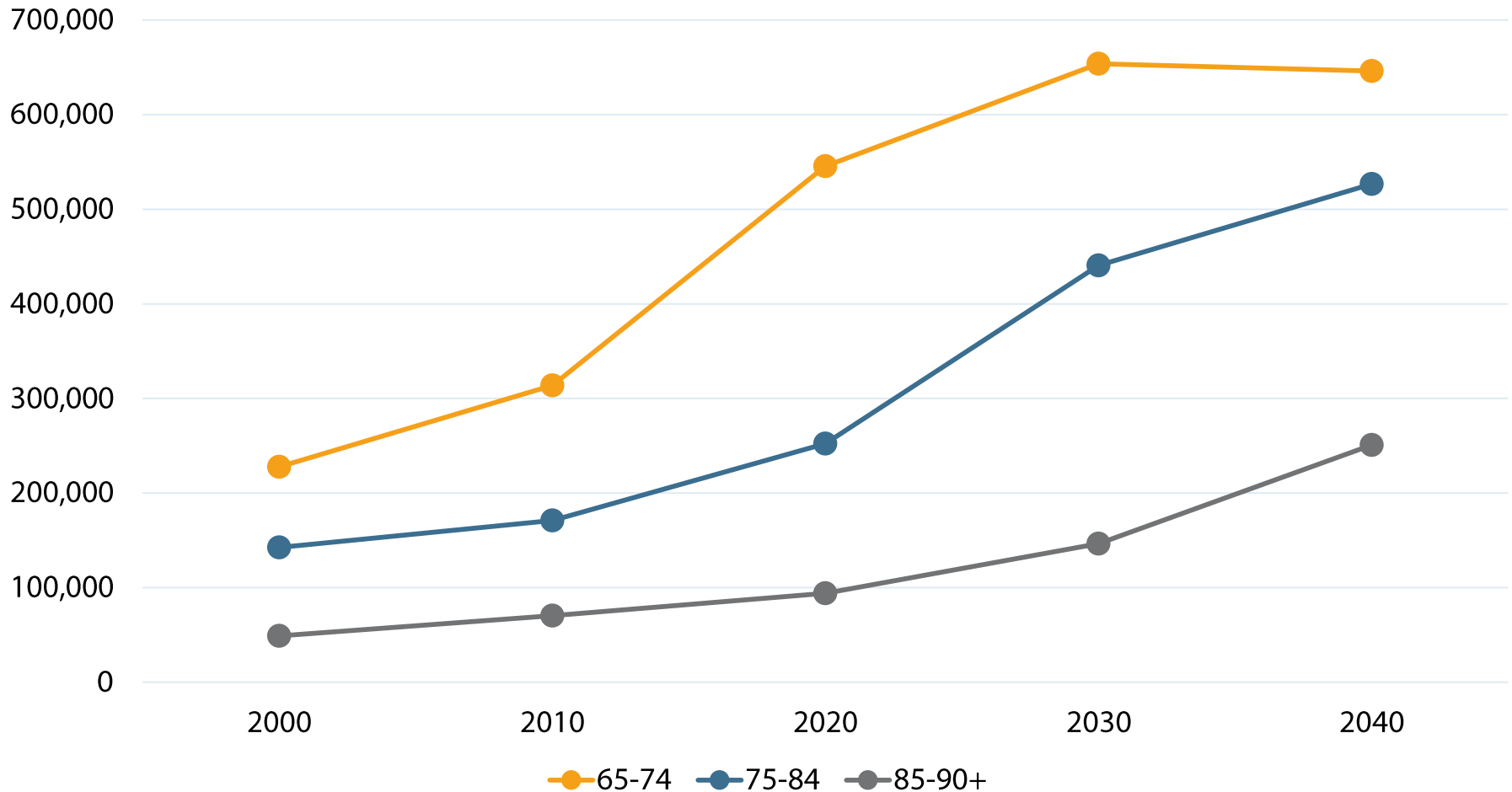


Table prepared by the State Demography Office, Colorado Division of Local Government, October 2013.



The Senior Tsunami in Colorado

65+ Age Distribution in Colorado, 2000-2040

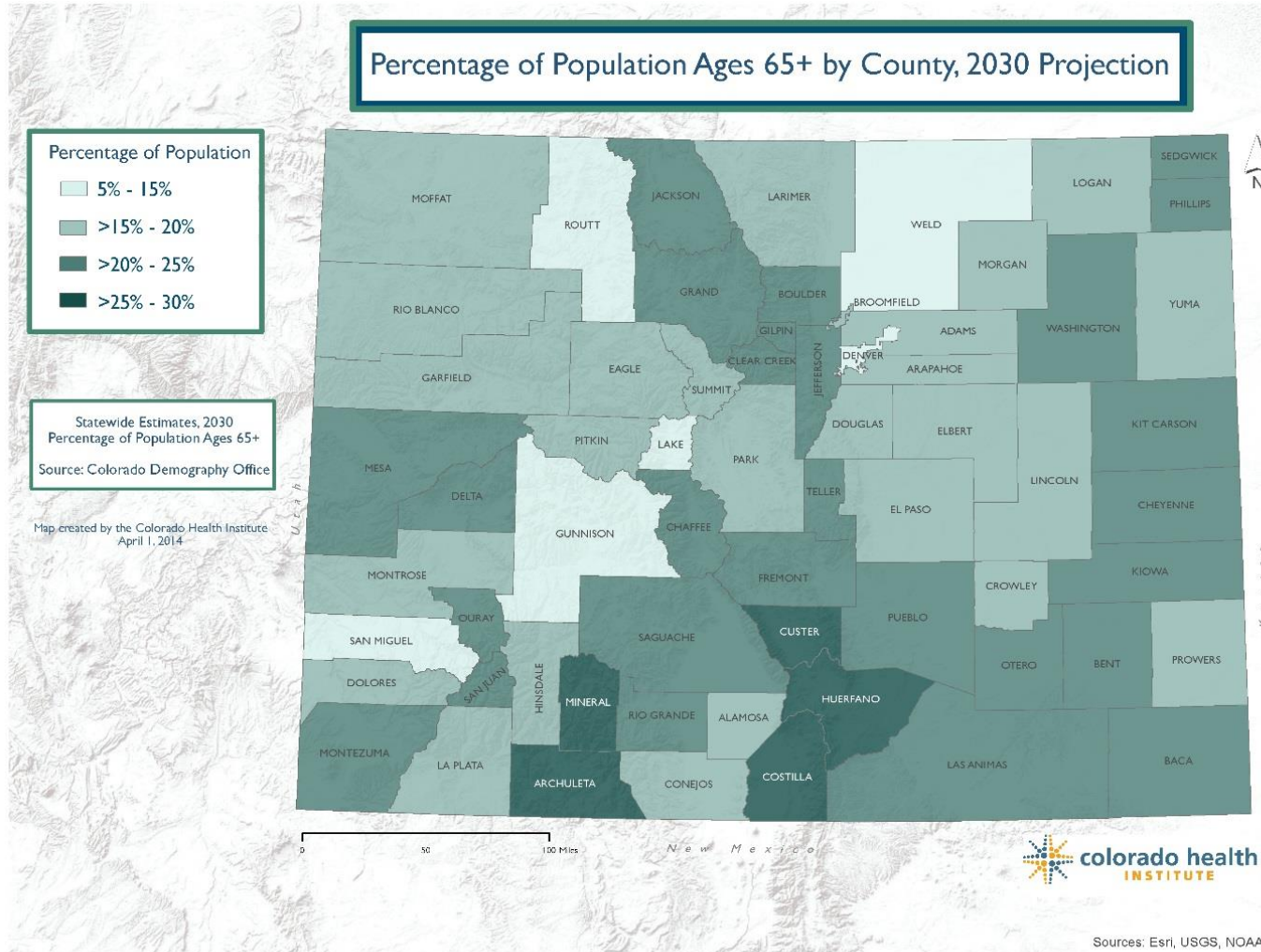


65+ Age Distribution in Colorado

SOURCE: Colorado State Demography Office, population estimates, 2000-2040



Colorado's Aging Population: Tomorrow

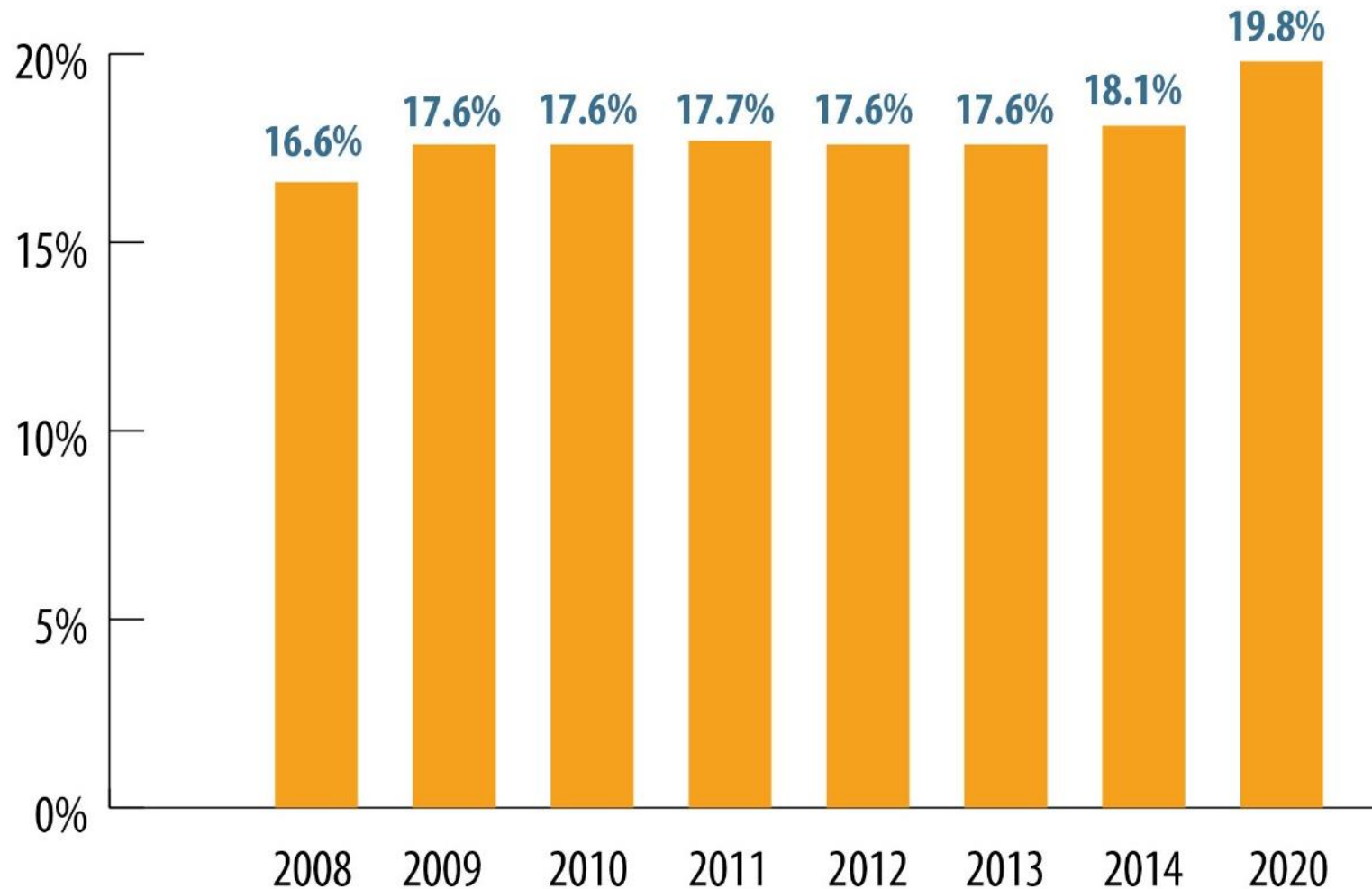




*Trend 2: Expect Rapid Growth in
the Health and Wellness Sector*

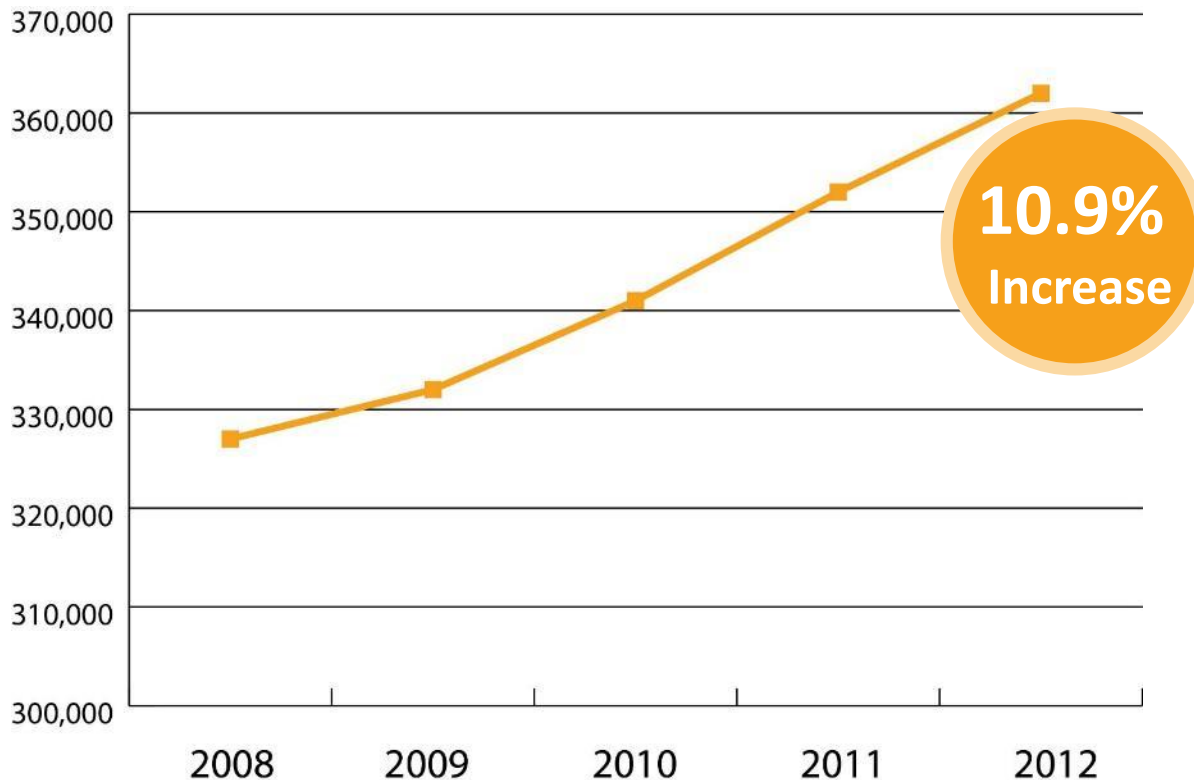
Health Care: A Vital Component of the Economy

National Health Care Expenditures as a Percentage of Gross Domestic Product



Health and Wellness is Booming in Colorado

Colorado Health and Wellness Jobs, 2008-2012

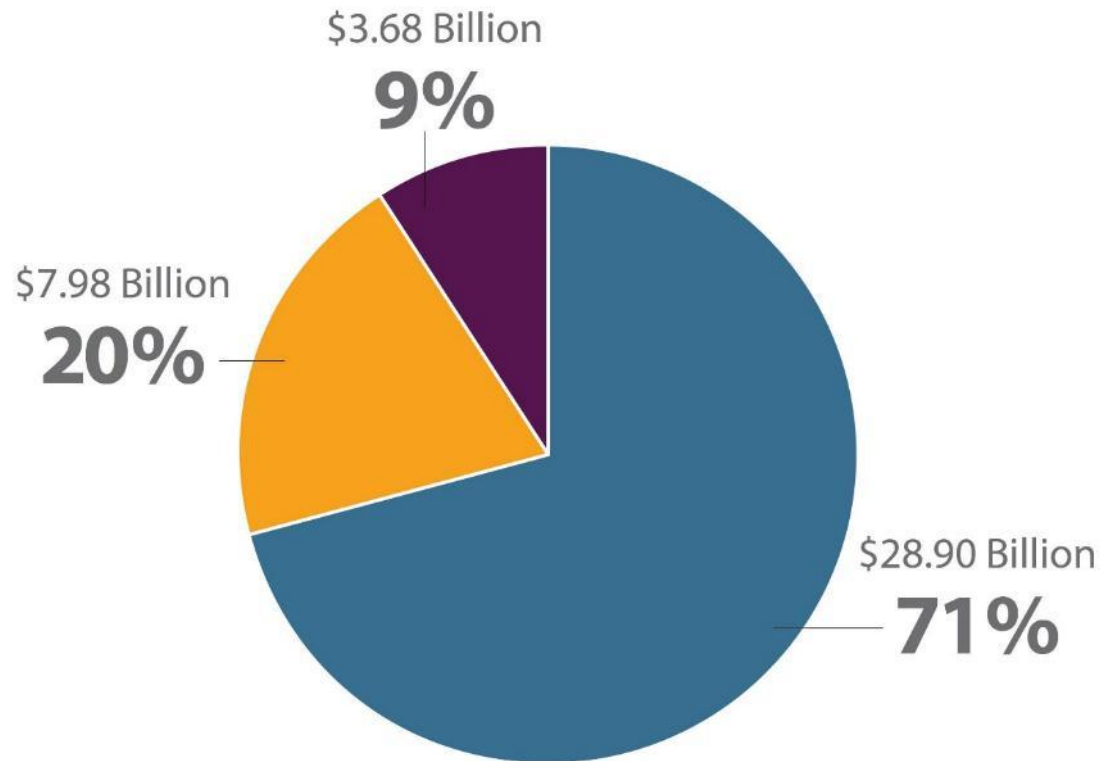


Growth in Colorado's Health and Wellness Industry has:

- Been a significant economic driver
- Continued despite recession
- Outpaced every industry in the state except energy
- **Outpaced national average (+6.7%)**

Traditional Health Care Dwarfs Other Segments

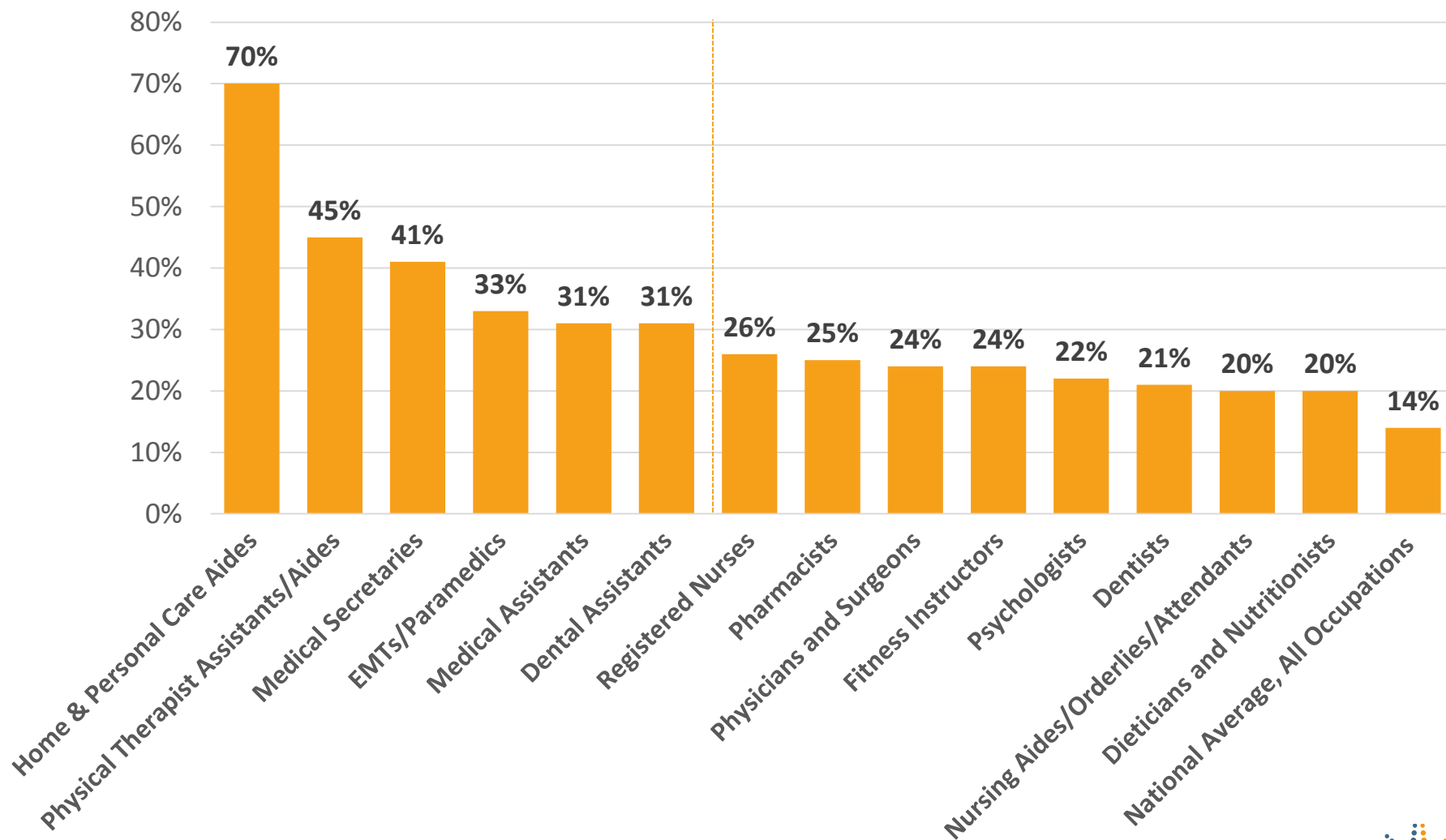
Health and Wellness Industry Revenues, Colorado 2012



■ Health Care Delivery Systems ■ Health Care Suppliers ■ Wellness



Projected Job Growth Nationwide, 2010-2020



Source: Bureau of Labor Statistics Occupational Handbook



Low Wage Jobs Positioned for Greatest Growth

Colorado's Most Common Health Care Industry Jobs

Occupation	% of Health Care Jobs	Median Hourly Earnings
Registered Nurses	12.8%	\$32.12
Personal Care Aides	6.2%	\$9.41
Home Health Aides	5.8%	\$10.55
Nursing Assistants	5.7%	\$12.95
Receptionists and Information Clerks	3.0%	\$13.79
Medical Assistants	2.9%	\$15.47
Medical Secretaries	2.7%	\$15.85

Source: Colorado Department of Labor and Employment, 2012



Primary Care Analysis

- Calculates full-time equivalents for the primary care workforce, statewide and regionally.
- Introduces benchmark panel size to compare capacity across regions – and time.
- Analyzes Medicaid capacity, today and after expansion.



It Matters Where You Live

- Colorado's average panel size of **1,873:1** compares well to the **1,900:1** benchmark
- Nine regions – six rural and three urban – don't meet the benchmark.
- What Colorado needs: Another 258 primary care physicians *in the right places.*



Greatest Primary Care Capacity

Regions with Relatively High Primary Care Capacity

Rank	HSR	Counties	HSR Population to Primary Care Physician FTE Ratio
1	HSR 20	Denver	1,348:1
2	HSR 16	Boulder, Broomfield	1,412:1
3	HSR 19	Mesa	1,578:1
4	HSR 7	Pueblo	1,664:1
5	HSR 2	Larimer	1,709:1



Least Primary Care Capacity

Regions with Relatively Low Primary Care Capacity and the Number of FTEs Needed to Reach the 1,900 Benchmark

Rank	HSR	Counties	Additional FTEs Needed to Reach 1,900:1 Benchmark	Percentage Increase to Reach Benchmark
1	HSR 5	Cheyenne, Elbert, Kit Carson, Lincoln	13.8	197%
2	HSR 17	Clear Creek, Gilpin, Park, Teller	12.8	79%
3	HSR 4	El Paso	120.1	54%
4	HSR 13	Chaffee, Custer, Fremont, Lake	14.8	54%
5	HSR 18	Weld	34.4	32%



Regional View

Ratio of Population to Primary Care Physician Full-Time Equivalents (FTE),
by Colorado Health Statistics Region, 2013

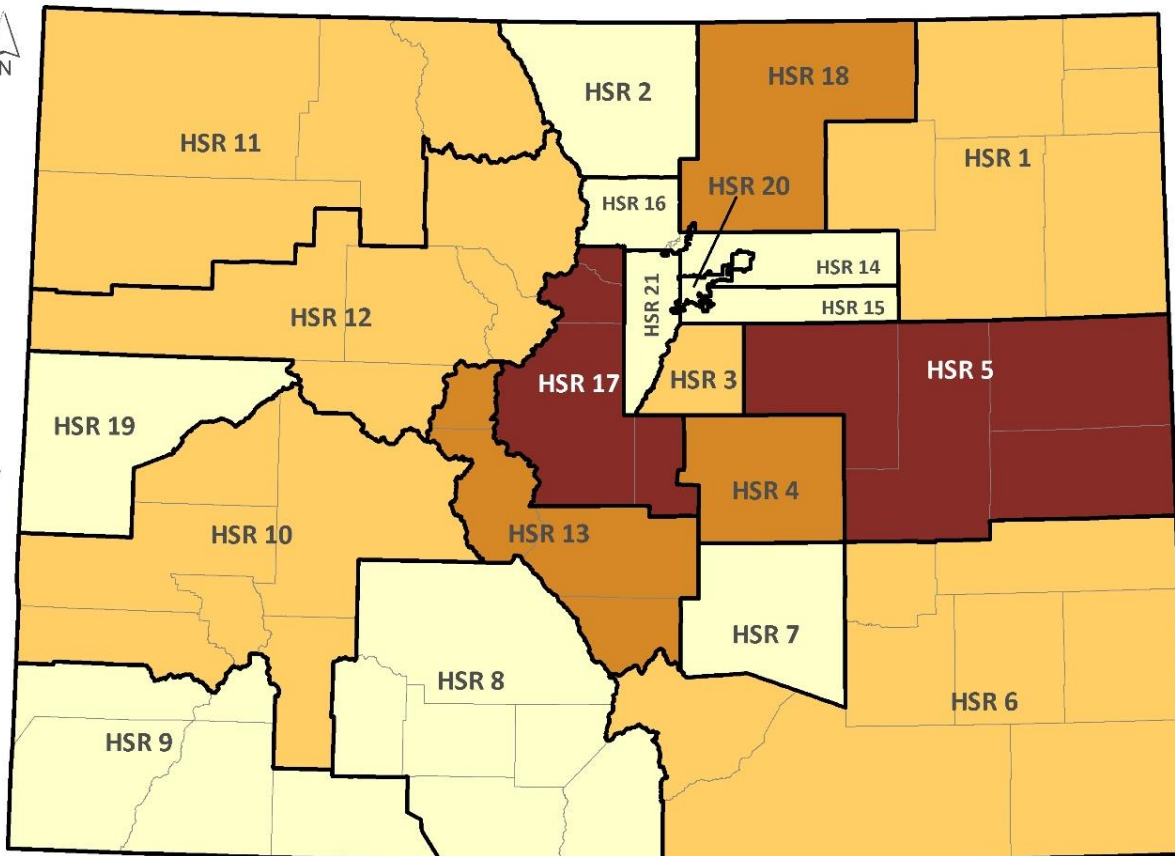
Ratio of Population to
Primary Care Physician FTE
(Population : 1 FTE)

- Very High Capacity (<2,000:1)
- High Capacity (2,000:1 to 2,500:1)
- Low Capacity (2,501:1 to 3,000:1)
- Very Low Capacity (>3,000:1)

Colorado Average Ratio
1,873 population : 1 physician FTE

Sources and Notes

1. Peregrine, Medical Quest Database, June 2013.
2. Calculated from data collected from Colorado Primary Care Office, Colorado Department of Public Health and Environment.
3. Colorado Demography Office, 2013 population data.



Map prepared November 6, 2013.

0 30 60 120 Miles



Regional View: Medicaid Enrollees

Ratio of Medicaid Caseload to Medicaid Primary Care Physician Full-Time Equivalents (FTE), by Colorado Health Statistics Region, 2012

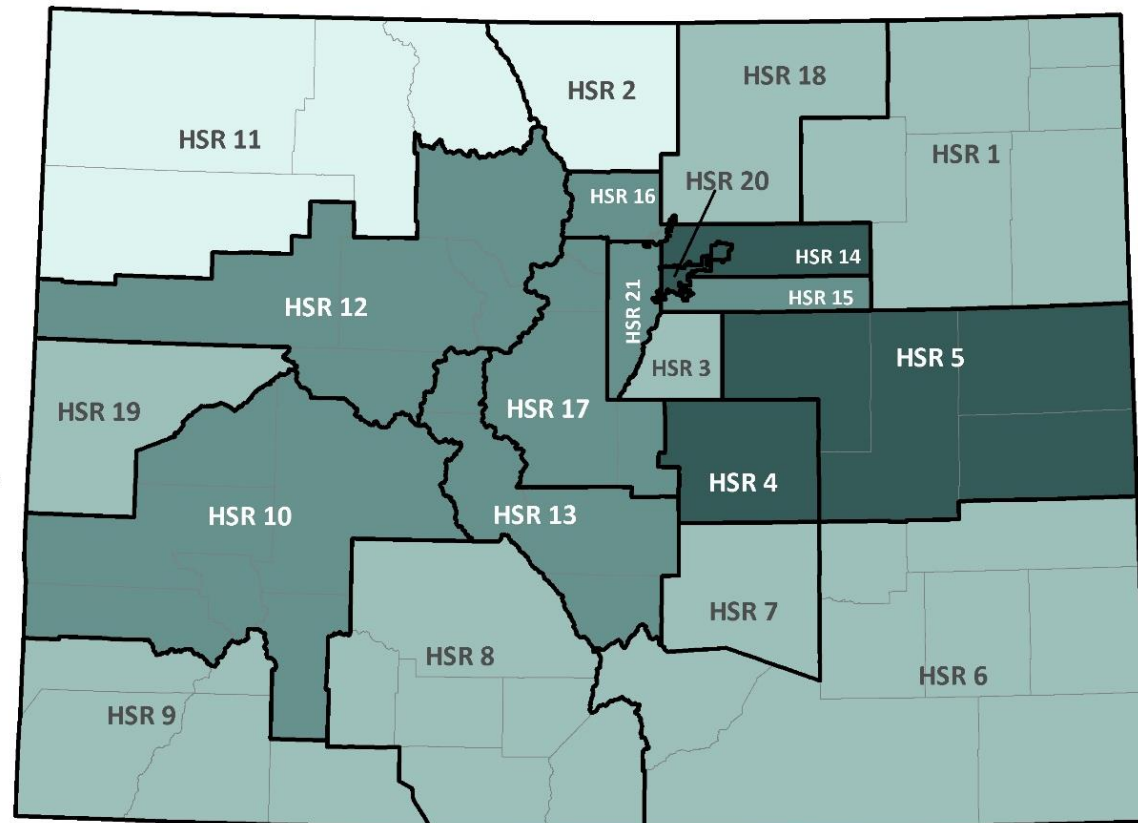
Ratio of Medicaid Caseload to Medicaid Primary Care Physician FTE
(Medicaid Caseload : 1 FTE that Accepts Medicaid)

- Very High Capacity (<1,000:1)
- High Capacity (1,000:1 to 1,600:1)
- Low Capacity (1,601:1 to 2,500:1)
- Very Low Capacity (>2,500:1)

Colorado Average Ratio:
 1,853 Medicaid Clients to
 1 Medicaid Primary Care Physician FTE

Sources and Notes

1. Peregrine, Medical Quest Database, June 2013 pull.
2. Colorado Primary Care Office, CDPHE.
3. Average monthly caseload counts for CY 2012 from the Department of Health Care Policy and Financing.



Map prepared November 6, 2013.

0 30 60 120 Miles



Least Medicaid Capacity

Regions with Relatively Low Medicaid Primary Care Capacity

Rank	HSR	Counties	Additional FTEs Needed to Reach 1,500:1 Benchmark	Percentage Increase
1	HSR 5	Cheyenne, Elbert, Kit Carson, Lincoln	0.9	133%
2	HSR 4	El Paso	22.1	122%
3	HSR 14	Adams	18.8	85%
4	HSR 20	Denver	21.9	69%
5	HSR 15	Arapahoe	13.8	61%



Post-Medicaid Expansion

Projected Percentage Change of the Ratio of Medicaid Caseload to Medicaid Primary Care Physician Full-Time Equivalents (FTE), from 2012 to 2016, by Colorado Health Statistics Region

Projected Percentage Change of The Ratio of Medicaid Caseload to Medicaid Primary Care FTE

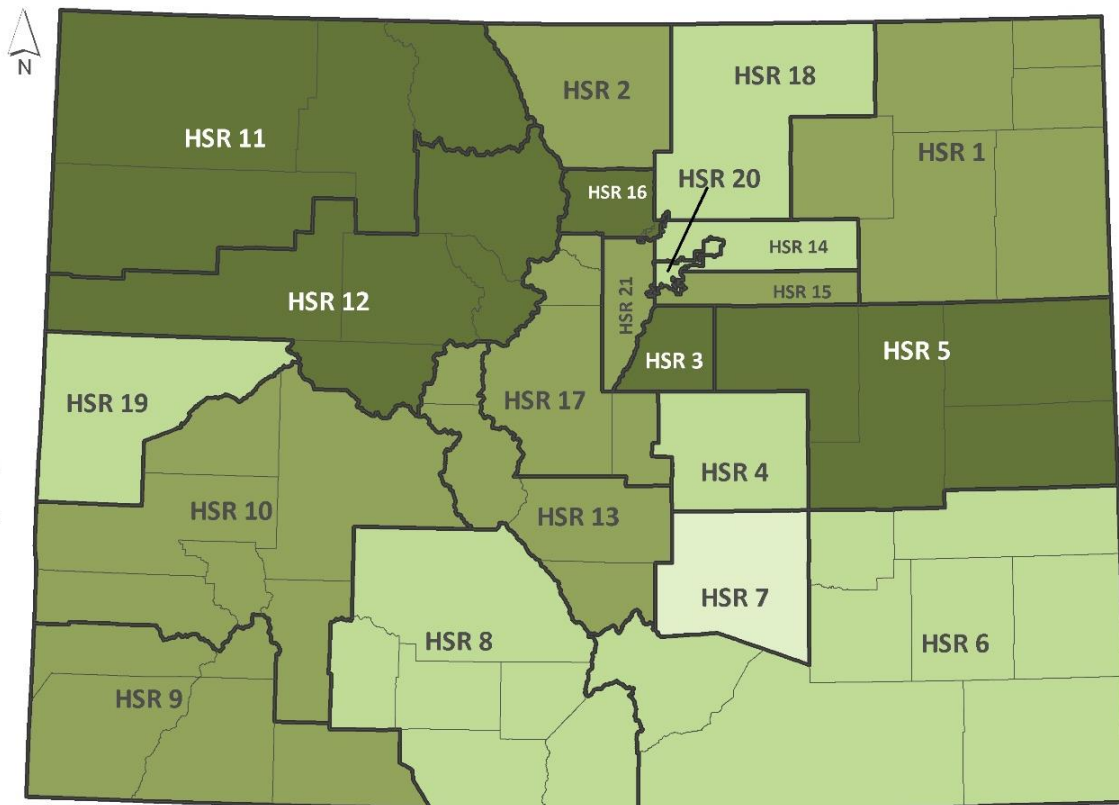
- Smallest Increase (<65%)
- Small Increase (65% - 85%)
- High Increase (86% - 115%)
- Highest Increase (>115%)

Note: A smaller increase is favorable because it indicates that the ratio of Medicaid clients to FTE accepting Medicaid is showing slower growth.

Colorado Average Percentage Increase of the Ratio of Medicaid Clients to Medicaid Primary Care Physician FTE is 91.9%

Sources and Notes

1. Peregrine, Medical Quest Database, June 2013 pull.
2. Colorado Primary Care Office, Colorado Department of Public Health and Environment.
3. Average monthly caseload counts for CY 2012 from the Department of Health Care Policy and Financing.



Map prepared January 22, 2014.

0 30 60 120 Miles



Colorado's Primary Care Hot Spots

- El Paso County (HSR 4)
- Cheyenne, Elbert, Kit Carson and Lincoln counties (HSR 5)
- Eagle, Garfield, Grand, Pitkin and Summit counties (HSR 12)
- Chaffee, Custer, Fremont, and Lake counties (HSR 13)
- Clear Creek, Gilpin, Park, and Teller counties (HSR 17)



Important Parts of the Equation




- On average, one NP or PA FTE for each two primary care physician FTEs.
- Important for integrated and delegated models of care.
- Colorado's FQHCs report a ratio of about 1:1



Regional View

Ratio of Primary Care Physician FTE to Primary Care Nurse Practitioner and Physician Assistant FTE, by Colorado Health Statistics Region (HSR), 2013

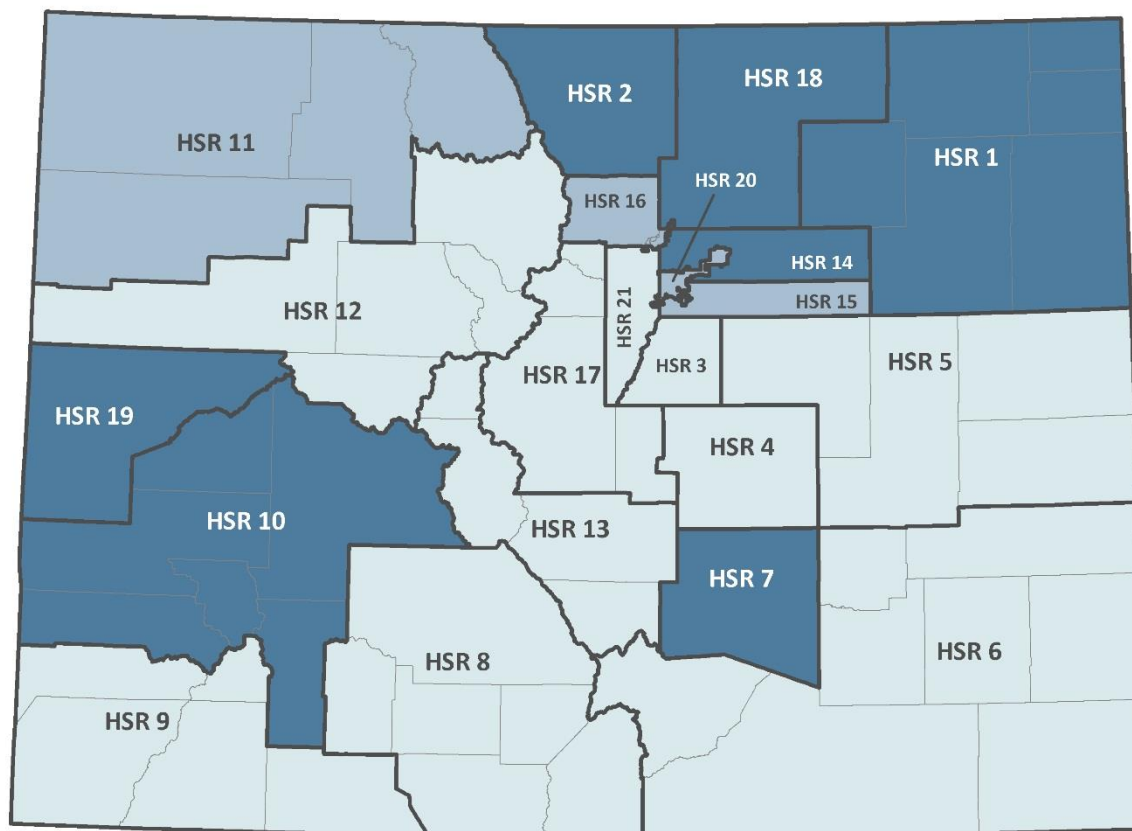
Ratio of Primary Care Physician FTE to Primary Care NP/PA FTE

-  High NP/PA Usage (<2 Physician FTE for every 1 NP/PA FTE)
-  Average NP/PA Usage (2 Physician FTE for every 1 NP/PA FTE)
-  Low NP/PA Usage (>2 Physician FTE for every 1 NP/PA FTE)

Colorado Average Ratio:
1.9 Primary Care Physician FTE to
1 Primary Care NP/PA FTE

Sources and Notes

1. Colorado Department of Regulatory Agencies licensure database, pulled January 2, 2013.
2. 2011 Physician Assistant Workforce Survey.
3. 2010 Advanced Practice Nurse Workforce Survey.



Map prepared November 6, 2013.



Advance Practice Nurses

- **Actively licensed APNs:** Increased from 2,549 in 2000 to 4,572 in 2013.
- An average of **250 new APN licenses** each year.
- APNs with **prescriptive authority** license: Increased from 916 in 2000 to 2,698 in 2013.
- **Percentage** with active prescriptive authority license: Increased from 35.9 percent in 2000 to 59 percent in 2013.







Colorado counties have
no source of dental care



Counties With Limited Access to Dentists

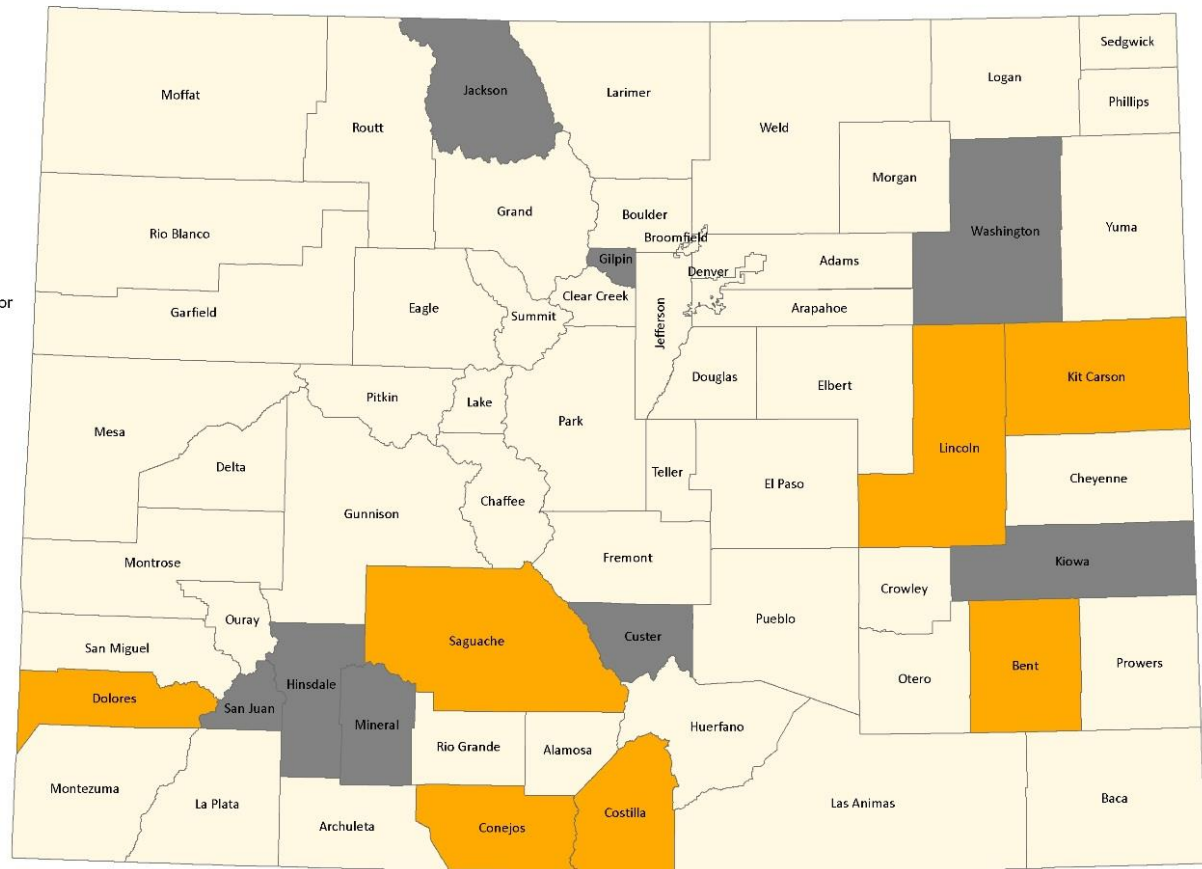
Map 1. Colorado Counties with Limited Access to Dentists, 2013

Counties with Limited Access to Dentists

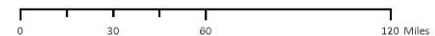
-  No Private Practice Dentists or FQHCs
-  Dental Services Only Available at FQHCs

Sources and Notes

1. Peregrine, Medical Quest Database, July 2013.
2. Dentists practicing in Hinsdale County do not meet the criteria for practicing dentists (1 day per week/4 days per month).



Map prepared November 24, 2013.



Medicaid enrollees in

17

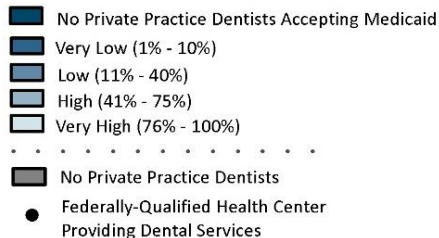
Colorado counties do not
**have access to dental care in
the county where they live**



Medicaid Acceptance

Map 2. Percentage of Private Practice Dentists Accepting Medicaid, by County, 2013

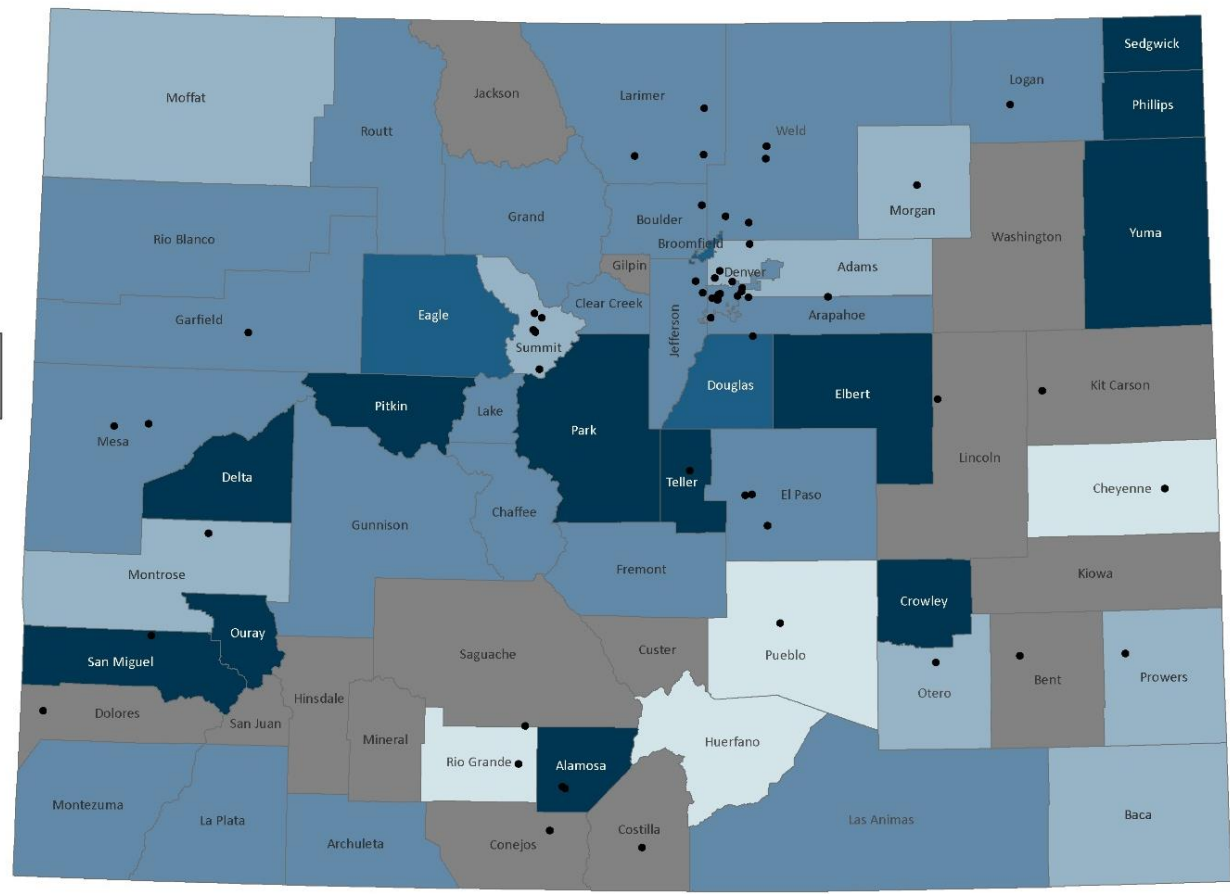
Percentage of Private Practice Dentists Accepting Medicaid



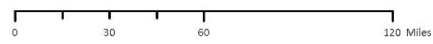
Colorado Average:
32.0% of Private Practice Dentists Accept Medicaid

Sources and Notes

1. Peregrine, Medical Quest Database, July 2013.
2. Colorado Department of Health Care Policy and Financing 2012 Q4 Medicaid Report - Provider Count (Rendered services).
3. Federally Qualified Health Center data from Colorado Community Health Network, July 2013. Mobile units or services provided by referral are not included.
4. Dentists practicing in Hinsdale County do not meet the criteria for practicing dentists (1 day/week or 4 days/month).



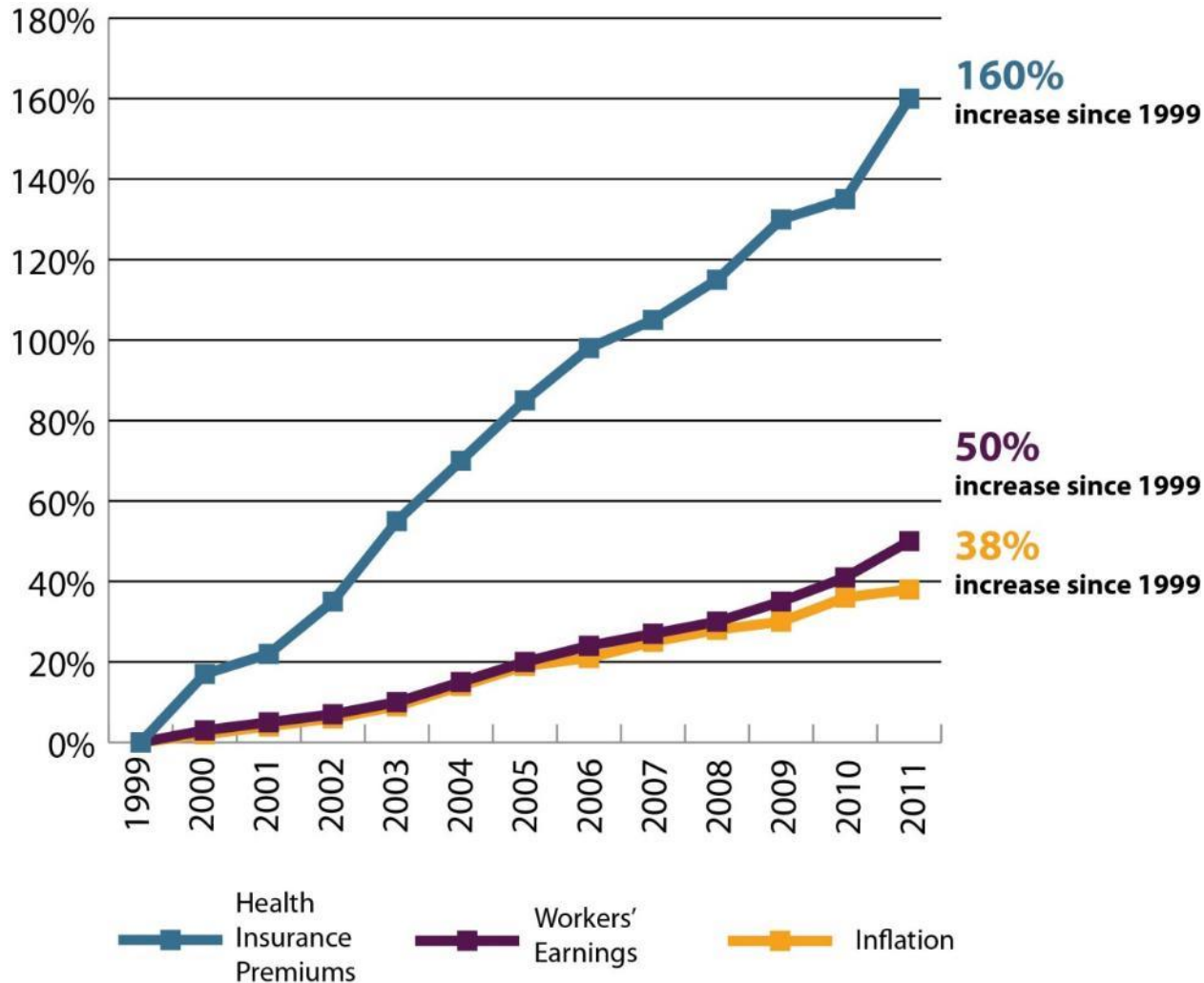
Map prepared November 24, 2013.





*Trend 3:
Cost Control Efforts are of
Increasing Interest.*

Growing Health Care Costs a Major Concern



Sources: <ftp://ftp.bls.gov/pub/suppl/empsit.ceseeb2.txt>, <ftp://ftp.bls.gov/pub/special.requests/cpi/cpiat.txt>



The Good News: Growth Curve is Bending

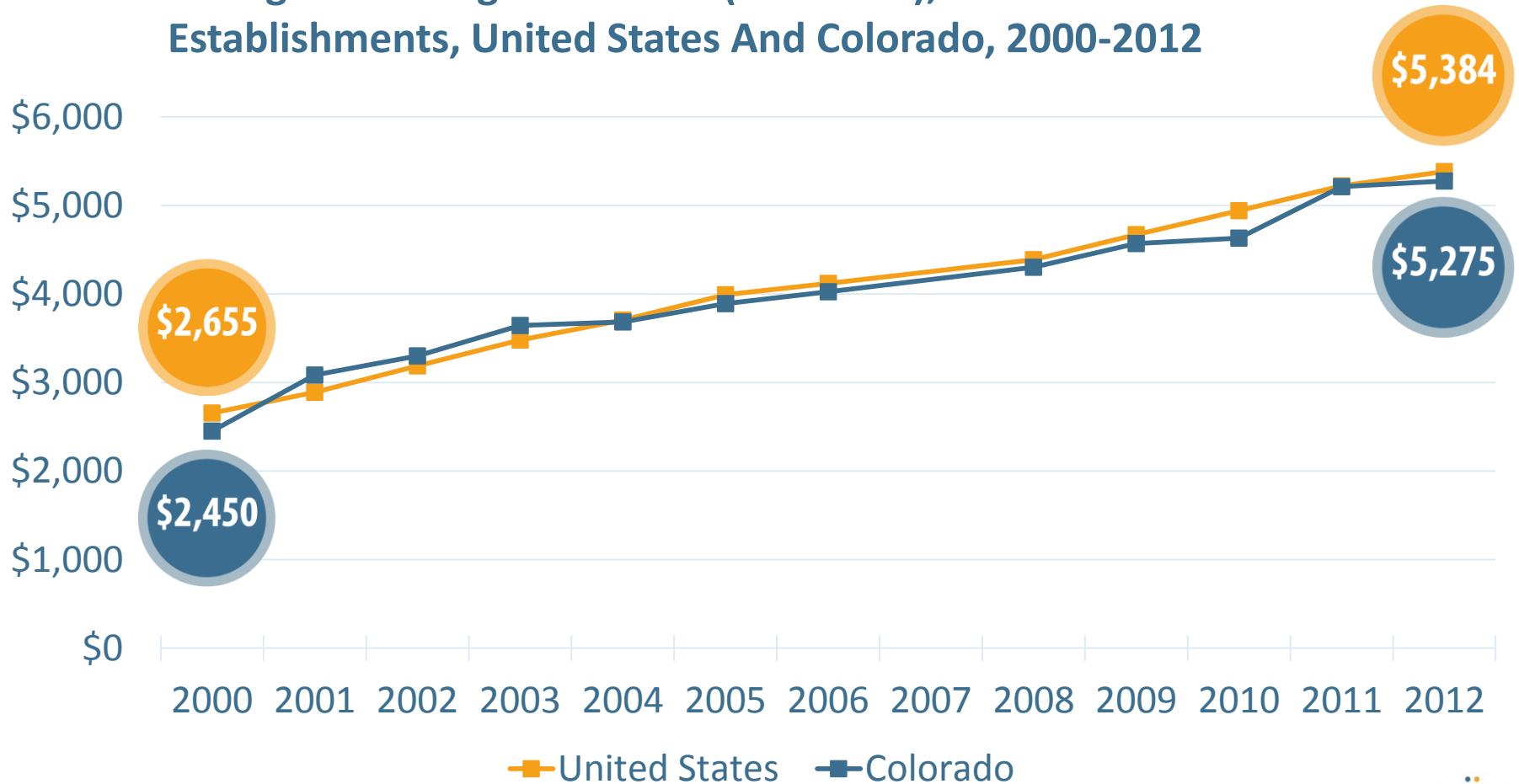
Between 2009
and 2011, annual
increase in
national health
care spending
was the lowest
in 50 years:

3.9 percent



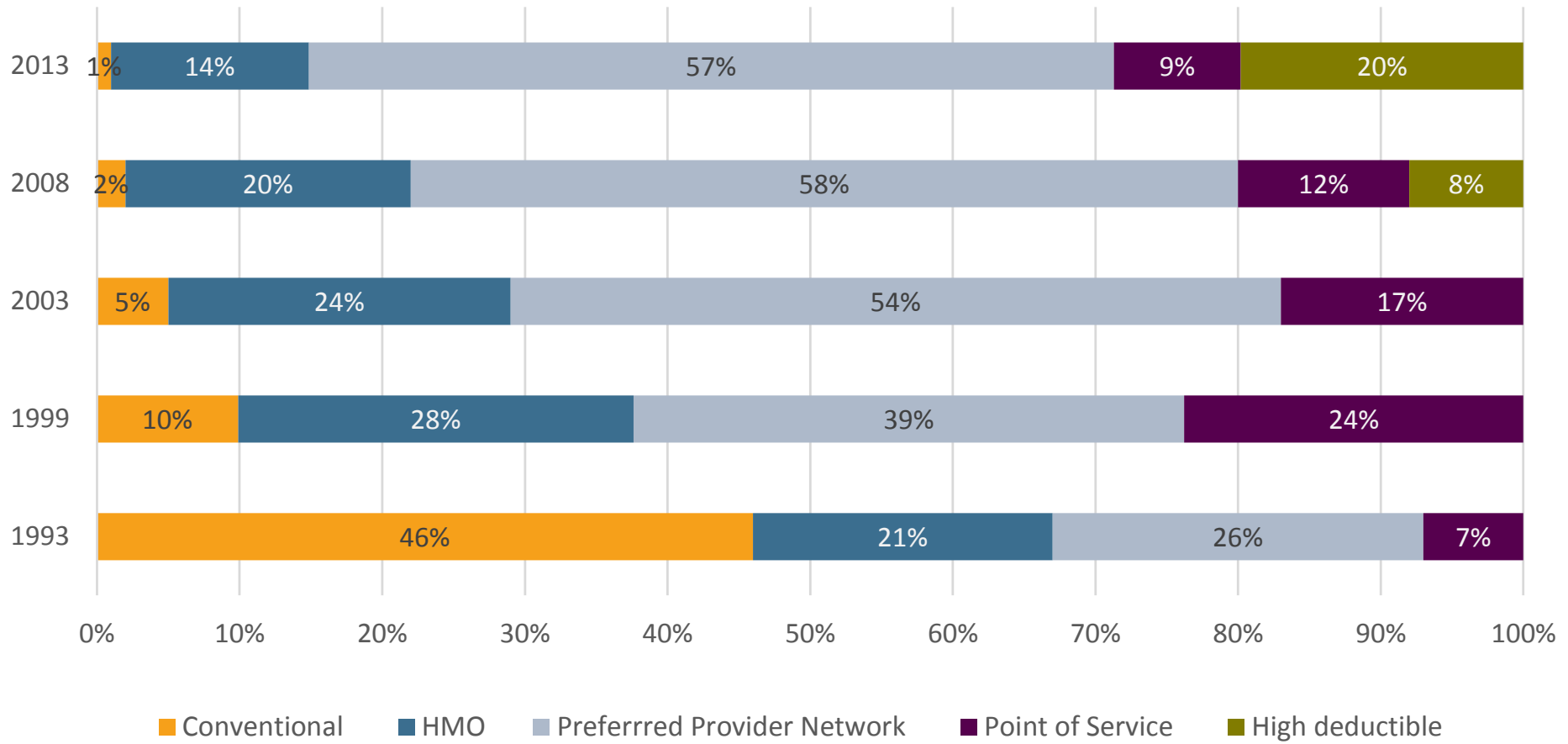
But It's Not Good Enough

Average Total Single Premium (In Dollars), Private-Sector Establishments, United States And Colorado, 2000-2012



Show Me the Money: High Deductible Plans

Enrollment by Insurance Plan Type, Colorado, 1993-2013



Modern Healthcare

THE ONLY HEALTHCARE BUSINESS NEWS WEEKLY | JANUARY 20, 2014 | \$5.50

The Transparency Revolution

Ready or not, pressure mounts on hospitals and physicians to reveal prices

Page 12

0336 MAGNETIC RESONANCE IMAGING

PRESBYTERIAN
INTERCOMMUNITY
HOSPITAL - \$9,595.47

GOOD SAMARITAN
HOSPITAL OF
SUFFERN - \$7,332.47

JENNERSVILLE
REGIONAL HOSPITAL -
\$7,258.24

DOCTORS HOSPITAL OF
MANTECA - \$6,968.17

ST ANTHONY COMMUNITY
HOSPITAL - \$6,842.93

Avoiding
problems in
brain-death
cases /
Page 9

Patient home
monitoring
takes off /
Page 20

REGIONAL
ER -
REGIONAL
CENTER -
MEDICAL
- \$6,576.67
HEALTHCARE REGIONAL
MEDICAL CENTER - CITY
- \$6,531.39
GOOD SAMARITAN
HOSPITAL - \$6,513.34
BARSTOW COMMUNITY
HOSPITAL - \$6,506.23
ORANGE PARK MEDICAL
CENTER - \$6,353.68
LAKE WALES MEDICAL
CENTER - \$6,285.94
RIVERSIDE COMMUNITY
HOSPITAL - \$6,246.41
SOUTH JERSEY
HEALTHCARE REGIONAL
MEDICAL CENTER -
\$6,196.06
REGIONAL MEDICAL
CENTER OF SAN JOSE -
\$6,142.65
PARKWAY MEDICAL
CENTER - \$6,135.47
SOUTH JERSEY
HEALTHCARE-ELMER
HOSPITAL - \$6,107.99
MONTEREY PARK
HOSPITAL - \$6,043.52
RESEARCH MEDICAL
CENTER - \$6,033.32
VALLEY REGIONAL
MEDICAL CENTER -
\$5,893.37
EL CAMINO HOSPITAL -
\$5,859.89
DOWNEY REGIONAL
MEDICAL CENTER -
\$5,858.26
ST LUKE'S WARREN
HOSPITAL - \$5,776.51
CHESTNUT HILL
HOSPITAL -
\$5,769.40
JEANES HOSPITAL -
\$5,649.67
BON SECOURS
COMMUNITY HOSPITAL -
\$5,646.86



Transparency and Informed Choice: Cost and Quality



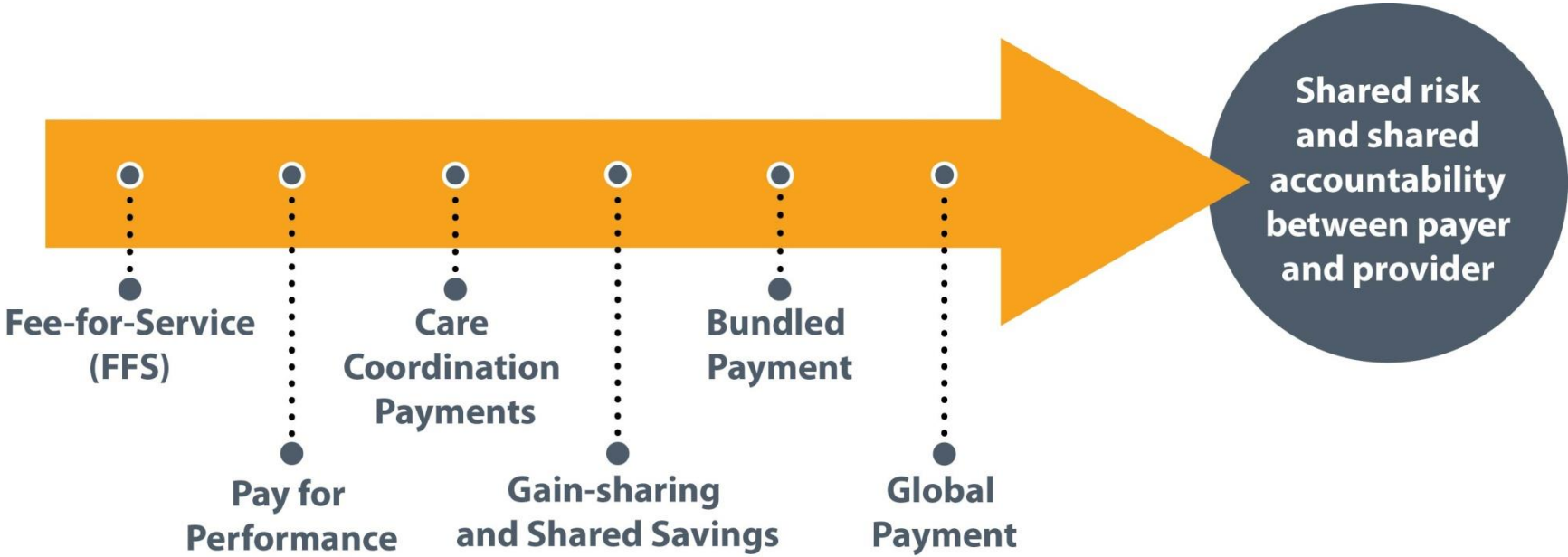
- Health Insurance Marketplaces
- All Payer Claims Databases



CENTER FOR IMPROVING
VALUE IN HEALTH CARE



Moving From Volume to Value



Federal Challenges and State Initiatives



Colorado's SIM Opportunity

- **Funding:** \$2 million award from the Center for Medicare & Medicaid Innovation
- **Program:** State Innovation Model (SIM) Initiative
- **Deliverable:** Updated and refined Colorado Health Care Innovation Plan
- **Strategy:** State-level innovation to accelerate change



Why Integrate Behavioral and Physical Health?



of all behavioral health disorders are treated in primary care.



of appointments for psychotropics are with primary care providers.



of people with a behavioral health disorder visit primary care at least once a year.

- **67 percent** of people with a behavioral health disorder do not get behavioral health treatment.
- The 14 most common physical complaints have no identifiable organic etiology **84 percent** of the time.
- **30 percent to 50 percent** of referrals from primary care to an outpatient behavioral health clinic do not make the first appointment.
- **2/3** of primary care physicians reported not being able to access outpatient behavioral health for their patients.



Scopes of Integration

Scope 1

Mental health and substance use conditions commonly presenting in primary care

e.g. anxiety, depression, post-traumatic stress disorder (PTSD), attention-deficit / hyperactivity disorder (ADHD), tobacco dependence, risky drinking or drug use.

Scope 2

Scope One + BH contributors to common medical conditions and mental health/substance use conditions intertwined with chronic illness

e.g. depression in an adult with poorly regulated diabetes, asthma, stress-linked physical symptoms or symptoms that have no medical explanation (e.g., headaches, stomach aches, pain, or fatigue)

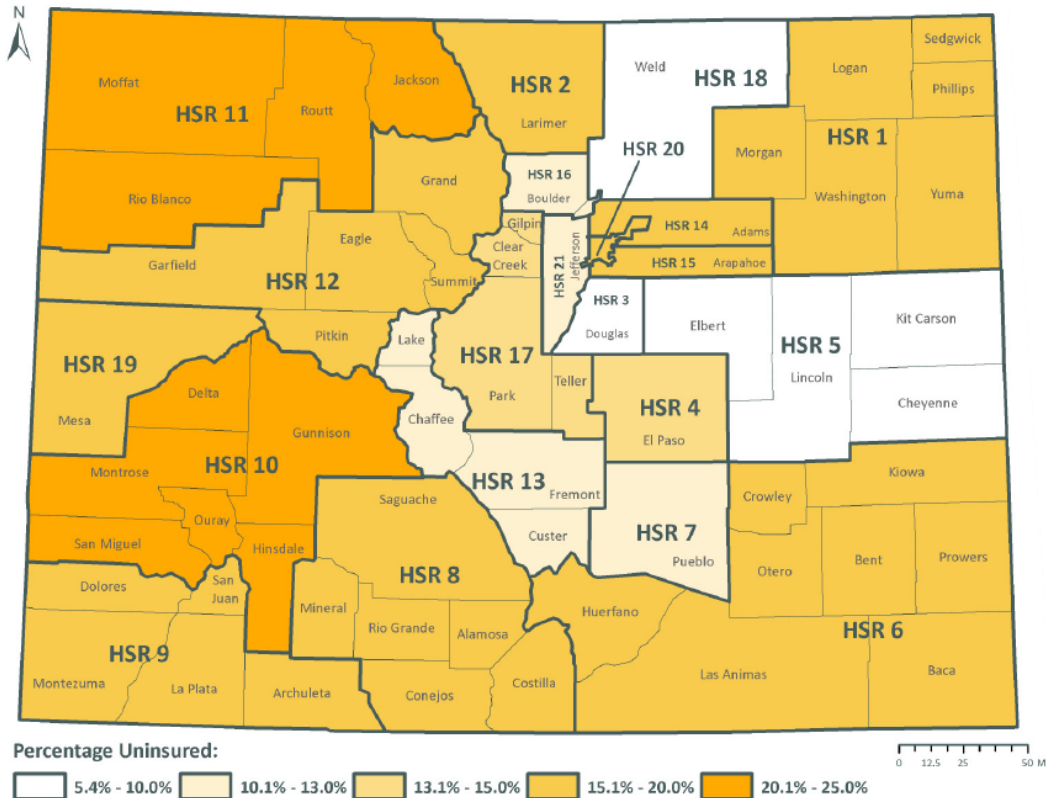




*Trend 4:
The Insurance Picture Will
Continue to Change*

Colorado's Uninsured: A Regional Breakdown

Uninsured Rates by Health Statistics Region, 2013

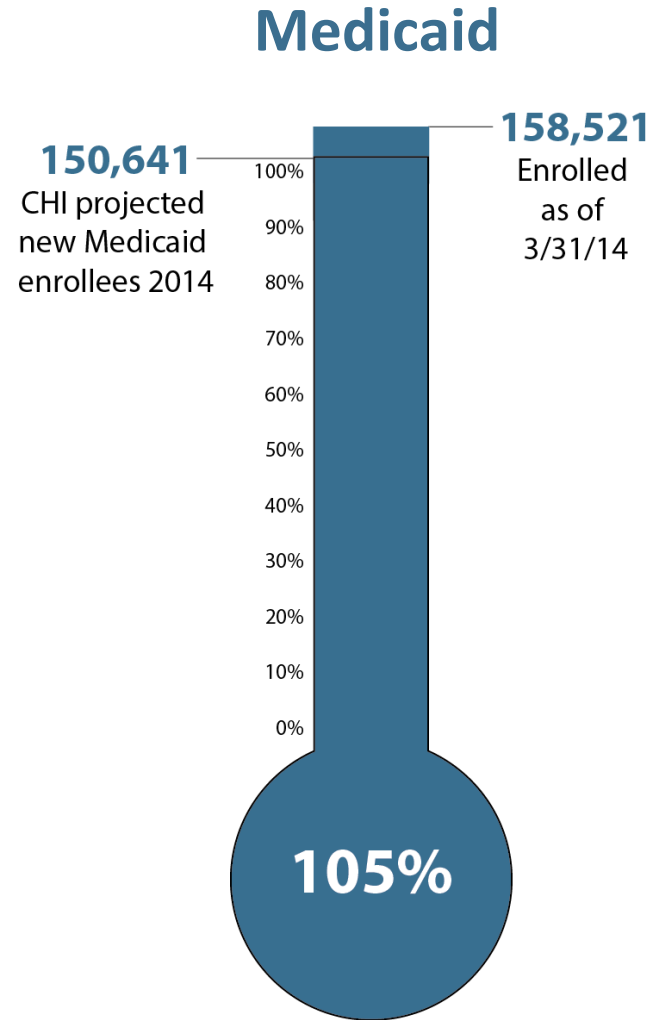
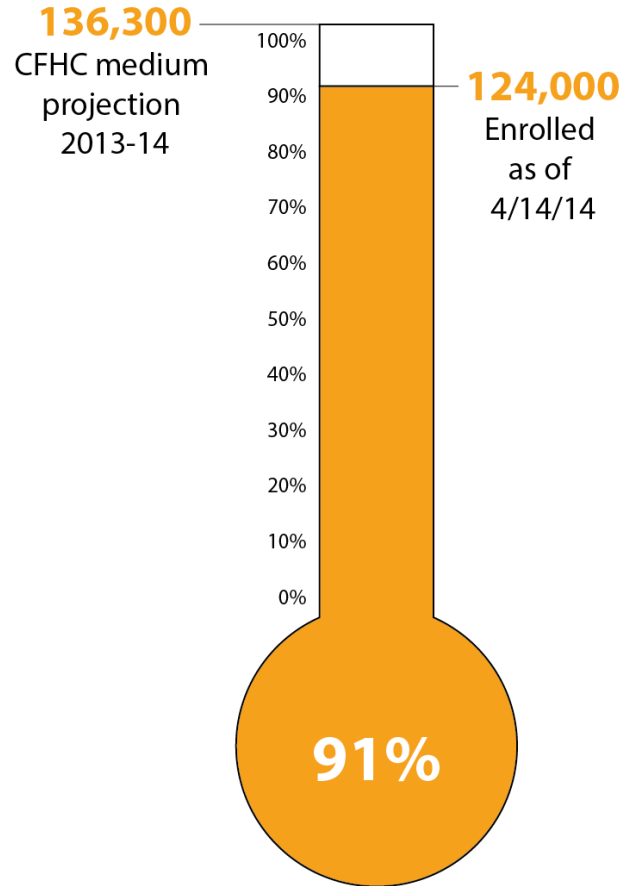


By the Numbers

HSR	Uninsured		HSR	Uninsured	
	#	%		#	%
1	9,480	15.3%	12	30,933	19.4%
2	47,153	15.1%	13	10,148	12.8%
3	16,474	5.4%	14	70,386	15.3%
4	84,832	13.1%	15	100,013	16.9%
5	3,689	9.3%	16	41,720	11.8%
6	11,748	16.7%	17	7,522	13.8%
7	17,643	10.9%	18	24,702	9.3%
8	7,253	16.8%	19	26,853	18.5%
9	14,232	15.2%	20	116,406	18.4%
10	23,729	22.7%	21	65,024	11.6%
11	10,919	24.8%	Colo.	740,862	14.3%



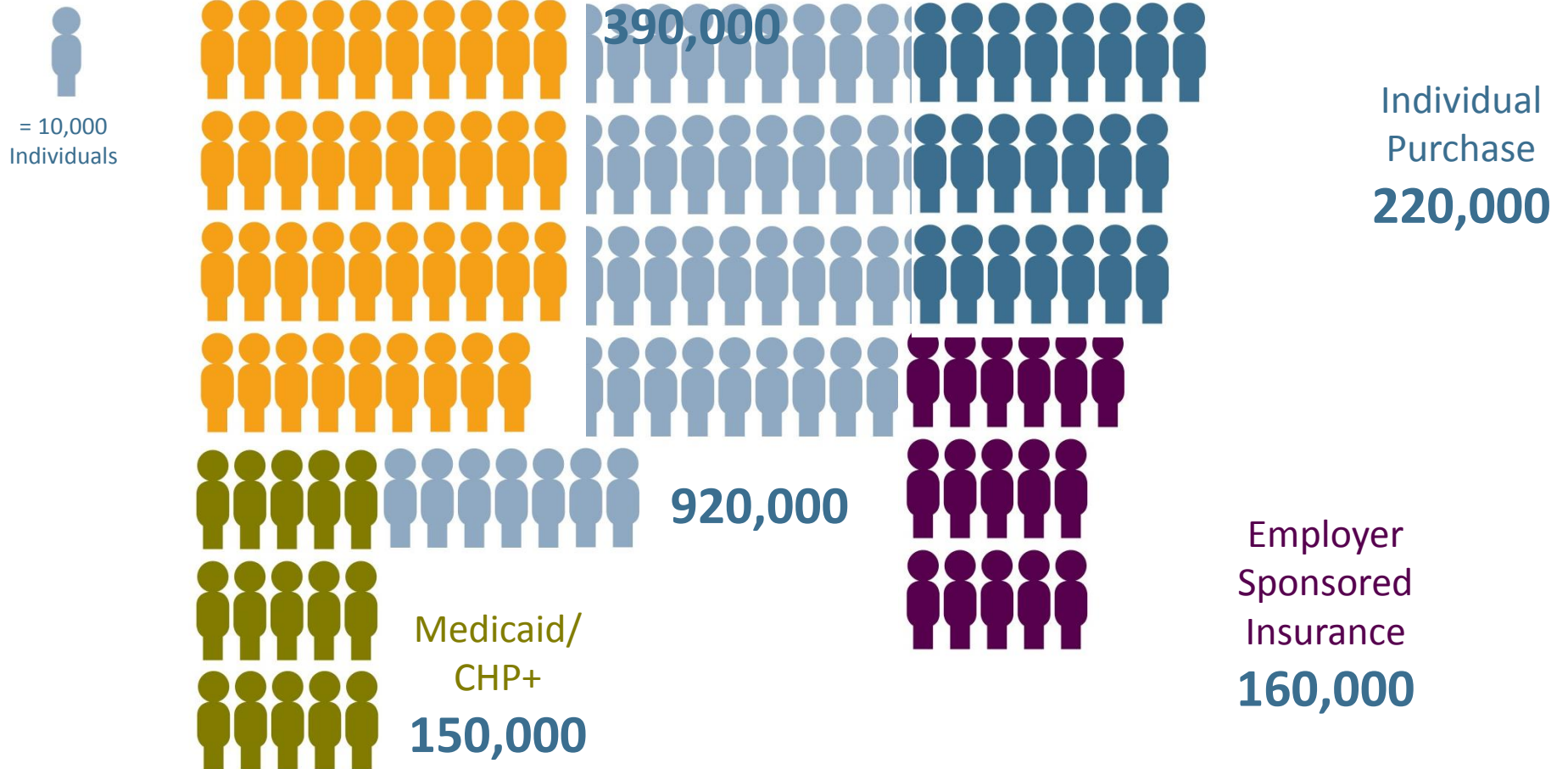
Meeting Expectations?



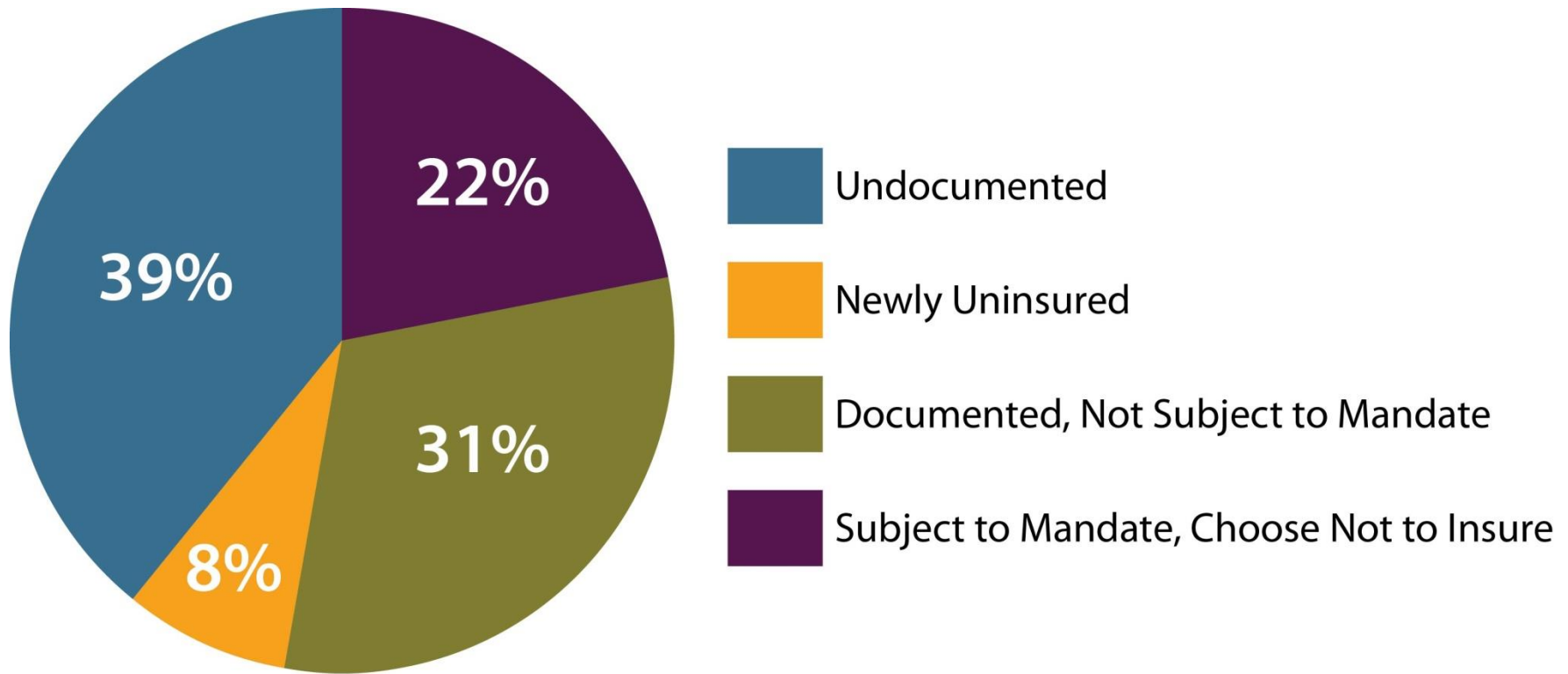
Sources: Connect for Health Colorado enrollment projections; and Medicaid and individual marketplace enrollment figures as of March 31, 2014. Medicaid projection based on Colorado Health Institute analysis of individuals 0-64 years of age.

CHI's Projections for 2016

Uninsured After HR Implementation

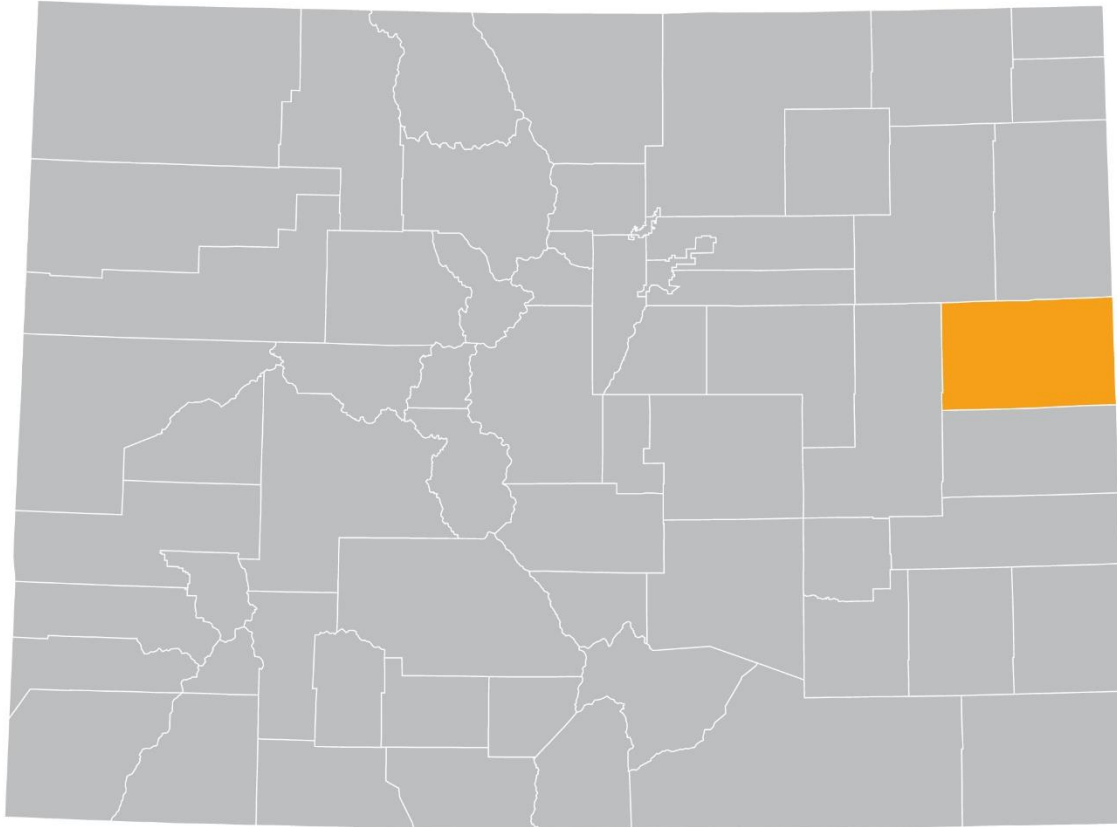


Estimate: 390,000 Will Still be Uninsured



Source: Colorado Health Benefit Exchange Research,
Prepared by Jonathan Gruber, January 2012





Summit County
\$349.31- \$464.14
14 plans

Denver County
\$186.20 - \$237.97
7 plans

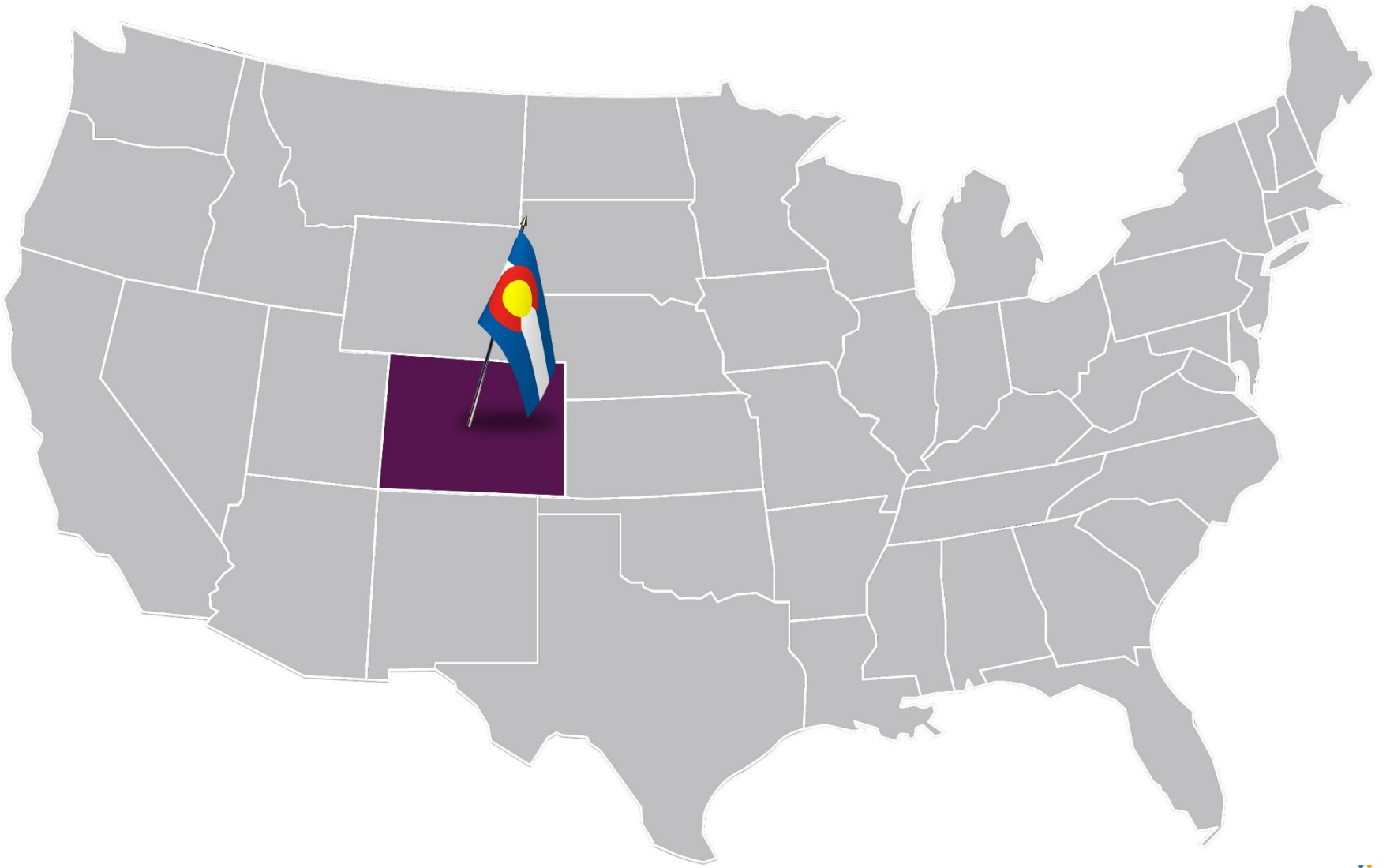
Kit Carson County
\$237.57 - \$294.32
8 plans

- Health care costs
- Financial sustainability of the exchange
 - Geographic variation in premiums

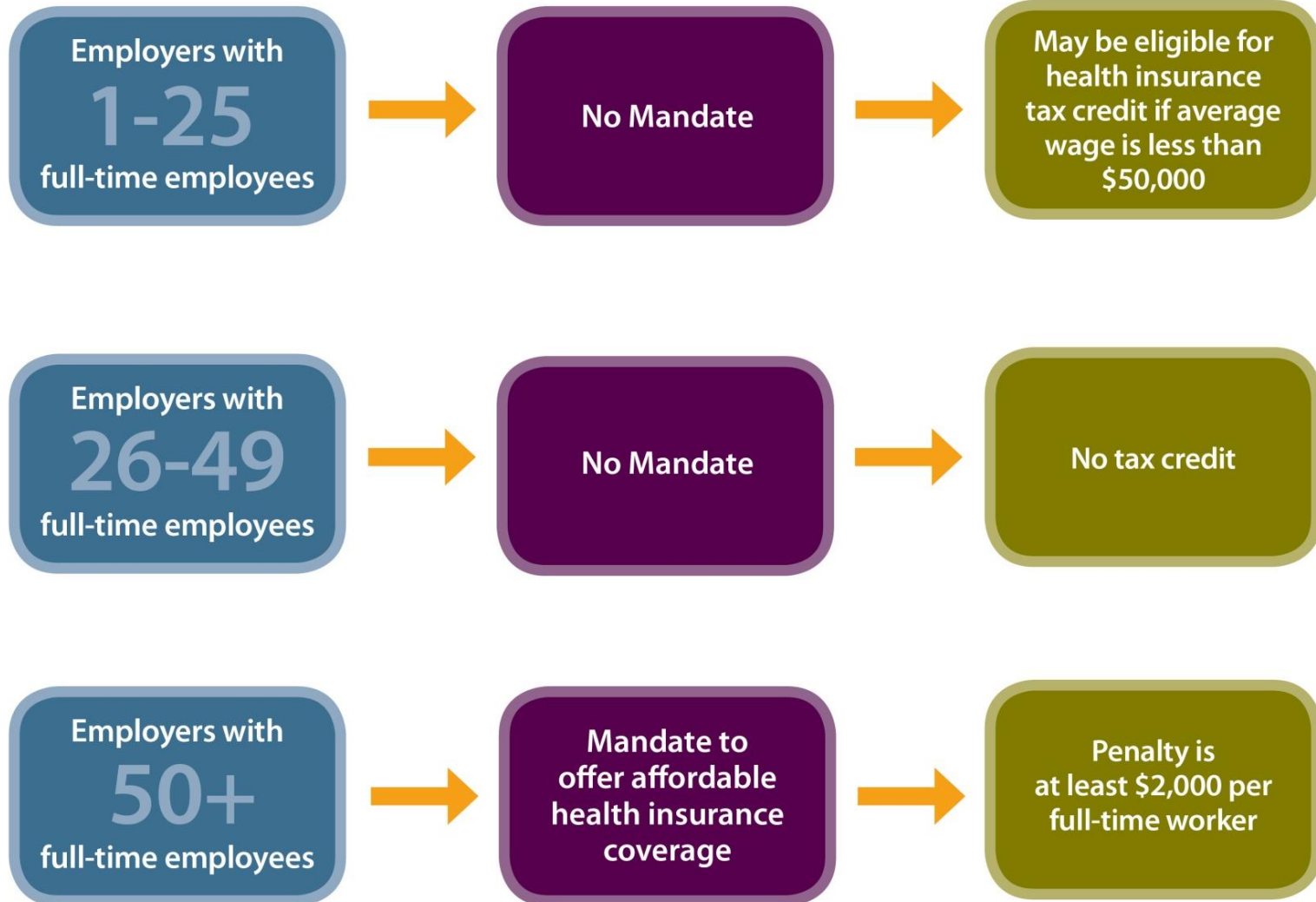




*Trend 5:
Impacts of Health
Reform Are Emerging*



Employer Mandates and Health Reform



Colorado Small Businesses and the Exchange

- Many opting for early renewal of existing plans.
- Many small businesses do not qualify for tax incentive.
- Approximately 100 small businesses have enrolled in the Small Business Health Options Program (SHOP) through Connect for Health Colorado.



ACA Impacts: Five Things We Know

1. Medicaid has surpassed projections.
2. Connect for Health Colorado enrollment has increased almost to projections.
3. Greater transparency in health insurance costs has led to greater scrutiny.
4. Obamacare – as a whole - remains unpopular and polarizing.
5. Rural areas face unique challenges with premium prices and access to care.



ACA Impacts: Five Things We Don't Know

1. How many uninsured Coloradans are newly covered?
2. Will premiums increase, decrease or stay the same?
3. Will we see pent-up demand for health care?
4. How will employers respond to incentives to provide health insurance?
5. What will be the impact on health care costs and outcomes?





2014 Research Agenda

Health Reform Implementation

What's working and what isn't

Local Decisions, Local Health

Delving deeper to share best practices statewide

The Value Debate

Measuring this critical component of new initiatives

Questions?





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