

A Half Million Newly Insured: Is Colorado Ready?

An Analysis of Primary Care Workforce Needs After Health Care Reform

SUMMARY

The Colorado Health Institute (CHI) estimates that 510,000 Coloradans – nearly one of every 10 residents – will become newly insured under federal health reform’s Affordable Care Act between 2014 and 2016. Many health care planning and policy experts in Colorado and across the nation have worried that the expected influx of the newly insured will overwhelm the health care system and create an unfilled need for primary care providers.

THE QUESTION

CHI, for the first time in Colorado, is answering this question: **How many additional primary care providers will Colorado need to care for the residents who become insured under federal health care reform?**

THE ANSWER

Colorado will need an additional **83 to 141** primary care providers for the newly insured. This breaks down to a need for between **71 and 117** additional primary care physicians and between **12 and 24** additional nurse practitioners and physician assistants.

THE CONTEXT

CHI’s analysis shows that the need for additional providers may be more manageable than anticipated, which will be welcome news for many communities. Still, a number of areas in Colorado already struggle with a shortage of primary care providers, and attracting even a small number of doctors and nurses will be a challenge.

By the Numbers

- About **4.4 million** Coloradans currently have health insurance
- About **829,000** Coloradans are uninsured.
- After health care reform, an estimated **390,000** Coloradans will remain uninsured.
- Without health reform, all Coloradans under the age of 65 – insured and uninsured – would make an estimated **8.6 million** primary care office visits in 2016.
- The projected visits by the newly insured represent a **3 percent to 5 percent** increase.
- Colorado has **3,262** physicians, **995** licensed nurse practitioners and **785** licensed physician assistants in primary care.
- The projected need for additional primary care providers represents a workforce increase of **2 percent to 3 percent**.

CHI'S FORMULA



1 Number of Newly Insured: The estimate that health reform will result in 510,000 newly insured Coloradans comes from a micro-simulation model developed by Jonathan Gruber, professor of health economics at the Massachusetts Institute of Technology. About **130,000** residents will be enrolled in the federal-state Medicaid insurance program under the expansion of eligibility to all individuals and members of families earning less than 133 percent of the federal poverty level (FPL). The other **380,000** will be required to buy health insurance or pay a penalty on their tax return (the “individual mandate.”)

2 Increased Individual Visits: The method to estimate the number of increased office visits by the newly insured was provided by Jean Marie Abraham, an assistant professor in the Division of Health Policy and Management at the University of Minnesota. Using survey data that contains information on a wide variety of demographic and health factors, she used statistical modeling to predict the change in medical usage when an uninsured individual becomes insured.

3 Increased Total Visits: The predicted change in visits was then applied to Colorado’s expected newly insured population of 510,000, accounting for differences in age, gender, health status and other factors. The result? The newly insured Coloradans are projected to make an estimated **256,010 to 432,420** additional annual visits to primary care providers. These visits will be above and beyond any yearly visits they made when they were uninsured.

4 Provider Productivity Factor: A survey by the Medical Group Management Association gathered data on documented, face-to-face patient encounters completed in a year by responding health providers. The weighted median number of annual encounters for one full-time-equivalent primary care physician in the Western region was **3,137**. For primary care nurse practitioners and physician assistants combined, the weighted annual visit productivity for one provider was **2,688** encounters.

5 Outcome of Interest: The number of total visits by the newly insured was divided by the provider productivity factors to determine the need for between **83 and 141** additional providers. Because of the nearly unprecedented scope of the changes anticipated under health care reform, and the uncertainty surrounding some important variables, CHI chose to report this projected number within a range, the lowest quartile and the highest quartile, or the 25th and 75th percentiles.

Policy and Planning Implications:

A fundamental rethinking of the health care delivery system is underway. Elements of this wide-ranging effort could be part of the equation in providing care to the newly insured. These efforts, many of them in the early stages but others further along, include:

- Building a more robust primary care workforce.
- Integrating patient care.
- Improving health outcomes at more reasonable and sustainable costs.