



## Testimony as Prepared – LD 1196, An Act Regarding Targets for Health Plan Investments in Primary Care and Behavioral Health

Maine Legislature's Committee on Health Coverage, Insurance, and Financial Services

April 15, 2021

Thank you Senator Sanborn, Representative Tepler, and all other members of the Health Coverage, Insurance, and Financial Services Committee for the opportunity to testify in support of LD 1196, “an Act Regarding Targets for Health Plan Investments in Primary Care and Behavioral Health.” My name is Shawn Martin, executive vice president and CEO of the American Academy of Family Physicians, which represents more than 136,700 physicians and medical students nationwide, including approximately 800 in Maine alone.

The AAFP is the second largest physician specialty society in the nation and the largest devoted solely to primary care. Our physicians conduct approximately one in five doctor visits annually, or 192 million office visits, and our members disproportionately practice in underserved and rural areas. Family physicians comprise only 15 percent of the US outpatient physician workforce nationwide, but provide 42 percent of the care in rural areas, including wide swaths of northern and eastern Maine.

Unfortunately, despite all the work our family physicians do every day to keep their patients healthy, our health care system continually fails to underinvest in family medicine and primary care more generally. The United States spends less than half of what our peer nations invest in primary care. While most OECD countries spend approximately 14 percent of their overall medical budget on primary care, the United States manages to spend just five to seven percent on primary care, a recent analysis compiled by the Robert Graham Center and the Primary Care Collaborative found.

Among this landmark survey's findings was the association between increased primary care spend and lower emergency department utilization and total hospitalizations. These associations are the latest datapoints to support the idea that a system grounded in continuous, comprehensive primary care can lead to greater health care access, better health outcomes for patients, and lower costs for health care writ large. For example:

- Greater primary care physician supply is associated with lower mortality.<sup>1</sup>
- Primary care is associated with a more equitable distribution of health in populations.<sup>2</sup>
- Greater primary care spending leads to less total medical spending overall.<sup>3</sup>

The AAFP has long been a leader in pushing the American health care system towards a greater emphasis on primary care. We are a strong supporter of the patient-centered medical home, which

<sup>1</sup> Basu S, Berkowitz S, Phillips R. (2019). “Association of Primary Care Physician Supply With Population Mortality in the United States, 2005-2015.” *JAMA Internal Medicine*. Web.

<sup>2</sup> Starfield B, Shi L, Mackinko J. (2005). “Contribution of Primary Care to Health Systems and Health.” *Milbank Quarterly*. Web.

<sup>3</sup> “Primary Care Spending in Rhode Island: Commercial Health Insurer Compliance.” (2014). Office of the Health Insurance Commissioner. Web.

## STRONG MEDICINE FOR AMERICA

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pairs a patient with a personal physician and associated care team to facilitate a relationship grounded in first-contact, coordinated, continuous, and comprehensive care. The AAFP is also supportive of efforts to shift away from fee-for-service payment toward alternative payment models that compensate physicians for providing comprehensive, population-based care. Notably, we are a strong supporter of efforts in the states to quantify primary care spend in the states and, as Maine is looking to do, support mandatory primary care spend thresholds to increase access, improve health outcomes, and lower health care costs. To that end, the AAFP's "[Health Care for All](#)" policy advocates for a doubling in the percentage of health care spending invested in primary care.

Most states have failed to take action to address this critical imbalance in health care spending. As one who looks to find the silver lining, the good news is that Maine has proven itself to be a leader in correcting this historic imbalance. Thanks to Senator Sanborn and Representative Tepler's leadership two years ago, Maine became one of the first states in the country to enact legislation to require private insurers, MaineCare, and other payors in the state to report the average percentage of total medical expenditures related to primary care. Now, less than two years later, Maine is once again considering legislation that would build on that success to become one of just a handful of states to require a certain percentage of every health care dollar be spent on primary care.

This bill couldn't have come at a better time. Despite the desperate need to increase primary care across the country, overall investment in primary care is down nationwide. In particular, Maine saw a larger percentage decrease in the amount of spending on primary care than in all but eleven states from 2017 to 2019.<sup>4</sup> It is clear, more now than ever, that action is needed to reverse this worrying trend. LD 1196, could not come at a better time.

The American Academy of Family Physicians strongly supports this bill and I encourage the members of this Committee to do the same. Thank you for allowing me the opportunity to testify and I welcome your questions.

Thank you,

R. Shawn Martin  
Executive Vice President and Chief Executive Officer  
American Academy of Family Physicians

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<sup>4</sup> Kemski A, Greiner A. (2020). "Primary Care Spending: High Stakes, Low Investment." Primary Care Collaborative. Web.