Texas’s re-opening plans are based upon an underlying key assumption of increased testing, tracing, and treatment. But, WHAT IF the network of primary care practices and clinics needed to support these activities – itself weakened by the pandemic’s economic fallout -- breaks down? Prior to the pandemic, Texas had too few primary care practitioners to meet the state’s need complicated with a 67% increase in projected primary care clinician shortages between now and 2030 [1]. The pandemic has made it worse [2].

All sectors of the state’s health system (including public health, primary and specialty care systems, community-clinics and hospitals) are essential to an effective statewide COVID-19 response. But the slow disintegration of primary care will not only significantly put Texans’ health at high-risk but also impact the state’s reopening efforts by curtailing job creation and economic viability of many communities, particularly rural ones. It also has the potential to increase our health care costs.

A plethora of studies show that a strong primary care network contributes to more effective, efficient and high quality health care. Moreover, such networks also benefit specialty care physicians and other components of the health care team by ensuring patients get the right care at the right time. During the pandemic, the complimentary relationship between primary care and specialty and hospital systems was on full display. Without concerted, innovative actions by primary care practices to quickly screen and treat potentially COVID-19 positive patients while continuing to care for people with acute and chronic conditions, hospitals and emergency departments would have been overwhelmed.
While the recently announced federal stimulus packages [3] and proactive actions led by Gov. Abbott’s [4] administration protecting our healthcare practitioners, ensuring sufficient provision of personal protective equipment, and gradual resumption of surgical procedures are steps in the right direction, more needs to be done. Most importantly, as we address these challenges, we must recognize the root-causes and address some of the long-standing issues with a forward-looking outlook to prepare Texas for strengthening health system transformation. A healthy Texas is foundational to a resilient and growing Texas. In that same vein, a healthy primary care system is foundational to a high performing health system.

Multiple issues fuel our concerns and emphasis on primary care:

- increasing chronic disease burden that continues to be the leading cause of death and biggest cost drivers of our healthcare costs;
- growing uninsured and underinsured populations;
- growing health disparities particularly among people of color and rural communities; and
- rising economic uncertainty further worsening all of the above.

Texas must take concerted efforts to strengthen and optimize its primary care health systems as part of a larger effort to reimagine health care delivery generally. To that end, we recommend coordinated, strategic, multi-sectoral efforts that will:

- mitigate the immediate impact of COVID-19 on our communities and health systems; and
- advance a forward-looking, consensus based approach on systems level changes for a healthy Texas.

OBJECTIVE

Guided by Gov. Greg Abbott’s words, “overcoming challenges is part of who we are as Texans,” this issue brief helps us draw a realistic, evidence and data-informed portrait of an imminent crisis, identifies key needs and challenges, and calls for a collective call-to-action for a statewide, consensus based, forward-looking systemic approach to primary care and health system transformation.

IMPACT OF COVID-19 ON TEXANS HEALTH & HEALTH SYSTEM

1. Health Needs and Disparities – In 2015, chronic diseases made up the top four causes of death [5] in Texas and the United States. These statistics could worsen in the next several years because individuals with existing chronic conditions who contact COVID-19 are at particularly high risk [6] for developing complications from the infection. More importantly, while chronic disease prevalence has been documented across all age-groups, research and data indicates increased prevalence with age [7], in people of color [8], individuals with disabilities [9], low income [10] and rural communities [11]. This further exacerbates the problem as the same individuals who have had difficulties accessing routine primary care, may also experience challenges that relate to social and environmental determinants of health including but not limited to access to safe places to exercise or play [12], lack of access to healthy food [13], and increased prevalence of substance use disorders and mental health issues regardless of current social isolation [14]. Concurrently, an equally concerning issue has been observed in our pediatric populations with reduced numbers of pediatric wellness checks. Per a May 15 report released by CDC [15] there has also been a significant reduction in the number of vaccines administered.

These compounding issues that seem to be viewed as stand-alone but are actually intrinsically interconnected need to be systematically and urgently addressed especially for Texas’ most at risk populations. Doing so will require the state to invest in prevention and overall well-being in addition to the physical, mental, and emotional health of all. Strong, sustainable, and well-supported primary care and health system is necessary to help us achieve the aforementioned outcome.
2. Economic Uncertainty – While the aforementioned issues and needs are critical and must-be addressed, damage has already been done to our primary care infrastructure. Nationally, as per a weekly survey conducted by the Green Center and the Primary Care Collaborative, the first nine weeks in to the COVID-19 pandemic, a heroic but potentially tragic story is emerging. In less than two months, clinicians have transformed primary care, with 85% now making significant use of virtual health through video-based and telephone-based care. However, over 50% of clinicians report no payments received in the last 4 weeks for virtual health care, 18% report billing denied, and among those paid, over 60% report that their telehealth visits are not at parity with face to face encounters.

In Texas, the COVID-19 Impact Survey by the Texas Medical Association (TMA) [16] found 68% of practicing physicians experienced reduced work hours, while other 62% reported salary reductions. Furthermore, two-thirds of physicians reported their patient volume had decreased by half or more as patients canceled their appointments. As a result, 63% of physicians reported their revenue decreased by half or more. If clinics, whether private or public cannot survive, patients could face greater access-to-care challenges in the future, perhaps when they will need it most: as the world faces residual effects from the pandemic, and job losses and the rate of uninsured Texans rise amid a threat of potential long-term health ramifications.

3. The Uninsured and Underinsured – Prior to the pandemic, more than 5 million Texans – about 18% of the state’s residents - lacked health care coverage. According to recent Kaiser Family Foundation analysis [17], the pandemic’s economic impact could result in 1.6 million Texans not only losing their jobs but also their employer-based health insurance. Some newly uninsured will be able to purchase coverage via the health care Marketplace or other means. However, a report released by the Episcopal Health Foundation [18] projects that beginning in January 2021, more than 1.1 million Texans could be part of the uninsured who become stuck in the state’s health insurance “coverage gap” – a 50% increase from 2020. The gap includes working adults and parents who earn too much to qualify for Medicaid but too little to qualify for insurance subsidies under the Affordable Care Act’s Marketplace. Texas’ decision to forego Medicaid expansion means millions more will land in the state’s fragmented indigent health care system, which varies tremendously from one county to the next. As a result, many Texans will struggle to piece together physical and mental health services while also facing the economic strain as a result of the pandemic. Moreover, it is certainly true that every Texan has access to excellent lifesaving emergency care, emergency departments have never been intended to meet people’s primary care needs. Texas is home to 73 federally qualified health centers (FQHCs) that provide essential and affordable primary care to people who otherwise may lack access to medical care. The FQHCs, along with community sponsored faith based clinics, private independent physicians along with Medicaid Managed Care Organizations form the backbone of primary care for vulnerable Texans. Yet these vital components of the safety net alone can’t meet the needs of the roughly six million Texas residents who lack health insurance. COVID-19 has reminded us that access to excellent primary and preventive care is also critical.

Why is the issue of uninsured so important? The ripple effect of this issue on the overall growth and economy of Texas has been well represented in a TMA publication [19] released in December 2019 that provides a real-life reflection of how 5 million uninsured patients in Texas become 5 million dominoes. As they fall, so do countless others representing the health of Texas: the economy and well-being of entire communities.
Because of financial constraints, only a minority of those uninsured patients are still getting their annual well-child checks. For example, if the parents of an uninsured child can’t afford their child’s asthma inhalers, the child will get much sicker when viral infections or flu are circulating in the community – leading to more hospitalizations, emergency department visits and missed work, which will not only financially strain the family but contribute to rising uncompensated care and health care costs.

RECOMMENDATIONS

1. Immediate - We must continue to prioritize and protect our health systems through federal and state resources including but not limited to financial support, and policy changes. Our public health and health systems are the most critical in our response to the pandemic and success of our reopening efforts.

To that end, we urge that the next round of federal relief funding provide a targeted allocation to specialties—internal medicine, family medicine and pediatrics—that principally provide comprehensive primary care to patients to be sufficient to offset loss of revenue as a result of COVID-19. Failing to do so could lead to the majority of these practices being forced to close, sell to private equity firms or merge with large consolidated health care systems, thus driving up health care costs and further reducing access to care.

We also recommend a collaboration with Texas Medicaid, Employee Retirement System and Teacher Retirement System to quickly develop and deploy payment models to help sustain primary care practices during the pandemic while continuing to evaluate longer term payment reform models.

2. Long-term - We call upon Gov. Abbott along with our health system leaders to constitute a statewide consensus panel to assess the system wide impact and pursue forward-looking primary care and health system transformation efforts in Texas. The panel may benefit by being facilitated by a neutral, third party and must comprise diverse stakeholder groups including but not limited to associations, state health agencies, payers, healthcare leadership, private practice physicians, academia, and community based organizations guided by the principles of trust, transparency, and mutually reinforcing actions. We must also realize that specific considerations be made for different care delivery settings with an increased emphasis on protecting high risk populations including but not limited to infants, children, pregnant women, individuals with special needs and/or disabilities, the elderly, rural communities, and the uninsured. To that end, based on our assessment, we recommend that the consensus panel address the following key issues:

a. Payment reform – The ongoing COVID-19 pandemic and decades of data have proven that the current system that rewards episodic care and transactional model of care needs to change if we truly seek to achieve the quadruple aim of reduced costs, increased access, improved quality and better outcomes. The traditional fee for service (FFS) structure is designed to focus on the short-term needs and treatment of a patient’s episodic illness or acute condition. Accordingly, the primary objective becomes managing and treating the symptoms and not addressing the underlying cause to avoid a recurrence. Moreover, it does not incentivize or require coordinating the many health services that an individual with multiple conditions may require. This fundamental flaws of the FFS system perpetuate this episodic care delivery approach: isolated funding streams and cost management; a lack of coordination of services or team-approaches to care; and a blunt approach to managing costs.
However, we have an opportunity to learn from and leverage ongoing efforts around value based payment reform including patient and provider specific prospective payment models. More importantly, we must maximize the opportunity to leverage the currently available funding to develop and implement population and setting specific pilots that can provide realtime data and evidence on efficacy of different approaches.

A consensus based approach can truly make this a realistic pursuit and position Texas at forefront of payment reform.

b. **Promote holistic approach in healthcare delivery through equitable distribution of resources**

- Addressing some of the long standing and inherent health system needs require low-cost, high-impact solutions. Primary care can deliver solutions and strategies that address the whole person. These teams can address consumer needs and preferences at affordable costs while reining in overall health spending. No longer viewed as a cost center, well-designed and smartly deployed primary care teams can yield a true return on investment in the evolving value based eco-system.

Decades of published research and literature has proven that health care systems that make greater investments in primary care have healthier populations and lower, per-capita health care spending. An analysis by PwC’s Health Research Institute (HRI) [20] found that a primary care dream team designed around the needs of complex needs patients with multiple chronic conditions could potentially result in $1.2 million in savings for every 10,000 patients served. Designed with consumer needs and preferences in mind, the primary care dream team can bring together wellness, prevention and healthcare to address the whole person. Primary care should be patient-focused, comprehensive, inclusive of physical and mental health and delivered through multiple modalities (in-person and virtual). Employers and health insurers should design benefits for individuals and families that include and promote comprehensive, continuous and coordinated primary care. Benefit design should start with primary care.

However, while we have experienced an increase in overall healthcare spending, only a small percentage (5-6%) [21] of the total spending goes towards primary care.

c. **Increasing access to primary care**

- Texas ranks 47th out of the 50 states for primary care physician to population ratio. The shortage of primary care specialists isn’t only a rural issue. Shortages are found in major metropolitan areas as well. Limited access to routine primary care services can prevent Texans from obtaining timely medical care. The result of delayed care frequently means that individuals seek care when their disease process is further advanced, and care is frequently obtained in costlier settings than a primary care office.

The challenges associated with accessing timely primary care services became more acute during the COVID-19 pandemic. However, one promising tool for increasing access to primary care in Texas has emerged: telemedicine. In the early days of the COVID-19 pandemic, physician practices throughout Texas demonstrated their ability to rapidly shift to this method of seeing patients and ensuring continuity of care. Governor Abbott directed the Texas Department of Insurance to issue an emergency rule relating to telemedicine provided through state-regulated insurance plans. Medical visits conducted via telemedicine, including audio-only sessions instead of in-person visits. At the same time, the Centers for Medicare and Medicaid Services broadened telehealth access to Medicare patients, eliminating long-standing obstacles to coverage, and the Texas Health and Human Services Commission did so for Texas Medicaid. With 3 months of experience to document the viability and cost-effectiveness of telemedicine. Texas should...
eliminate the barriers that could keep primary care physicians from maintaining this service beyond the pandemic, including requiring state regulated insurers to continue payment parity between in person versus virtual visits. Making payment parity permanent will reduce the uncertainty in the market and will drive innovation and simplification which will drive process improvement.

d. **Addressing the growing numbers of uninsured and underinsured Texans** - Prior to the COVID-19 pandemic, Texas led the country in the number of uninsured residents. It is estimated that 1.6 million additional Texans may have lost health insurance during the pandemic. Expanding Medicaid is one option to increase coverage and should be carefully considered by our elected leaders, especially in light of the impact that COVID-19 has had on our state. Under the ACA, Texas can design a model best suited to it, as have other conservative states.

Another option for expanding access to primary care as well as specialty care is through the Community Accountable Care Organization (ACO) model. A Community ACO model organizes a network of healthcare safety net providers, in both inpatient and outpatient settings, working under the direction of a single community-based board that uses value-based payment approaches to improve health outcomes for the populations served. Community ACOs are predicated on developing a shared mission and vision among providers within a community as well as shared accountability.

It is clear that there is no “one size fits all” approach to solve Texas’ growing problem with the uninsured population. But that is where Texans shine: adapting a model to meet the local needs of the population of their community – whether it’s Dallas or Dalhart. We advocate for development of pilot programs around the state to respond to geographic needs, existing resources and unique circumstances. To sum it up, we need to do more to achieve health equity and health system sustainability by devising a health care coverage model best for Texas!

### ABOUT TEXAS PRIMARY CARE CONSORTIUM

The Texas Primary Care Consortium is a statewide collaborative initiative with a mission to advance accessible, continuous, and coordinated person-centered care for all Texans. We serve as the honest broker that brings together diverse stakeholders to discuss, identify, and address the multi-faceted challenges presented by our current healthcare system. Through multi-sector collaboration, we are able to identify research gaps, build capacity for pursing shared solutions, and inform policy efforts to improve the health of all Texans.

The consortium is jointly led by Texas Health Institute and the Texas Medical Home Initiative.

Texas Health Institute (THI) is the non-profit, non-partisan public health institute in Texas. Since 1964, THI has served as a trusted, leading voice on public health and healthcare issues in Texas and the nation. Their expertise, strategies, and nimble approach makes them an integral and essential partner in driving systems change efforts. THI works across and within sectors to lead collaborative efforts and facilitate connections to foster systems that provide the opportunity for everyone to lead a healthy life.

Texas Medical Home Initiative (TMHI) is a non-profit, practitioner-led organization with a vision to see all Texans have access to a medical home. Their mission is to develop, implement, evaluate, and promote the Patient-Centered Medical Home (PCMH) model of primary care delivery in Texas.

Please email your questions or comments on the issue brief to Ankit Sanghavi at asanghavi@texashealthinsitute.org and Sue Bornstein at suebornstein@gmail.com.
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