



PUBLIC HEALTH ASSOCIATION OF NEW YORK CITY

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PHANYC Statement for Regional Advisory Committee of the Commission on Healthcare Facilities in the 21st Century.

Good afternoon. My name is Amy Schwartz, and I am the Executive Director of the Public Health Association of New York City (PHANYC), a professional and advocacy organization affiliated with the American Public Health Association. Since 1936, our organization has served as an independent voice for public health in New York City.

Introduction

The hearings of the Commission on Healthcare Facilities in the 21st Century provide an excellent opportunity for all New Yorkers to consider the long range future of our state's health care system. Unfortunately, much of the discussion to date has focused on acute and long term care facilities. This "back end" of the health care system must address any shortcoming in our state's ability to prevent and manage illnesses before they require hospitalization or long term care. Too little attention has been directed at primary and preventive care, the front end of the system that has the greatest potential to improve health and reduce costs.

The Public Health Association of New York City (PHANYC) believes that the primary and preventive care system in New York is woefully under-developed. In our view, the most important priority in the current reorganization of health care in New York is to strengthen this foundation of our health care system.

To achieve this goal, New York State must do four things:

1. Right size primary care

Many rural and urban communities in New York lack adequate primary care capacity. They need the resources for planning, constructing and starting up new provider sites. This includes capital for expanding and modernizing facilities and building new sites. Many existing primary care providers still lack access to capital, because they serve Medicaid and uninsured patients and because they are non-profit and reinvest their resources into patient care. New York State should make \$100 million in new capital available to non-profit providers to build a permanent and self sustaining primary care infrastructure within New York's underserved communities.

2. Change the model of care

Many New Yorkers still receive an outdated model of primary care which is episodic, reactive, lacks continuity and does not meet the latest clinical standards. Such care is wasteful and ineffective. In the last five years, break-through programs have been developed to assist providers in redesigning current work and care processes and using information technology to provide feedback and improve quality. These new approaches have been used by a wide cross-section of New York providers to contribute to dramatic improvements in health care and reductions in cost. They have made care more cost-efficient while

shortening waiting times and increasing patient satisfaction. New York State should support a new standard for excellence in primary care and provide funding for achieving this standard.

3. Adopt information technology to improve quality and reduce costs

Technological advances like electronic billing, scheduling and patient identification, electronic medical records, e-prescribing and data exchange are essential for improving quality of care and achieving better outcomes. But in the short run they are expensive and difficult undertakings. To realize the potential of IT, New York State should provide primary care providers with financial support to purchase and install electronic systems. The state should also provide technical assistance to assure success. A statewide effort could transform our primary care system.

4. Change the reimbursement system to provide adequate payment for primary and preventive services.

Health services research demonstrates that good prevention and primary care management produce better health outcomes and cost savings. New York State should transform the system by which it reimburses health care to give primary and preventive care the capacity to realize its potential for improving health and reducing costs. New and more effective modes of expanding and delivering primary care including telephone and email consultation, group visits, and enhanced patient education and self-management will require new reimbursement strategies so that these services can be compensated. Public payers should lead the way in developing ways to pay for these services and encouraging other third party payers to do the same.

By investing money in primary and preventive care now, New York State can improve the health of its residents, reduce the shocking disparities in health between better off and poorer New Yorkers, and save hundreds of millions of dollars in preventable hospitalizations and emergency room visits.

Conclusion

Almost fifty years ago, New York and other states made the tragic mistake of shutting most of its psychiatric hospitals without first building the capacity of community clinics to provide less expensive but vital care. That decision caused untold suffering among the mentally ill and their families and forced vast expenditures for the correctional facilities and homeless shelters that were forced to accept the untreated mentally ill. New York State now has a chance to avoid repeating this mistake. By strengthening its primary and preventive care system in the four ways we described before it closes hospitals, the state can show that it has foresight to invest in its future. The Commission on Healthcare Facilities in the 21st Century has a choice. It can offer New York and the nation a new model of health care built on a strong foundation of primary and preventive care or it can repeat the mistake of closing facilities first and asking questions later. We won't have many other opportunities to reform our health system. This time, let's get it right!

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