

Media Statement

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California Physician Groups Point to State as Potential Proving Ground for Healthcare Reform Provisions that Improve Efficiency and Quality

SACRAMENTO, CA -- California's decades long leadership in improving both efficiency and quality of healthcare to large populations could make it the proving ground for many core provisions of the federal healthcare reform plan according to the California Association of Physician Groups.

The association, which represents medical groups that employ or contract with nearly 60,000 California primary care and specialty physicians, has spent the better part of the past year educating members of Congress and other federal policy makers about the coordinated care delivery system they operate within, and which is now reflected in key components of the health reform package.

"With his landmark legislation, President Obama has initiated a multi-year process for reforming healthcare insurance, patient access and care delivery," said Keith Wilson, M.D., President and CEO of Talbert Medical Group (Costa Mesa, CA) and chairman of the California Association of Physician Groups' Board of Directors. "The California Association of Physician Groups has been at the forefront of what is called in the health reform plan "Accountable Care Organizations," and believes that with proper attention to aligning the delivery model with keeping people healthy, the reform can make a significant improvement in the lives of millions of Americans."

"Our physician group practice model illustrates that there is a patient-centered system for ushering in better care to millions of people, said Dr. Wilson. "There are a lot of uncertainties in the health reform package, but we're encouraged by the direction it's taking," said Dr. Wilson.

California has one of the highest enrollment rates in health maintenance organizations in the country, which rely on physician groups to coordinate and deliver care. Over the years, physician groups have advanced patient care practices while keeping costs relatively lower than other insurance products.

Unlike the traditional fee-for-service payment system, which is often a barrier for wellness and preventive care services because they are not reimbursable to the provider, systems based on accountable or coordinated care focus on chronic disease management and provide health services through a network of physicians who use the latest health information technology to track patient treatments and share intelligence to guide patient care, all of which have led to better health outcomes, patient satisfaction, and quality.

While there are provisions of health reform to help give more people immediate access to health care services, the association considers the cuts to Medicare Advantage a move contrary to patient-centered care and one that undermines one of the best examples of a program that delivers high quality, coordinated care for the 32 million seniors currently enrolled in Medicare Advantage plans, including 1.5 million seniors in California.

“The reform package isn’t perfect, but its heart is in the right place,” said Donald Crane, President and CEO of CAPG. “Our doctors want to care for people across the economic spectrum. We know from our experience caring for 15 million Californians that coordinating care and providing access to preventive care works. A person without insurance often postpones preventive and primary care and many seniors who have coverage find it difficult to navigating the system. Instead of spotting a problem early on when it’s inexpensive to treat, that person may end up in an emergency room with a serious condition and enormous bills. If the patient couldn’t afford insurance, they certainly can’t afford that hospital bill.”

Those uncollected costs are absorbed by everyone else, explained Crane. Healthcare reform will, he said, gradually enable more people to get preventive care so that our communities and nation can become healthier over time but cautioned that the cost-saving efficiencies will take time to show.

“With eight million Californians currently without health care coverage, the journey may not be an easy one, but it is worthwhile,” said Crane. “We are concerned about the rationale for cutting the successful Medicare Advantage program, but what’s important about reform is that it could ultimately embrace the type of delivery model reform needed to achieve long term affordability, stability and quality.”

Other short and long-term health reform provisions the association supports include prohibiting insurance companies from instituting lifetime dollar limits on coverage, denying coverage to children because of pre-existing conditions, and denying coverage or charging higher premiums to individuals with pre-existing medical conditions, as well as provisions establishing insurance pools for adults without insurance, increasing funding for community health centers, and Medicare bonuses for physicians who work in underserved communities.

About CAPG

The California Association of Physician Groups (CAPG) represents groups that employ or contract with nearly 60,000 California doctors and provide care to 15 million Californians. CAPG is committed to improving health care for Californians and supports a progressive and organized system of health care delivery, which focuses on coordinated treatment plans and comprehensive coverage, including the most current preventive services and exams. This allows physicians to focus on illness prevention and proactive management of patients in order to maintain their optimum level of health.

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