#### CLARENCE K. LAM, M.D., M.P.H.

Legislative District 12
Baltimore and Howard Counties

Education, Health, and Environmental Affairs

Committee

Chair, Environment Subcommittee

Executive Nominations Committee

Joint Committee on Ending Homelessness

Senate Chair

Joint Audit and Evaluation Committee

Joint Committee on Fair Practices and

State Personnel Oversight

Vice Chair

Baltimore County Senate Delegation

Chair

Howard County Senate Delegation

Chair

Asian-American & Pacific-Islander Caucus



# THE SENATE OF MARYLAND ANNAPOLIS, MARYLAND 21401

Miller Senate Office Building 11 Bladen Street, Room 420 Annapolis, Maryland 21401 410-841-3653 · 301-858-3653 800-492-7122 Ext. 3653 Clarence.Lam@senate.state.md.us

# Support SB 734:

## Health and Health Insurance - Primary Care Reform Commission

#### **Background Information**:

- Primary care is defined as outpatient family practice, general pediatrics, primary care internal medicine, and primary care obstetrics and gynecology.
- Primary care physicians provide patients with continuity of care that focuses on disease prevention, early detection, management of illnesses, and patient health education.
- Primary care is the foundation of the healthcare delivery system. Often the "first contact" for patients, primary care physicians serve as conduits for more specialized medical services when appropriate.
- Patients that see a primary care physician frequently are in a more advantaged position to identify and address health issues earlier.
- Geographical areas with a greater primary care physician supply are associated with lower cardiac, cancer, and respiratory death.<sup>1</sup>

#### The Issue:

- On average, the United States spends 5%-7% on primary care as a percentage of total health care spending.
- Compared to these national averages, Maryland primary care expenditures constituted only about 4.6% of all medical and outpatient prescription drug spending in 2018.<sup>2</sup>
- As Maryland's population continues to grow, age, and become increasingly insured, the current primary care physician shortage will continue to accrue over time.

<sup>&</sup>lt;sup>1</sup> JAMA Internal Med (2019)

<sup>&</sup>lt;sup>2</sup> Maryland Health Care Commission (2020)

- It is estimated that the state needs to increase the number of primary care physicians by 23% by 2030 to meet the needs of our evolving population.<sup>3</sup>
- Primary care is both undervalued and underfunded, despite the evidence that it both improves health outcomes and reduces costs.<sup>4</sup>

#### What SB 734 does with Sponsor Amendment 183127/1:

- SB 734 is being introduced with a sponsor amendment that is the result of collaboration between the Maryland Health Care Commission, the Department of Health, and MedChi to introduce the most effective bill without sacrificing the intent of the original language.
- SB 734 as amended will establish a workgroup within the Maryland Health Care
  Commission comprised of representatives from the Office of the Maryland Primary Care
  Program (MDPCP), the Health Services Cost Review Commission, the Maryland
  Insurance Administration, representatives of the primary care community, and health
  services researchers with expertise in primary care.
- The workgroup will analyze spending on primary care services in the state and provide a report to the Governor and the General Assembly with findings and recommendations on an annual basis.
- The workgroup will be additionally tasked with analyzing considerations of health equity, disparities in health outcomes, and barriers to primary care access.

### What SB 734 Accomplishes:

- SB 734 establishes a workgroup within the Maryland Healthcare Commission that will provide to the General Assembly and the Governor recommendations to enhance patient outcomes, mitigate health disparities, and reduce barriers to primary care.
- SB 734 ensures that the General Assembly will be better appraised of primary care spending in the state to inform policy decisions in subsequent years.
- SB 734 aligns Maryland with numerous other states that have established similar workgroups, task forces, and commissions to analyze primary care services and make subsequent recommendations.<sup>5</sup>
- SB 734 affirms the legislature's commitment to facilitating the best quality of life for Marylanders.

<sup>&</sup>lt;sup>3</sup> Robert Graham Center

<sup>&</sup>lt;sup>4</sup> Implementing High-Ouality Primary Care: Rebuilding the Foundation of Health Care

<sup>&</sup>lt;sup>5</sup> State Legislation: PCMH and Advanced Primary Care