



MODERNIZING HEALTHCARE IN LOUISIANA



Amy Anderson

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Facts and Figures

- Less than 12% of Louisiana physicians are primary care providers (this includes general practice and internal medicine).¹⁴
- Visits to nurse practitioners cost an average of 20-30% less than physicians, which can positively impact state budgets.¹⁵
- By decreasing regulations on APRNs, states like Alabama and Texas were projected to save between \$720-730 million over 10 years.¹⁶
- States that have removed scope-of-practice barriers are estimated to see state and local revenue gains in the hundreds of millions of dollars from nurse entrepreneurs.¹⁷
- The ability of APRNs to alleviate physician shortages and physician burnout is significantly impacted by unnecessary contracts.¹⁸
- Nurse Practitioners in states restricting full practice authority pay a remarkable share of revenue to contracting physicians.¹⁹
- Removing barriers for APRNs was predicted to add hundreds of thousands of jobs in states like Texas.²⁰

Key Findings

With continued disruption in the healthcare system, a limited physician pool, and the need to improve the cost for consumers and the state, Louisiana should modernize the healthcare system by removing restrictive regulations that prevent APRNs from practicing to the full extent of their education and training.

Background

The U.S. health care system continues to face challenges impacting American's health. With questions surrounding the direction of healthcare reform, an aging population, looming retirements of healthcare workers, obstacles to the educational pipeline, an increase in insured Americans, and growing stress on healthcare professionals, access to care to healthcare is at risk.¹ The maldistribution of physicians, a disproportionate ratio of primary doctors to specialists, and nearly half of Americans managing a chronic disease, additional healthcare providers are needed to ensure access to high quality, low-cost care across the nation.² States with larger rural populations and those with regulatory barriers limiting access to qualified providers will see an impact on healthcare outcomes resulting in an increased cost of care.³ Decreasing regulations, increasing use of tele-health and technology, removing scope-of-practice barriers, and improving efficiency will be necessary to ensure essential providers are available to meet the demand.⁴

According to the Federal Trade Commission, significant costs to health consumers and payors results from overly restrictive regulations.⁵

Improving Access

It is estimated that rural communities are expected to grow by 30% over the next few years due to baby boomers retiring and moving away from urban locations.⁶ With thirty percent of physicians working in rural locations also expected to retire soon and only one-fifth of current younger physicians working in rural locations, a critical shortage of physicians will result in poorer health outcomes and higher healthcare costs. Rural communities are disproportionately impacted by poor health outcomes and fewer providers. **Advanced Practice Registered Nurses (APRNs)** which includes Nurse Practitioners, Certified Registered Nurse Anesthetists, Clinical Nurse Specialists, and Certified Nurse Midwives **are twice as likely to provide essential care in rural and underserved communities** improving accessibility for a state's most vulnerable citizens.⁷ With more than one-sixth of Louisiana (LA) residents living in rural areas, LA must move quickly to ensure additional professionals are available to adequately provide care without barriers to efficiency.^{8,9}

Cutting Red-Tape

Unnecessary contracts are currently required between physicians and APRNs in Louisiana (LA). These contracts cost hundreds of thousands of dollars per year and provide little, if any, actual supervision while restricting patient access to care and

increasing cost for consumers and payors. These non-physician providers are educated and trained to provide safe, high quality care to patients in a focused area of healthcare without physician oversight. Removing restrictive regulations and costly contracts aligns with free market principles and allows consumers to compare costs and choose their provider. There is no evidence suggesting negative effects on physician's income or patient outcomes in states that have removed barriers to APRN practice. Nurse practitioners provide high quality care with fewer incidences of malpractice than physicians.¹⁰ **Removing restrictive regulations** improves market conditions and ensures a healthy and robust workforce to care for the people of LA.

Reducing Cost

Louisiana continues to face a Medicaid financing gap caused by the unexpected number of older, costlier patients enrolling through the expansion and as the federal funding decreases over the next few years, reducing the cost of services is imperative to prevent continued budget shortfalls.¹¹ With the cost of a visit to an APRN being 20-30 percent less than the same visit to a physician, using APRNs will reduce the economic burden of state programs.¹² An estimated **\$4.2-8.4 billion can be saved** over the course of ten years in states using APRNs to the full extent of their education and training.¹³

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- ¹ Amy Anderson, "Impact of the Affordable Care Act on the Health Care Workforce", The Heritage Foundation, March 18, 2014, <https://www.heritage.org/health-care-reform/report/the-impact-the-affordable-care-act-the-health-care-workforce> (accessed February 17, 2018).
- ² Ibid.
- ³ Ibid; Partnership to Fight Chronic Disease, "NEW NATIONAL DATA SHOWS: THE PROJECTED TOTAL COST OF CHRONIC DISEASE FROM 2016-2030 IN AMERICA IS \$42 TRILLION" "<https://www.fightchronicdisease.org/latest-news/new-national-data-shows-projected-total-cost-chronic-disease-2016-2030-america-42>" (accessed February 16, 2018).
- ⁴ Amy Anderson, "Impact of the Affordable Care Act on the Health Care Workforce", The Heritage Foundation, March 18, 2014, <https://www.heritage.org/health-care-reform/report/the-impact-the-affordable-care-act-the-health-care-workforce> (accessed February 17, 2018).
- ⁵ US Federal Trade Commission (February 10, 2016). "Letter to the Honorable Kent Leonhardt, Senate of West Virginia, Regarding Competitive Impact", https://www.ftc.gov/system/files/documents/advocacy_documents/ftc-staff-comment-senate-west-virginia-concerning-competitive-impact-wv-senate-bill-516-regulation/160212westvirginiacomment.pdf (accessed February 12, 2018).
- ⁶ National Conference of State Legislature, "Meeting the Primary Care Needs of Rural America: Examining the Role of Non-Physician Providers", www.ncsl.org/research/health/meeting-the-primary-care-needs-of-rural-america.aspx (accessed February 15, 2018).
- ⁷ Ibid.
- ⁸ Ibid.
- ⁹ Rural Health Information Hub, "State of Louisiana", <https://www.ruralhealthinfo.org/states/louisiana> (accessed on February 15, 2018).
- ¹⁰ Deborah Chandler, "Comparison of ARNP and Physician Malpractice in States with and without Controlled Substance Prescribing Authority" (Doctoral Dissertation), http://etd.fcla.edu/CF/CFE0003212/Chandler_Deborah_C_201008_DNP.pdf (accessed February 5, 2018).
- ¹¹ Melinda Deslatte, "Spending on Louisiana Medicaid Expansion Boosted \$368M", May 22, 2017, <https://www.usnews.com/news/best-states/louisiana/articles/2017-05-22/368m-budget-boost-sought-for-louisiana-medicaid-expansion> (accessed February 14, 2018).
- ¹² Mary D. Naylor & Ellen T. Kurtzman (2010). "The Role of Nurse Practitioners in Reinventing Primary Care", *Health Affairs*, <http://content.healthaffairs.org/content/29/5/893.full> (accessed February 17, 2018).
- D.W. Roblin, D. H. Howard, E.R. Becker, E.K. Adams, & M.H. Roberts (2004)
- ¹³ Amy Anderson, "Impact of the Affordable Care Act on the Health Care Workforce", The Heritage Foundation, March 18, 2014, <https://www.heritage.org/health-care-reform/report/the-impact-the-affordable-care-act-the-health-care-workforce> (accessed February 17, 2018).
- ¹⁴ Louisiana State Board of Medical Examiners, "License Verifications", www.lsbme.la.gov/content/verifications (accessed February 15, 2018).
- ¹⁵ Mary D. Naylor & Ellen T. Kurtzman (2010). "The Role of Nurse Practitioners in Reinventing Primary Care", *Health Affairs*, <http://content.healthaffairs.org/content/29/5/893.full> (accessed February 17, 2018).
- ¹⁶ Roderick S. Hooker & Ashley N. Murchow (2015), "Modifying State Laws for Nurse Practitioners and Physicians Assistants Can Reduce Costs of Medical Services" *Nurse Economist*, <http://www.nursingconomics.net/necfiles/14ND/Hooker.pdf> (accessed February 15, 2018).
- ¹⁷ The Perryman Group (May 2012). "The Economic Benefits of More Fully Utilized Advanced Practice Registered Nurses in the Provision of Health Care in Texas: An Analysis of Local and State Wide Effects on Business Activity", <http://c.ymcdn.com/sites/www.texasnp.org/resource/resmgr/Advocacy/Perryman%20APRN%20Utilization%20Economic%20Impact%20Report%20May%202012.pdf> (accessed on February 15, 2018).
- ¹⁸ Tracy Yee, Ellyn Bourkis, Doris Cross, & Divya Samuel, "Primary Care Workforce Shortages: Nurse Practitioner Scope-of-Practice Laws and Payment Policies", National Institute for Health Care Reform, February 2013, <http://nihcr.org/analysis/improving-care-delivery/prevention-improving-health/pcp-workforce-nps/> (accessed February 7, 2018).
- ¹⁹ Grant R. Martsloff, David I. Auerbach, & Aziza Arifkhanova (2015). "The Impact of Full Practice Authority for Nurse Practitioners and Other Advanced Practice Registered Nurses in Ohio", The RAND Corporation, http://www.rand.org/content/dam/rand/pubs/research_reports/RR800/RR848/RAND_RR848.pdf (accessed February 12, 2018).
- ²⁰ The Perryman Group (May 2012). "The Economic Benefits of More Fully Utilized Advanced Practice Registered Nurses in the Provision of Health Care in Texas: An Analysis of Local and State Wide Effects on Business Activity", <http://c.ymcdn.com/sites/www.texasnp.org/resource/resmgr/Advocacy/Perryman%20APRN%20Utilization%20Economic%20Impact%20Report%20May%202012.pdf> (accessed on February 15, 2018).

Amy Anderson
Health Policy Consultant
Graduate Health Policy Fellow (former)
The Heritage Foundation
817-470-2681
amyanderson26@icloud.com

About the Consultant:



Amy Anderson has over 20 years of combined experience in health care, health policy, and higher education. Dr. Anderson has worked as a health policy consultant for organizations such as AARP and the Center to Champion Nursing in America. In 2013, Anderson was selected as a Graduate Health Policy Fellow at The Heritage Foundation (Harvard Fellowship) in Washington, D.C., where she analyzed the effects of the Affordable Care Act on health care delivery. Her research culminated with the publication of a widely read background paper, "Impact of the Affordable Care Act on the Health Care Workforce," in March of 2014. This research was highlighted on Real Clear Policy and named the second-most read research publication of 2014 at The Heritage Foundation.

Anderson's analysis of the ACA has been reviewed by professional groups and think tanks such as the Association of American Physicians and Surgeons and the National Center for Policy Analysis. She has been interviewed by journalists from *The Wall Street Journal*, *Nurse.com*, *Healthcare Finance News*, and regional radio. In December 2013, Anderson's op-ed on workforce shortages was selected for publication as the Big Idea column in *The Washington Times*. Anderson maintains her affiliation with The Heritage Foundation and continues to champion free market solutions to the challenges facing the healthcare system.