



Collaboration Between Physicians and Nurse Practitioners Contains Health Care Costs

Bringing down the cost of care must be a major goal of any change in health care policy in Michigan. The integrated, well-coordinated care provided in a physician led, patient-centered medical home (PCMH) has been proven to result in healthier populations while saving money. The PCMH model depends on the skills, education, and expertise of a team of health care providers, including nurse practitioners, caring for patients under the medical direction of primary care physicians to succeed.

Contrary to the claims of nurse practitioner organizations, independent practice by nurse practitioners would not lead to more efficient or cost-effective care; in fact, studies show the opposite would likely be the outcome.

Because they lack the training and medical education of physicians, nurse practitioners tend to refer patients to sub-specialists and order expensive diagnostic tests at a higher rate when they are not working with physicians.

A comparison of utilization rates among physicians, medical residents, and nurse practitioners in the same setting showed that:¹

- Utilization of medical services was higher for patients assigned to nurse practitioners than for patients assigned to residents in 14 of 17 utilization measures, and higher in 10 of 17 measures when compared with patients assigned to attending physicians.
- There was a 41% increased hospitalization rate in the nurse practitioner group, or 13 more hospital admissions per 100 patients than the group receiving care from physicians.
- There was a 25% increase in subspecialty visits in the nurse practitioner group, or 108 more visits per 100 patients per year than the group receiving care from physicians.

The researcher state that the findings suggest that increased use of nurse practitioners as primary care providers may lead to increased ordering of expensive diagnostic tests and higher rates of specialty visits and hospital admissions for patients assigned to nurse practitioners.

- From the study: “The higher number of inpatient and specialty care resources utilized by patients assigned to a nurse practitioner suggests that they may indeed have more difficulty with managing patients on their own (even with physician supervision) and may rely more on other services than physicians practicing in the same setting”

¹ Hemani A, Rastegar DA, Hill C, et al. “A comparison of resource utilization in nurse practitioners and physicians.” *Eff Clin Pract.* 1999 Nov-Dec; 2(6):258-265.

To Improve Access to High-quality, Cost-efficient Health Care, Invest in Team-based, Integrated Care Led by Primary Care Physicians

When patient care is well-coordinated, as it is when provided in a patient-centered medical home led by a primary care physician, it has proven to be of better quality and of lower cost. This model features a team-based approach that relies on the appropriate use of nurse practitioners and other health care providers in a collaborative practice designed to offer coordinated, efficient, and effective health care. Consider the evidence represented by these results from across the country:

- Blue Cross Blue Shield of Michigan's Provider Group Incentive Program (or PGIP) is one of the largest PCMH programs in the nation. According to a recent *Detroit News* article, the program saved Blue Cross \$80 million in 2010 due to a 25% reduction in hospitalization for patients with chronic diseases like diabetes. Additionally, it saved Blue Cross members money through a reduction in "unnecessary tests, prescriptions, doctor visits, avoidable hospital admissions and emergency room visits – all of which can have high co-pays or deductibles."
- The Genesee Health Plan based in Flint, Michigan developed a PCMH model for its health plan serving 25,000 uninsured adults. The Genesee model, called Genesys HealthWorks, invested in a team approach to improve health and reduce costs, and it resulted in 50% decrease in ER visits and 15% fewer inpatient hospitalizations, with total hospital days per 1,000 enrollees now cited as 26.6 % lower than competitors.
- Community care of North Carolina has experienced a 40% decrease in hospitalizations for asthma and a 16% lower ER visit rate after implementing the PCMH model for Medicaid beneficiaries. Total savings in those programs totaled \$400 million.
- Washington-based Group Health Cooperative implemented the PCMH model in 2009 and after one year, ER visits were reduced by 29% and ambulatory sensitive care admissions were down by 11%.
- Geisinger Health System in Pennsylvania has shown a 14% reduction in total hospital admissions relative to controls, and a 9% reduction in total medical costs after only 24 months of operation under the PCMH model.
- The list of successes for communities implementing the physician-led, PCMH model continues to grow. For more information, consult the Patient-Centered Primary Care Collaborative at www.pcpcc.net.

Advanced practice nurses are a vital part of Michigan's health care workforce. As part of a team dedicated to improving the health of our citizens, nurse practitioners collaborate with physicians to increase access to well-coordinated medical care in communities across the state. But allowing nurse practitioners to diagnose, treat, and prescribe without any physician collaboration will only serve to further fragment care at a time when more coordination is needed.

Nurse practitioners and physicians have the same goal: to keep Michigan's citizens healthy and productive, and to ensure that when they need it, patients have access to safe, high-quality medical care. Nurses and physicians provide the highest quality health care when they work together for the well-being of their patients. They are a team, striving each day for the better health of Michigan. This team should be supported and kept together by state policies that have the best interests of the patient in mind.