

New York State Academy of Family Physicians

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**Testimony before the
Joint Legislative Budget Hearing on
Health/Medicaid**

**February 28, 2023
9:30AM**

**Hearing Room B
Legislative Office Building
Albany NY**

Honorable Chairs and Members of the Senate and Assembly Health Committees, Senate Finance Committee and Assembly Ways & Means Committee, thank you for the opportunity to submit testimony related to our priorities for the SFY 2023-24 State Budget.

As background, the New York State Academy of Family Physicians represents nearly 6,000 physicians, residents and students in family medicine, specializing in primary and preventative care for New Yorkers. Our mission is *“Guided by principles of inclusivity and community, the NYSAFP empowers family physicians, residents, and students to lead through advocacy, education, and mentorship to improve the lives of our members and our patients.”*

Outlined below are our SFY 2023-24 State budget priorities related to funding and policy proposals. We appreciate your consideration and ask for your support.

Support for Primary Care Services & Training

(1) SUPPORT: Primary Care Investment

The SFY 2023-24 Executive Budget (per the Medicaid scorecard) provides \$17.7 million for SFY23 and \$35.3 million for SFY24 to increase Medicaid fees for primary care to 80% of Medicare.

Increasing Medicaid reimbursement rates are an important mechanism for supporting primary care and safety net providers who care for individuals enrolled in Medicaid. Promoting patient access to primary care and preventative services has been proven to increase patient health and outcomes, while reducing costs. We commend this smart investment in primary care and respectfully urge its inclusion in the Final State Budget. The benefits of investing in primary care are well documented. We believe approving this proposal will improve clinical outcomes, avoid preventable tests, hospitalizations and referrals, and stabilize primary care medical practices which have served the Medicaid population for too long without payment adequate to cover their overhead.

(2) SUPPORT: Funding for Doctors Across New York

NYSAFP strongly supports the Executive Budget proposal to provide funding for the Doctors Across New York (DANY) program at a level of \$15,865,000. With this funding, the state would be able to continue to support approximately 150 physicians going into primary care specialties to relieve educational debt and to assist with joining or establishing practices in underserved areas where they will work for at least three years.

This program helps to address the serious primary care physician shortages by recruiting and retaining primary care physicians to expand preventative healthcare access where it is needed the most. Please support the inclusion of this funding in the Final State Budget. We also believe NY should consider moving management of DANY to the Area Health Education Center (AHEC) system. Funding for AHEC is matched by the federal government. Moving this program to AHEC could double the amount of investment in this important program to help NY medical practices recruit and retain critically needed physicians.

(3) SUPPORT: \$2.2 Million for AHEC Funding

NYSAFP is very pleased to see that the Executive Budget includes state funding for the Area Health Education Center (AHEC) system. Due to the Legislature's past leadership and support, \$2.2 million in AHEC funding was restored in the final SFY 2023 Budget, and this amount is now in the Governor's budget for the upcoming fiscal year.

AHECs provide essential programming all across New York focused on addressing healthcare workforce shortages through pipeline and other initiatives, and addressing health disparities and equity challenges in urban and rural areas. For over twenty years, AHEC had received state funding, which is critical to the minimum 1 to 1 match of federal HRSA funds that AHECs receives to do this much-needed work.

We ask the Legislature for its continued support for \$2.2 million for AHEC in the Final Budget. Our communities greatly need their healthcare workforce programs and services.

(4) REQUEST: Please Support S2067, Stavisky/ A2230, Gunther and Our Request for a Legislative Add to Provide \$3 Million in Funding to Create a Clinical Preceptor Tax Credit

Precepting medical students has historically been an important part of medical practice and an essential tool in assuring clinical competence and exposure to medical practice experience. Preceptor clinicians are defined as physicians, physician assistants, specialist assistants, certified registered nurse anesthetists, registered professional nurses, nurse practitioners, clinical nurse specialists, and midwives under S2067/A2230. Clinical preceptors provide students with the necessary tools and experience to put their knowledge and skills from the classroom into practice; however, there is a substantial shortage of qualified preceptors in New York State.

In 2016, Pace University's College of Health Professions conducted a survey of both public and private institutions on the state of college and university clinical affiliations in New York. The survey included thirty-three institutions and found that 75% of them were having difficulty securing and maintaining clinical placements, and 93% of institutions cited "lack of interest by practitioners" as the primary challenge in securing placements. Additionally, our members in academic institutions and family medicine residency programs throughout the State report facing these challenges regularly. Many New York institutions are unable to afford to pay preceptors and many physicians cannot afford to precept students because the substantial time requirement distracts them from clinical and administrative work which generates revenue for the practice.

Giving preceptor clinicians a tax credit of up to \$3,000 per taxable year will address these issues and make New York State more competitive in the market for qualified preceptors. Other states like Maryland, Colorado, Georgia and Missouri have put clinical preceptor tax credit programs in place and report positive outcomes. New York State is home to many premiere institutions of higher education and it is critical for the State to ensure that these programs can remain competitive in the global market. **For these reasons, the New**

York State Academy of Family Physicians respectfully asks that the Legislature provide \$3 million in the State Budget this year to create a Clinical Preceptor Tax Credit Program.

Support for Lifesaving Tobacco Prevention Proposals

(1) SUPPORT: Tobacco Prevention Proposals in Executive Budget

The Executive budget includes proposals to end the sale of all flavored tobacco products, increase the state cigarette tax by \$1 and close existing loopholes in law related to restrictions on the sale of flavored e-cigarettes to ensure compliance.

Flavors like cherry, cotton candy, menthol and others have been used as a marketing weapon by tobacco manufacturers to make the use of tobacco products more attractive thereby leading many young people to a lifetime of addiction. Tobacco manufacturers have also targeted Black and Brown individuals and the LGBTQ+ communities with menthol products, leading to an unequal burden of death and disease.

Further, increasing the cigarette tax by \$1 per pack to \$5.35 per pack, as proposed is projected to generate significant public health benefits for New Yorkers including a decrease in youth smoking by 8.2 percent. It is also estimated that 44,800 adults who currently smoke will quit smoking. The projected reduction in youth smoking and cessation of smoking by adults would save over 15,300 lives. We estimate that this \$1 increase will generate approx. \$51 million in revenue for the state which we recommend be applied to support other healthcare needs including additional funding for tobacco cessation. The State spends \$9.7 billion every year in healthcare costs associated with treating tobacco-related illnesses.

Please support the inclusion of these critical public health and tobacco prevention measures in the Final State Budget to protect New Yorkers, particularly our youth, from the dangers inherent in using tobacco products.

Opposition to Removal of Physician Supervision Requirements for PAs

(1) OPPOSE: Independent Practice of Physician Assistants (PAs) Proposal

Section 17 of Part W of the Health and Mental Hygiene Article VII Bill would eliminate requirements for physicians to supervise physician assistants (PAs). While physician assistants are an integral part of the healthcare team, the current care and training model for PAs is with physician supervision. We believe this proposal would fragment patient care and compromise patient quality, safety and outcomes.

Currently, PAs are not trained to practice independently and have less training in the form of didactic and clinical education when obtaining their degrees. In a recent Medical Society survey, 75% of the physician respondents indicated that advanced care practitioners working independently during the pandemic under the Governor's Executive Orders (waiving physician supervision requirements) had committed an error

while treating a patient; 90% indicated that the error could have been prevented had there been physician oversight. The experience of PAs is not equal to that of physicians and quality for our patients would be sacrificed if PAs practiced without physician supervision.

We are also concerned that this legislation could result in increased health care costs because PAs overprescribe and over utilize diagnostic imaging and other services. For example, a study in the Journal of the American College of Radiology, which analyzed skeletal x-ray utilization for Medicare beneficiaries from 2003 to 2015, found ordering increased substantially – more than 400% by non-physicians, primarily nurse practitioners and physician assistants during this time frame.

The January 2022 edition of the [Journal of the Mississippi State Medical Organization](#), included an article by Batson et al. entitled "Mississippi Frontline – Targeting Value-based Care with Physician-led Care Teams". This was a retrospective study looking at almost 10 years of data from that Hattiesburg Clinic looking at over 300 physicians and 150 advanced practice nurse and physician assistant providers. *The study found that allowing advance practice providers to function with independent panels failed to meet goals in the primary care setting of providing patients with an equivalent value-based experience for quality of care, keeping costs stable and meeting patients' expectations and satisfaction with healthcare delivery.*

The Executive Budget proposes to make a very significant change to the care model in New York without proof that independent practice would not undermine quality or increase costs. An objective study is necessary to compare performance of PAs practicing without supervision with performance of PAs working under the supervision of physicians and would ensure that patient quality of care is not compromised. **For these reasons, the New York State Academy of Family Physicians strongly urges your opposition to this proposal and that it be rejected in the State Budget.**

Thank you for your consideration of our comments regarding the SFY 2023-24 State Budget. The shared goal of our members is to improve the quality of family medicine and advocate for patients throughout the State. Please continue to see our Academy as a resource on any health-related topic where we can be of assistance.