NORTH DAKOTA
MEDICAL
ASSOCIATION

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HEALTH SERVICES COMMITTEE
ND Legislative Council
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Madam Chair Lee and Committee Members, I'm Courtney Koebele and I serve the North Dakota Medical Association as executive director. NDMA is the professional membership organization for North Dakota physicians, residents and medical students. On behalf of NDMA I appreciate the opportunity to provide information regarding the future of health care delivery in the state.

North Dakota's physician workforce is the backbone of the health care delivery system in North Dakota. Today the stability of that workforce is challenged by the prospect of a looming national physician shortage.

North Dakota faces challenges common to other areas of the country that are relatively disadvantaged in attracting health care professionals and in deploying resources to serve geographically dispersed communities. At the same time, the North Dakota health care system has done better than most with fewer resources to provide quality care for North Dakota patients. North Dakota health care system has developed cooperative, interdependent relationships and a willingness to innovate in both the organization and regulation of services to achieve the reach, care coordination, and economies of scale for delivering quality and efficient care.

The North Dakota health care system is continually working to recruit physicians, and our North Dakota need for physicians has more to do with our geographic and resource disadvantage than national physician supply trends. A cooperation among physicians in our state and other health care professionals, our hospitals and other health care facilities, Medical School, payers and policymakers may be our best route to overcome our challenges to the future of North Dakota's physician workforce.

North Dakota is experiencing shortages and practice challenges in its physician workforce, including physicians in medically underserved areas and specialists across the state. Other influences that significantly affect the physician workforce, e.g., demographics, physician practice arrangements, shrinking payments for medical services, increasing practice costs and an aging patient population.

The Physician Population – North Dakota:

Overall, there are 1537 regular active physicians in North Dakota as of this week – this does not include retired physicians or residents or medical students. The 1537 physicians is an increase of 18% over the number of regular active physicians in 2005.

Primary Care – of the 1537 total physicians, 36% or 557 physicians are in primary care. For this purpose, we defined primary care as family and general medicine, internal medicine, and pediatrics. In primary care, 54% of the physicians are age 50 or younger.

Overall, 84% of physicians (1291) practice in urban areas of the state and 16% of physicians (246) practice in rural areas. Urban for this purpose is based on the primary locations of Bismarck-Mandan, Fargo - West Fargo, Grand Forks and Minot. Of the 1099 physicians affiliated or employed with the six major health systems, 91% practice in urban locations and 9% practice in rural locations.

69% of primary care physicians practice in urban areas and about 31% in rural areas.

There are attachments to my testimony with regard to the details of the physician population.

National Figures as of December 31, 2009:

- 37% all physicians younger than 45.
- 28% all physicians in Internal Medicine
- 15% in family medicine
- 13% in pediatrics
- 6.6% in general surgery

- International Medical School Graduates (IMG) account for 25.9% of total physician population

Telemedicine

Telepharmacy

Through the North Dakota Telepharmacy Project, a licensed pharmacist at a central pharmacy site supervises a registered pharmacy technician at a remote telepharmacy site through the use of video conferencing technology. The technician prepares the prescription drug for dispensing by the pharmacist. The pharmacist communicates face-to-face in real time with the technician and the patient through audio and video computer links.

40,000 rural citizens have had their pharmacy services restored, retained, or established through the North Dakota Telepharmacy Project since its inception. The project has restored valuable access to health care in remote medically underserved areas of the state and has added approximately $12 million in economic development to the local rural economy including adding 40-50 new jobs. Licensed pharmacists provide traditional pharmacy services, including drug utilization review, prescription verification, and patient counseling to a remote site via telepharmacy technology.

Telemedicine

During this last legislative session, the legislature passed HB 2041, which will allow the use of telemedicine for court ordered examinations in involuntary commitment proceedings. The view of telemedicine technology is that it is a growing field, with many possibilities, especially for a rural state like North Dakota.

Telemedicine is the use of medical information exchanged from one site to another via electronic communications to improve patients' health status. Closely associated with telemedicine is the term "telehealth," which is often used to encompass a broader definition of remote healthcare that does not always involve clinical services. Videoconferencing, transmission of still images, e-health including patient portals,

remote monitoring of vital signs, continuing medical education and nursing call centers are all considered part of telemedicine and telehealth.

UND School of Medicine and Health Sciences

NDMA commends the UND School of Medicine & Health Sciences and faculty, our state's residency programs and our volunteer physician clinical faculty for their outstanding training of physicians. Despite North Dakota's excellence in medical education and training, real challenges exist in retaining physicians who graduate from our medical school and residency programs.

We face an increasingly large gap between the demand for healthcare services which is projected to grow substantially over the next 15 years, and the supply of physicians and other healthcare providers.

NDMA believes it is critical that the state prepare adequately for our future healthcare workforce needs – on the supply side, we must increase the retention of our UNDSMHS graduates and increase the class sizes of our medical students, health science students and residents; and we must continue to maintain a practice environment in our state that facilitates recruitment of physicians to both rural and urban areas and encourages those physicians who practice here now to stay.

To strengthen North Dakota's physician workforce and to ensure that North Dakotans have adequate access to primary and specialty medical care, NDMA makes the following recommendations:

I. Enhancing physician recruitment and retention

- The state should recognize the substantial state economic impact of health care in North Dakota and implications for quality of life by addressing the future negative implications of insufficient state investments in health care infrastructure and resources.

II. Improve funding mechanisms and incentives

- Funding streams for graduate medical education should be expanded to create more residency opportunities in North Dakota. This past legislative session, the legislature did

approve new residency and medical school students opportunities, which is greatly appreciated.

- The State and Community Physician Loan Repayment Program [NDCC Chapter 43-17.2] should be maintained to encourage more physicians to practice in North Dakota communities. In general, private entities and federal, state, and local governments should provide greater financial support to assist new physicians with loan repayment in exchange for practicing in the state.

- At the NDMA annual meeting, the membership adopted a resolution to explore other incentive options for physicians. Some physicians, particularly those graduating from the International Medical Schools, (IMG) do not have student loans, so the loan incentive program is not an incentive. The state needs to explore other options for incentives to recruit and retain physicians.

III. Improving quality of care

- Insurance companies and government payors should provide appropriate benefits to encourage patients to focus on their *health* rather than their *coverage*.

- Initiatives should be developed to better educate the public on factors that impact the quality of their health, including emphasis on preventive care, health literacy and medication education. Strategies for assisting physician in educating their patients should be promoted.

- Technology, which includes data management, quality measures, and coordinated records management, should be expanded and coordinated to better link health providers with patients to create a more seamless and complete system of providing care to patients – a system that actually reduces workload and creates a practice environment that is more attractive to physicians.

- To better effectuate patient health care goals, physicians should continue to lead their teams of providers toward delivery of coordinated, efficient care.

- Good coordination of care through primary care is essential. Many groups including the American College of Physicians and Academy of Family Physicians are proposing the "medical home" as a promising new model for delivering health care. These and other approaches should be examined and pilots implemented to determine merit.

IV. Maintain payments for physicians and hospitals

- Medicaid payments must not be cut by the state. This last legislative session physicians were denied a 3% increase when every other entity was granted the 3% increase. In the 2009 legislative session, the North Dakota legislature increased substantially the payments to physicians to get them closer to actual cost. The 2011 session threatened the 2009 increase and any inflationary increase. The 2009 increase was maintained, however, the 3% increase was not given to physicians, as it was to every other health care provider. Any reduction in reimbursement will have an effect on the acceptance of Medicaid patients by North Dakota Physicians.

- The possibility of Medicare payments being cut to physicians is a stark reality in the federal system. North Dakota needs to ensure that the Medicaid payment reimbursement structure does not get further degraded when making payments to physicians.

V. Medical education and training

- To maximize North Dakota's ability to retain its North Dakota-trained medical students and to effectively build partnerships with the UNDSMHS and other academic centers, NDMA recommends:

- North Dakota's medical and residency programs should expand and pursue policies that will further support growth in highly qualified residents of North Dakota being accepted into medical school. More federal and state funding should be pursued for these expansions and additional state-specific solutions should be pursued.

- Provide additional support for existing family medicine programs to ensure their continued viability
- Add residencies
- Expand the medical school class and designate new slots for the **RuralMed Program**. This program will provide full funding for qualified students entering medical school with a contractual agreement to practice in selected rural communities
- Expand the allied health classes (including physical therapy, occupational therapy, and sports medicine)
- Expand the education of trainees in preventive medicine and geriatrics
- Provide the funding for expansion of the medical school building

Thank you Madam Chairman and Committee members for this opportunity to comment on behalf of North Dakota's physicians.

North Dakota Practicing Physicians

Geographic Composition

Physicians by City

City	Count	%	City	Count	%
Ashley	2	0.13%	Kenmare	1	0.07%
Belcourt	7	0.46%	Langdon	1	0.07%
Beulah	4	0.26%	Linton	2	0.13%
Bismarck	329	21.41%	Lisbon	3	0.20%
Bottineau	2	0.13%	Mandan	11	0.72%
Bowman	2	0.13%	Mayville	3	0.20%
Cando	1	0.07%	McVille	3	0.20%
Carrington	4	0.26%	Michigan	1	0.07%
Casselton	1	0.07%	Minot	153	9.95%
Cavalier	3	0.20%	Minot AFB	2	0.13%
Cooperstown	1	0.07%	New Town	3	0.20%
Crosby	2	0.13%	Northwood	2	0.13%
Devils Lake	18	1.17%	Oakes	3	0.20%
Dickinson	25	1.63%	Park River	3	0.20%
Dunseith	1	0.07%	Richardton	1	0.07%
Elgin	1	0.07%	Rolla	4	0.26%
Fargo	574	37.35%	Rugby	4	0.26%
Fort Totten	3	0.20%	Stanley	2	0.13%
Fort Yates	3	0.20%	Tioga	3	0.20%
Garrison	2	0.13%	Trenton	1	0.07%
Grafton	7	0.46%	Turtle Lake	1	0.07%
Grand Forks	212	13.79%	Valley City	10	0.65%
Harvey	3	0.20%	Wahpeton	18	1.17%
Hazen	2	0.13%	Watford City	1	0.07%
Hettinger	11	0.72%	West Fargo	12	0.78%
Hillsboro	2	0.13%	Westhope	1	0.07%
Horace	2	0.13%	Williston	34	2.21%
Jamestown	30	1.95%		1537	100%

Practice in Bismarck, Mandan, West Fargo, Fargo, Grand Forks, Minot	1291	83.99%
Remainder of State	246	16.01%
	1537	

Practice in Fargo and Grand Forks	798	51.92%
Remainder of State	739	48.08%
	1537	

Practice in Red River Valley	847	55.11%
Remainder of State	690	44.89%
	1537	

Big 6 = Sanford, Essentia, Altru, Trinity, Medcenter One, St Alexius (includes Mid Dakota, Bone & Joint)

Big 6 in Big Cities	1005	91.45%
Big 6 in Rural	94	8.55%
Big 6 Total	1099	

Age Composition

Practicing Physicians by Age		
Age	Number	% of Total
Under 31	23	1.50%
31-40	357	23.23%
41-50	414	26.94%
51-60	479	31.16%
Over 60	264	17.18%
Total	1537	

UNDSMHS Graduates Practicing in ND by Age		
Age	Number	% of Total
Under 31	11	2.28%
31-40	126	26.14%
41-50	160	33.20%
51-60	154	31.95%
Over 60	31	6.43%
Total	482	

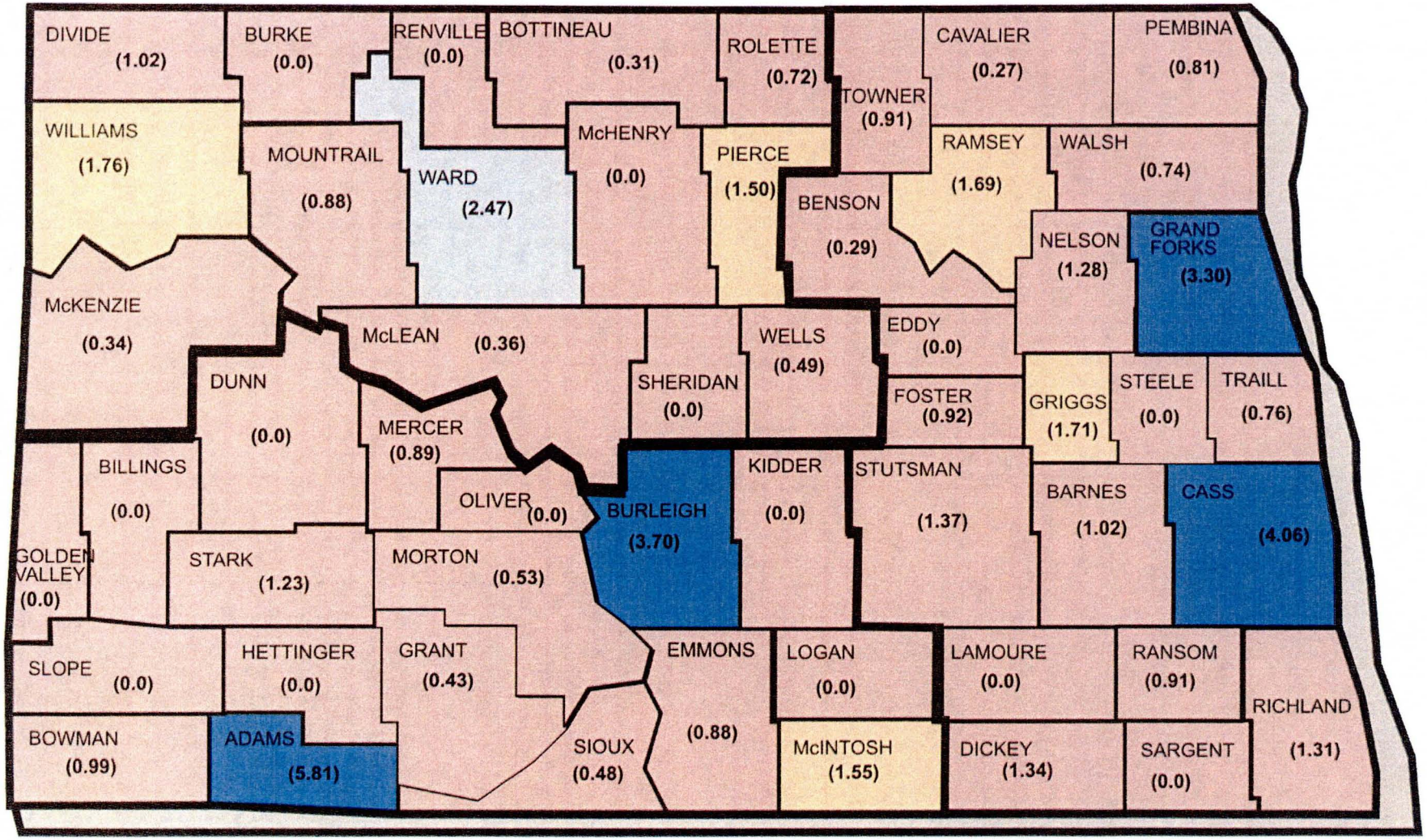
Primary Care Composition

Primary Care	557	36.24%	of all regular active
Non-Primary Care	980	63.76%	of all regular active
	1537		
Primary Care in Urban	385	69.12%	of all primary care
Primary Care in Rural	172	30.88%	of all primary care
	557		

UNDSMHS Graduates

Primary Care	231
All Specialties (includes primary care)	482

Physicians Per 1,000 Population



North Dakota AHEC
Area Health Education Center

0 - 1.40	2.35 - 2.81
1.41 - 1.86	2.82 +
1.87 - 2.34	ND AHEC Regions

For further information or questions, please contact Terri Lang
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