

The Crisis in El Paso

Health Care Professional Shortages



February 2009

Foreword

In light of dramatic expansion at Fort Bliss, Mayor John Cook and the Healthcare Council of the Greater El Paso Chamber of Commerce hosted a legislative discussion focused on health care on Monday, November 17, 2008. The purpose of the discussion was to identify health care issues of importance to the community that could be positively impacted through legislative action, whether that be through an appropriation of additional funding or through a change in statute that would improve a policy.

Approximately one hundred health care stakeholders from the community, ranging from providers and educators to advocates and legislative staff, participated in the legislative discussion. Five breakout sessions were held to address physician, nursing and allied health professional shortages as well as issues relating to mental health and dental care. The discussion was procedurally structured such that a health care issue was identified by participants, the data to support the issue was identified, and finally, potential legislative solutions to address the issue were discussed.

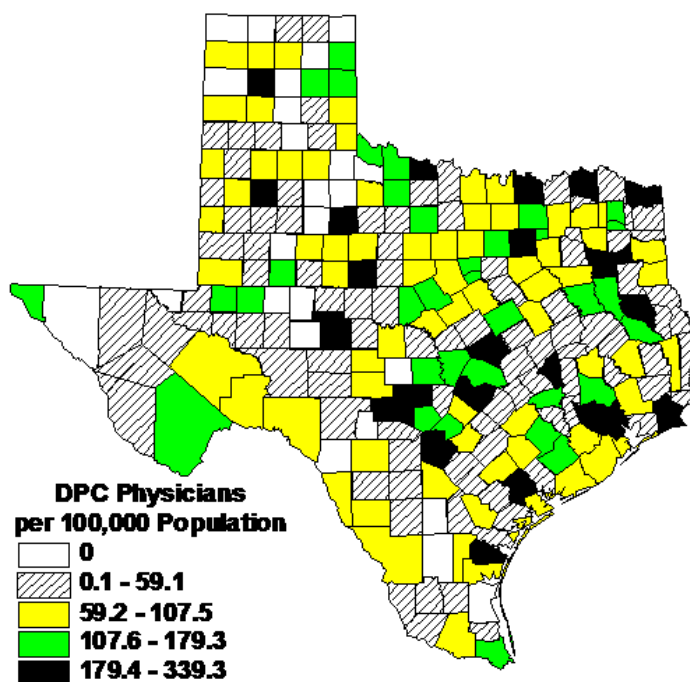
Health Care Professional Shortages

In a state with significant shortages in a variety of health care professions, El Paso is the least staffed large city in the United States. El Paso faces shortages in physicians, dentists, nurses, and allied health professionals. In 2008, El Paso County had only 109.1 direct care physicians per 100,000 people (versus 158.8 per 100,000 people statewide and 240 per 100,000 people nationwide).¹ The numbers for other health care professionals in El Paso County are equally challenging:

- Physician assistants: 10.7 per 100,000 people *versus* 17.3 per 100,000 statewide²
- Registered nurses: 525.6 per 100,000 people *versus* 671.3 per 100,000 statewide³
- Nurse practitioners: 18 per 100,000 people *versus* 22.1 per 100,000 statewide⁴
- General dentists: 17.9 per 100,000 people *versus* 37.2 per 100,000 statewide⁵
- All dentists: 23 per 100,000 people *versus* 43.5 per 100,000 statewide⁶
- Dental hygienists: 27.7 per 100,000 people *versus* 38.8 per 100,000 statewide⁷
- Licensed psychologists: 4.8 per 100,000 people *versus* 14.9 per 100,000 statewide⁸

The *Direct Care Physicians per 100,000 in Texas (2008)* map highlights the fact that physicians are not evenly distributed among the regions of Texas. Metropolitan Border areas had an average of 145.2 physicians per 100,000 residents while non-metropolitan Border areas averaged even less with only 70.7 per 100,000. Non-border areas have a much higher ratio of physicians with 170.7 per 100,000 in metropolitan areas and 88.7 per 100,000 in non-metropolitan areas.⁹

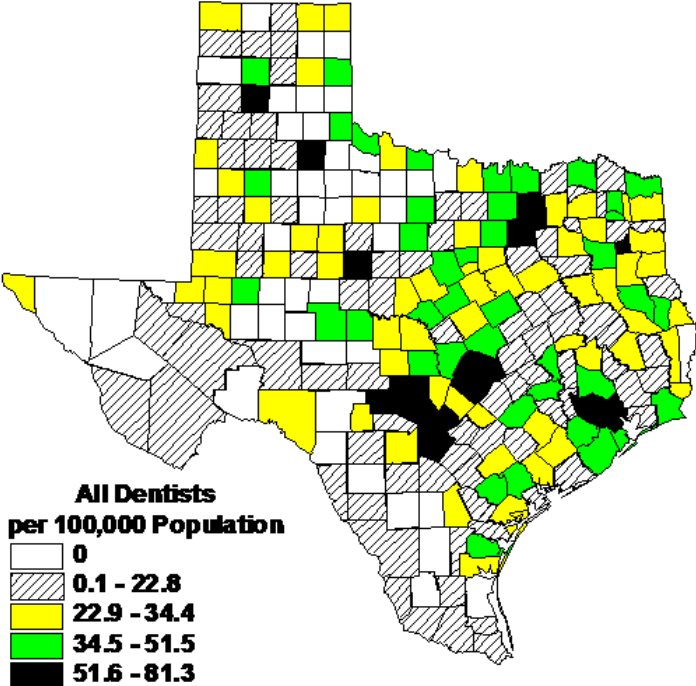
*Direct Care Physicians per 100,000 (2008)*¹⁰



The Texas population has grown from 14.7 million in 1981 to over 23.9 million in 2007.¹¹ By 2030, the population of Texas will grow to more than 33 million.¹² With the population continuing to increase, Texas will need to graduate more medical school students in the future. In 2000, 44 percent of physicians in Texas graduated from a Texas medical school, with 35 percent coming from other states, and 21 percent coming from other countries.¹³

The chart *Dentists per 100,000 Population, Texas (2008)* shows where dentists are located throughout the state. The Border has an extreme shortage of dentists, falling far short of the state average of 36.5 dentists per 100,000 population. In Border metropolitan areas, there are 15.7 dentists per 100,000 population while non-Border metropolitan areas have 41.1 dentists per 100,000. Even worse, Border non-metropolitan areas have only 11.8 dentists per 100,000 population while non-Border non-metropolitan areas have 25.2 dentists per 100,000.¹⁴

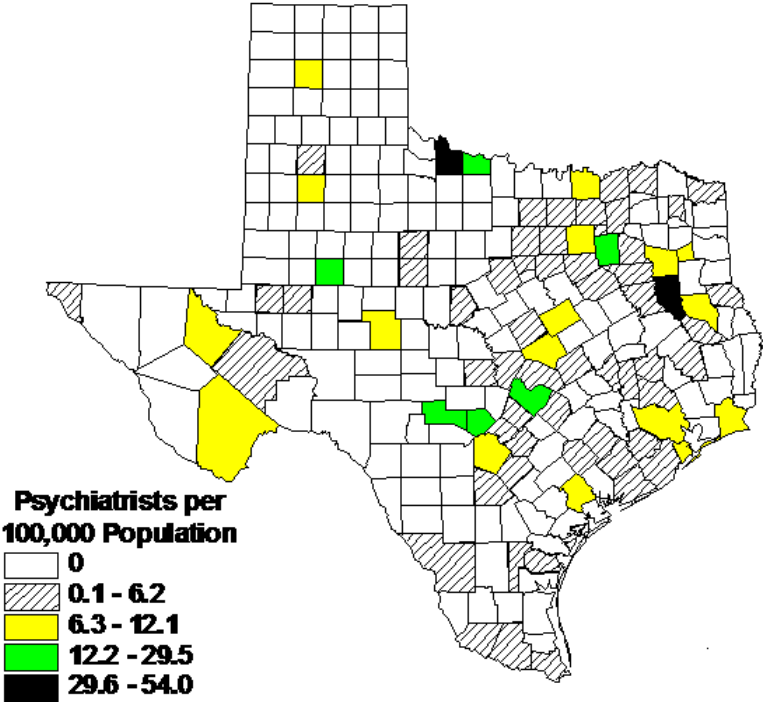
Dentists per 100,000 Population (2008)¹⁵



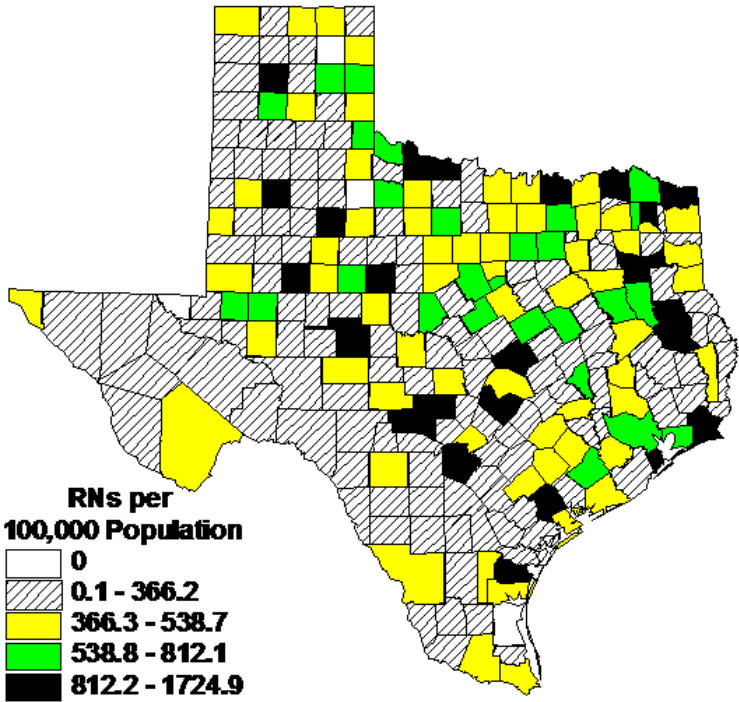
29 of the 43 counties in the Border region are currently designated "Dental Health Professional Shortage Areas" (26 whole counties; 3 partial counties).¹⁶ Furthermore, 12 counties in the Border region have no dentists, and 15 counties have no dental hygienists.¹⁷

The shortage of health professionals extends to many other disciplines. The Border counties are also considered medically underserved areas because of the lack of nurses, mental health professionals, pharmacists, physician’s assistants, and dental hygienists.¹⁸ The maps below show the distribution of psychiatrists and registered nurses throughout the state.

Psychiatrists per 100,000 Population (2008)¹⁹



Registered Nurses per 100,000 Population (2008)²⁰



In addition, as a result of Base Realignment and Closure (BRAC) in Texas, Fort Bliss will experience a large influx of troops and dependents over the next five years. Growth at Fort Bliss is estimated to be more than 65,000 (see DoD data below). Some health professionals will accompany units coming to El Paso. However, the majority of new health professionals to meet the DoD's needs will need to be recruited and retained in a targeted, coordinated initiative. Therefore, increasing El Paso's health care capacity is a top priority for our community.

	Baseline 2005		2006	2007	2008	2009	2010	2011	2012	Endstate 2012
Soldiers	9330	+/-	3844	948	2778	2764	7386	5901	4333	27954
		Cumulative	13174	14122	16900	19664	27050	32951	37284	37284
Spouses	4945	+/-	2230	550	1611	1603	4284	3423	2513	16213
		Cumulative	7175	7724	9336	10939	15223	18645	21158	21158
Children	10385	+/-	2952	728	2134	2123	5672	4532	3328	21469
		Cumulative	13337	14065	16199	18322	23994	28526	31854	31854
6-12 years (34%)	3531	+/-	1004	248	725	722	1929	1541	1131	7299
		Cumulative	4535	4782	5508	6229	8158	9699	10830	10830
13-18 years (29%)	3012	+/-	856	211	619	616	1645	1314	965	6226
		Cumulative	3868	4079	4698	5314	6959	8273	9238	9238
Total School Age	6543	+/-	1860	459	1344	1337	3574	2855	2096	13525
		Cumulative	8403	8862	10206	11543	15117	17972	20068	20068

At the Senate BRAC hearing held in El Paso earlier this year, William Beaumont Army Medical Center staff testified that BRAC alone will require an additional 615 doctors and 2289 nurses by 2017.

What will we do to meet the challenge?

In our view, this challenge represents a more acute version of mounting labor issues in the U.S. (e.g., shortage of teachers in secondary education). Baby boomers are aging—retiring from the existing workforce while also fueling the need for increased health care capacity. Pay and work conditions drive professionals to other professions. And in El Paso, an additional 65,000+ troops and dependents are driving historic needs in health and human services. Unless El Paso, the DoD and the state of Texas work together on a coordinated, common solution, new BRAC positions will be filled from an existing already strained health care system.

So what are the elements of our “solution” to the targeted goal of locating, recruiting, hiring and retaining health professionals to not only reach national per capita averages of health care professionals but to also meet the needs of the growing population? Inevitably, if we don’t get out ahead of BRAC needs, we will see cannibalizing of private sector health staffs that we must not allow to happen.

To meet this challenge, we must “import” health care professionals from other parts of the state as well as other states. In addition, we must develop strategies to “grow our own” health care professionals in El Paso.

Here's what we envision for the "import" strategy:

- Robust regional advocacy for full funding by the DoD of adequate staffing for BRAC-related needs in the DoD and VA budgets and related TRICARE reimbursement formulas so that local networks are not cannibalized.
- Provisional licensing for those who are unable to get Texas licenses, but are licensed and in good standing in one of the other 49 states.
- Target recruitment to geographic areas of applicants on file with Texas licensing authorities who have demonstrated desire to move to Texas.
 - Create a recruitment office for health care professionals within the Greater El Paso Chamber of Commerce.
 - Use billboards and other advertising media.
 - Several thousand medical professionals have applied for Texas licenses in Austin. Research where these professionals are moving from and develop a strategy to attract them to El Paso.
 - Research recruitment strategies employed by other cities (e.g., the strategy used by the City of San Francisco to recruit teachers).
- Establish a health enterprise zone at the Medical Center of the Americas.
- Increase federal reimbursement rates in BRAC-affected areas with FMAP revisions to increase system capacity. Rate increases should include those associated with TRICARE, Medicaid and CHIP.
 - Ensure DoD fully funds medical FTEs to prevent cannibalization of existing health care professionals by Fort Bliss medical facilities.
- Create a local incentive package, including:
 - Priority access to foreclosed properties
 - Low-interest mortgages
 - Subsidize homestead down payments
 - College scholarships for children of those who practice in El Paso for five or more years
 - Free bus passes or allowance for transportation & parking
 - Streamline J-1 visas for those in BRAC-affected areas
 - State and local property tax and franchise tax incentives for physician and related enterprise development

Here's what we envision for the "grow our own" strategy:

- Increase the number of residency slots in BRAC-affected areas.
- Provide scholarships based on service in El Paso County. For example, Paso del Norte Health Foundation will offer full scholarships to medical students who practice in El Paso for five years after graduation.
- Create a "Top Draft Choice" program that would identify promising students as early as sixth grade. School districts, El Paso Community College, UTEP and Texas Tech should work together to create a pipeline program that identifies potential health professions talent, works to finance health professions education, develops summer intern positions regionally, and creates curriculum opportunities to compress the time required to obtain a health professions degree.
- Create a joint six-year program through which students receive a bachelor's degree and a medical degree from UTEP and Texas Tech, respectively
- Increase funding for regional institutions of higher education to graduate more nurses and allied health professionals and work to eliminate the 70% retention requirement at THECB.
- Provide faculty stipends for those in nursing and allied health.
- Provide full scholarships for nurses and allied health professionals to obtain graduate degrees (i.e., increase the number of these health care professionals who can be faculty).

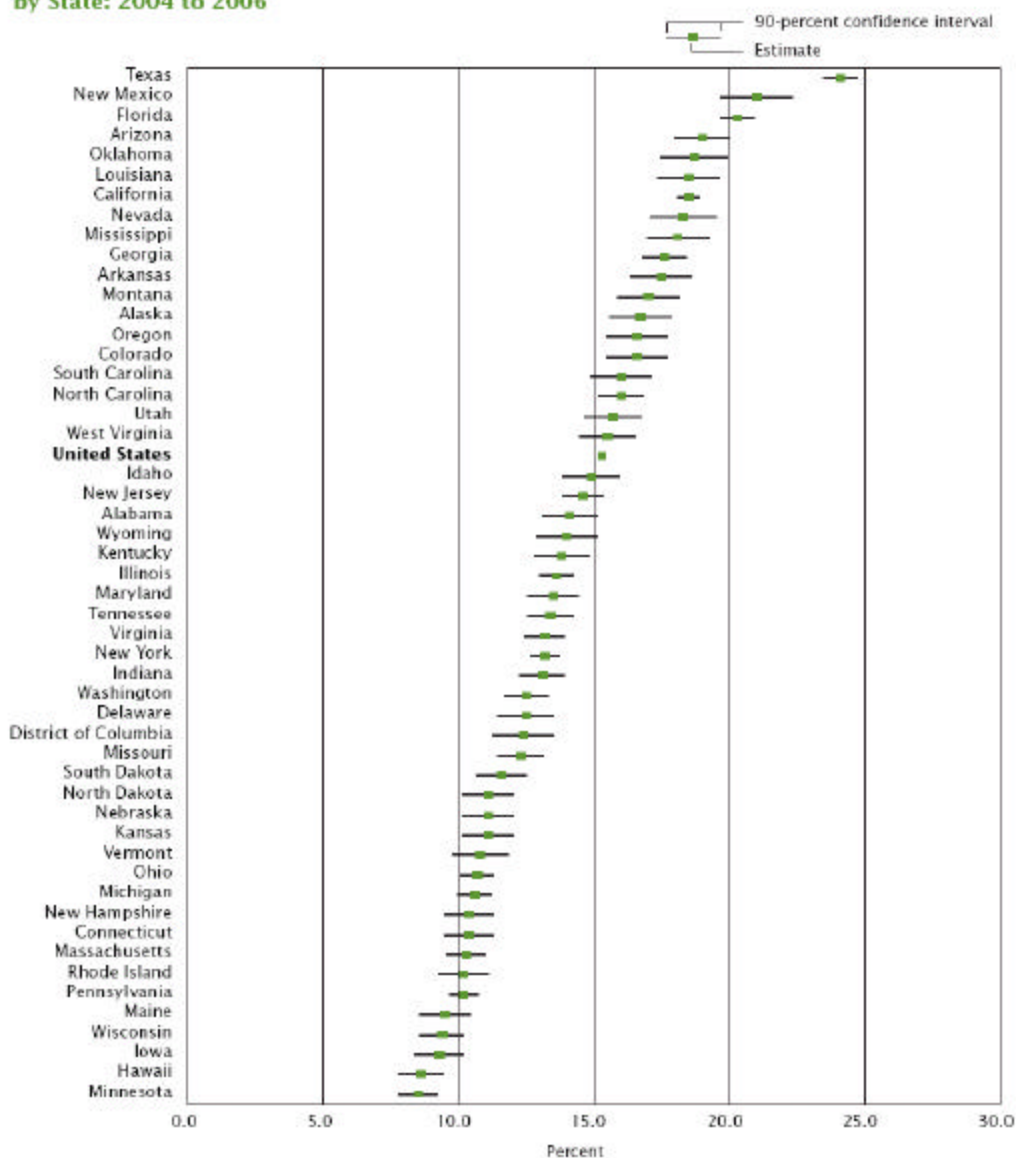
For El Paso to successfully address this challenge, we need coordination and leadership. This report was compiled to assist various community stakeholders in identifying and coordinating solutions. In our view, local, state and federal coordination will be the key to success in meeting the challenge of health professions shortages in El Paso County in the coming years.

The Uninsured

We cannot adequately understand the current shortage of health care professionals without first laying out the background on the uninsured population in this state. Where health care professionals choose to practice is inextricably linked to what percentage of a region's population has health insurance.

Texas has more uninsured residents than any other state, averaging 24.1 percent between 2004 and 2006.²¹ During the same time period, however, only 15.3 percent of the entire United States was uninsured.²² Indeed, as the chart *Three-Year Average Percentage of People Without Health Insurance Coverage by State: 2004 to 2006* shows, Texas had the highest percentage of uninsured residents.

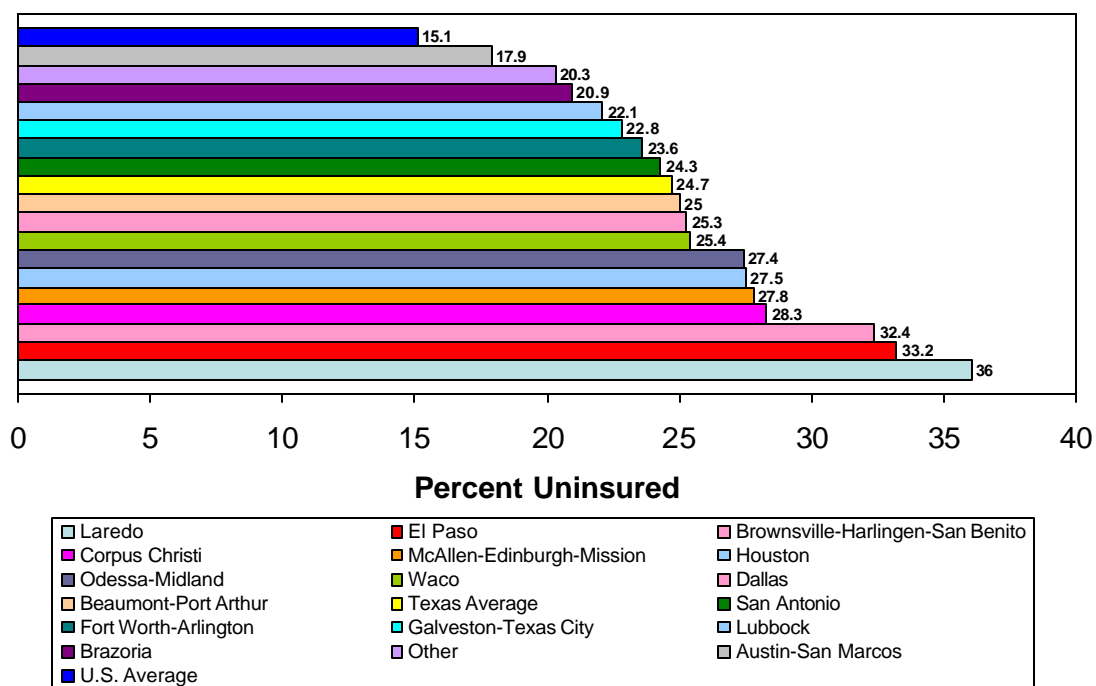
Three-Year Average Percentage of People Without Health Insurance Coverage by State: 2004 to 2006



Source: U.S. Census Bureau, Current Population Survey, 2005 to 2007 Annual Social and Economic Supplements.

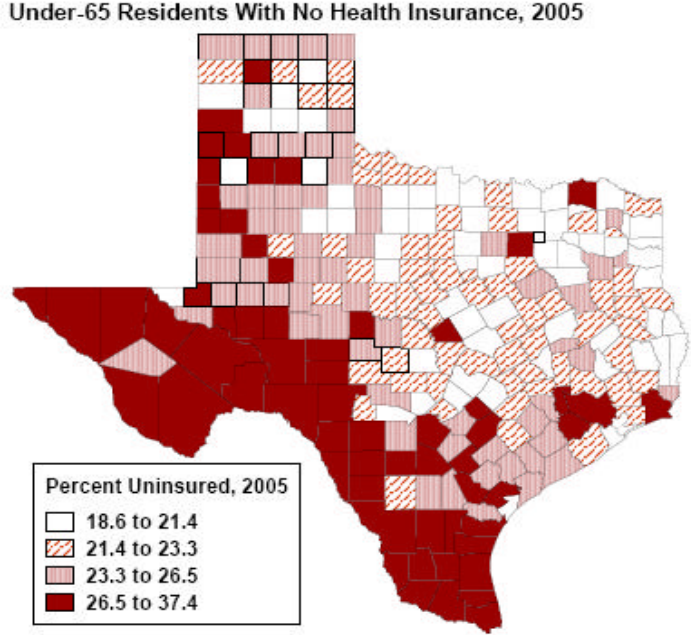
In 2006, one out of every four Texans was uninsured.²³ No Texas city—not Dallas, Houston or even Austin—reaches the national average for people with health insurance. As the chart below shows, the most uninsured Texas cities are all in the Border region with rates of 36% in Laredo, 33.2% in El Paso, 32.4% in Brownsville/Harlingen/San Benito, 28.3% in Corpus Christi, and 27.8% in McAllen/Edinburgh/Mission.

No Texas City Reaches the National Average of Citizens with Health Insurance



Source: The Uninsured, Texas State Comptroller's Office, April 2005.

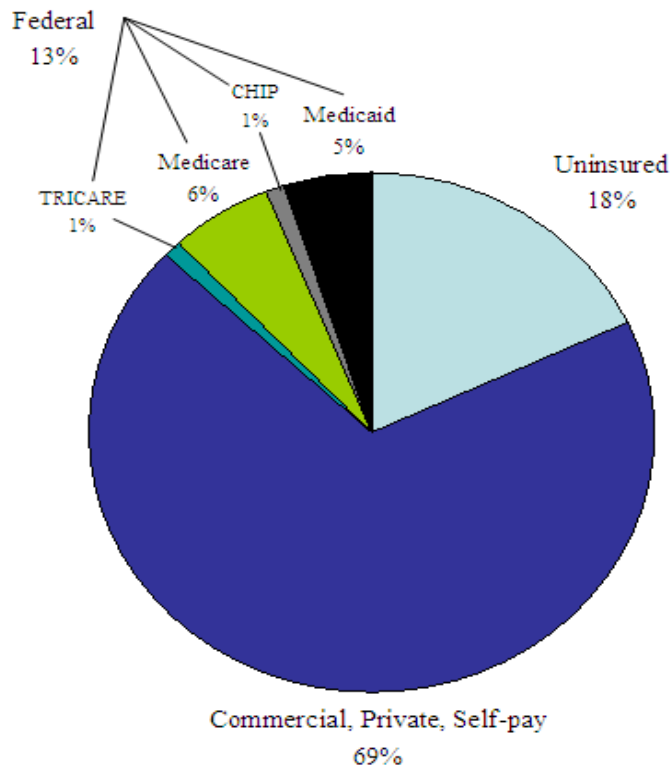
The chart *Under-65 Residents with No Health Insurance, 2005*²⁴ shows where the uninsured live in the state.



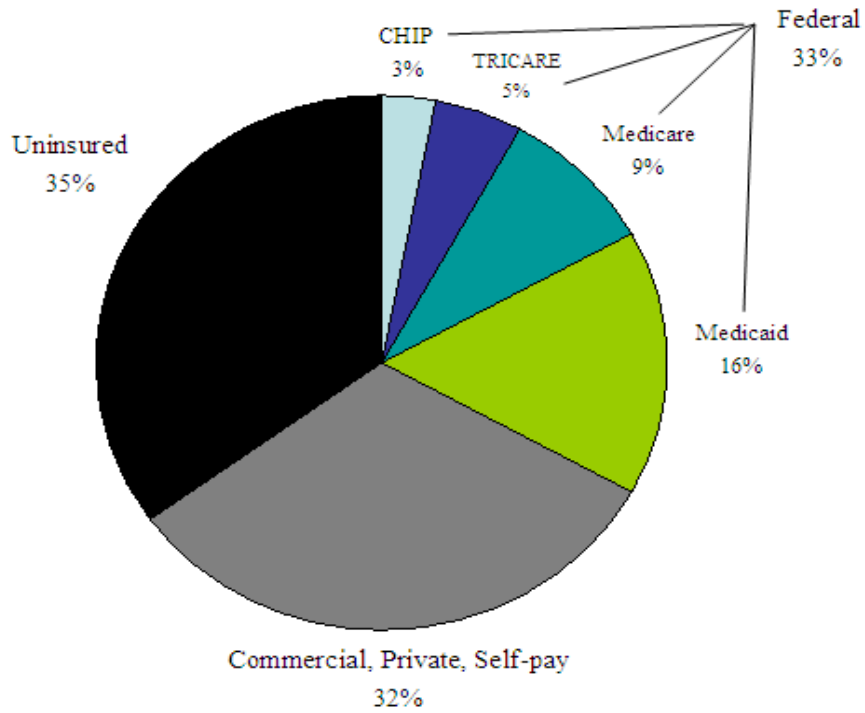
Compounding the problem of the uninsured, Texas spends significantly less per capita for Medicaid acute care services delivered on the Border than in other geographic regions of the state. Payments to health care providers are among the lowest in the U.S., thereby perpetuating an already severe shortage of providers along the Border.²⁵ As a consequence, state provider rates are themselves a root cause for the lowest access to health care services for any major population base in the United States. Through abysmally low reimbursement rates, state policy creates a disincentive for providers to practice in Border counties.

In the 43 counties of the Texas-Mexico Border, the mix of uninsured and insured is such that Medicaid and CHIP reimbursement rates control the market. Herein below are charts that demonstrate differences in the market share of Medicaid and CHIP in Travis County and El Paso County.

Estimated 2000 Insurance Mix for Travis County



Estimated 2000 Insurance Mix for El Paso County



Medicaid Capitation Rates

The reason the state has historically spent less per capita for Medicaid on the Border than in the rest of the state is because rates are based on historic utilization of health care services in a county. The Border has low utilization due primarily to the lack of health care providers and infrastructure. It is common knowledge that El Paso ranks near the bottom in comparison to the rest of the U.S. in terms of number of physicians, dentists, and every other type of provider. Infrastructure is so poor that the number of hospital beds per capita in itself is a crisis. For every 317 people in Texas, on average, there is one hospital bed; in El Paso County, there is one bed for every 339 people.²⁶

The Medicaid rates paid to physicians and dentists are woefully inadequate, particularly for a community like El Paso where Medicaid is a major payer for health care services. This problem is not limited to just the traditional Medicaid fee-for-service program. Under the Medicaid managed care program, the capitation rates paid to participating Health Maintenance Organizations (HMO) are set with the assumption that physicians will be paid the Medicaid fee-schedule. The chart *Adjusted Weighted Medicaid and CHIP Capitation Rate Disparities, 2006* shows the wide variation in rates in cities throughout the state.

Adjusted Weighted Medicaid and CHIP Capitation Rate Disparities, 2006

Organized by HMOs in Selected Care Service Areas

	Bexar Superior	Dallas Parkland	Harris Amerigroup	Lubbock Firstcare	Tarrant Amerigroup	Travis Amerigroup	El Paso Superior
TANF Children (> 1 year)	\$81.18	\$86.51	\$75.28	\$77.51	\$74.73	\$73.69	\$83.04
TANF Adults	213.41	191.29	227.92	203.50	238.18	193.85	206.16
Pregnant Women	358.30	310.37	320.04	501.47	318.23	322.44	345.09
Newborns	563.36	622.35	678.97	340.97	465.19	520.87	495.48
Expansion Children (> 1 year)	80.14	101.25	77.68	87.19	69.77	85.50	89.97
Federal Mandate Children	67.63	73.67	70.18	72.44	78.20	61.79	70.24
CHIP (ages 15-18)	87.15	119.94	83.64	94.53	101.71	n/a	96.06

Source: Texas Health and Human Services Commission

Capitation rates, or the fee per child, paid to managed care organizations participating in Medicaid are based on historic expenditures per capita. Cities like El Paso, which have always had disproportionately low Medicaid expenditures per capita, find themselves in a difficult situation. To achieve higher capitation rates, they must spend more per capita. But because the capitation rates are so low, it is impossible to spend more per capita. The disproportionately low per-capita expenditures, the low managed care capitation rates, and the wholly inadequate

Medicaid fee schedules have forced health care providers to significantly limit their participation in Medicaid or leave the program altogether. All of these factors negatively impact Medicaid recipients' access to services. We must develop a more objective methodology for determining reimbursement rates across the state.

¹ Texas Medical Board, Oct. 2008.

² *Id.*

³ Texas Board of Nurse Examiners, Sept. 2008.

⁴ *Id.*

⁵ Texas State Board of Dental Examiners, Aug. 2008.

⁶ *Id.*

⁷ *Id.*

⁸ Texas State Board of Examiners of Psychologists, Sept. 2008.

⁹ Health Professionals Resource Center, Texas Department of State Health Services, *Supply Trends Among Licensed Health Professionals, Texas 1980-2007*, Dec. 2007.

¹⁰ Prepared by Health Professionals Resource Center, Center for Health Statistics, Texas Department of State Health Services, Jan. 30, 2009.

¹¹ U.S. Census Bureau, *Annual Population Estimates, 2000-2007*, available at: <http://www.census.gov/popest/states/NST-ann-est.html> (last accessed: Jan. 24, 2008).

¹² U.S. Census Bureau, *State Interim Population Projections by Age and Sex: 2004-2030*, available at: <http://www.census.gov/population/www/projections/projectionsagesex.html> (last accessed: Jan. 24, 2008).

¹³ Texas Medical Association, U.S. Department of Health and Human Services, Health Resources and Service Administrations, and the Texas State Board of Medical Examiners, *Where Texas Physicians Went to Medical School*, 2000.

¹⁴ Health Professionals Resource Center, Texas Department of State Health Services, *Supply Trends Among Licensed Health Professionals, Texas, 1980-2007*, Dec. 2007.

¹⁵ Prepared by Health Professionals Resource Center, Center for Health Statistics, Texas Department of State Health Services, Jan. 30, 2009.

¹⁶ Health Professionals Resource Center, Center for Health Statistics, Texas Department of State Health Services, *Dental HPSA Designations, Texas 2007*, available at <http://www.dshs.state.tx.us/chs/hprc/DentalWC.shtm> (last accessed: Jan. 28, 2008).

¹⁷ Health Professionals Resource Center, Texas Department of State Health Services, *Supply Trends Among Licensed Health Professionals, Texas, 1980-2007*, Dec. 2007.

¹⁸ *Id.*

¹⁹ Prepared by Health Professionals Resource Center, Center for Health Statistics, Texas Department of State Health Services, Jan. 30, 2009.

²⁰ *Id.*

²¹ U.S. Census Bureau, *Income, Poverty, and Health Insurance Coverage in the United States: 2006*, available at: <http://www.census.gov/prod/2007pubs/p60-p233.pdf>

²² *Id.*

²³ U.S. Census Bureau, *Current Population Survey, Annual Social and Economic Supplement, 2007*, available at: <http://www.census.gov/cgi-bin/broker> (last accessed: January 18, 2008).

²⁴ Eva DeLuna Castro, Anne Dunkelberg, F. Scott McCown, Miryam Bujanda, Ed Codina, Kevin C. Moriarty, *The Texas Health Care Primer, Revised 2007*, Center for Public Policy Priorities, Nov. 2007.

²⁵ Ralitsa B. Akins & Gilbert A. Handal, *Disparities in Children's Access to Healthcare in the Border Region: Issues, Solutions and Opportunities for Healthcare Policy Makers*, PUBLIC POLICY ISSUES RESEARCH TRENDS, Chapter 2, 2007.

²⁶ Texas Department of State Health Services