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In the Spotlight: Health Care Reform and Provider Supply

The signature achievement of the Affordable Care Act (ACA) is its dramatic expansion of health insurance; when fully enacted, another 32 million Americans will be covered through broadened eligibility for Medicaid and by mandating that most Americans are insured. This improved access to care is a critical step towards fixing the health care system, but will also bring with it significant challenges – particularly when it comes to patients' ability to see their health care providers. Generally, scheduling an appointment boils down to a simple matter of (provider) supply and (patient) demand.

Even before health care reform, North Carolina and other states were facing a shortage of health care providers – especially in rural areas. Growth in provider supply wasn't keeping pace with population growth or the corresponding increased demand for health services. The sudden entrance of another 32 million newly insured individuals in 2014 is likely to exacerbate this existing shortage because demand for services will dramatically increase almost overnight; yet it will take many years for provider supply to catch up. In fact, some are predicting a 90,000 doctor shortfall by 2020 in the United States.

The ACA attempts to remedy this shortage through a number of means:

- $320 million grants to expand the primary care workforce
- Expand scholarships and loan repayments through the National Health Service Corps for doctors, nurses and other health care providers who work in areas with a shortage of health professionals; 5% of North Carolina's population live in these underserved areas
- State Health Care Workforce Development grants to plan and implement approaches to increase the number of health care workers
- Rural Physician Training Grants to assist recruiting students that are likely to practice medicine in underserved, rural communities
- Grants to develop and operate primary care training programs, provide financial assistance to trainees, enhance faculty development in primary care and establish, maintain, and improve academic units in primary care
- Dentistry grants for training, faculty development, dental faculty loan repayment, and to support academic administrative units
- Teaching health centers development grants to support new or expanded primary care residency programs

North Carolina has received several such grants including those for state health care workforce development, primary care extension, teaching health centers development and several to expand the nursing workforce. These grants will be used to streamline process and expand the workforce – each represents a significant step in the right direction for providers, patients and the health care community in general. However, pressing concerns about provider supply remain - across the nation, but especially in rapidly growing states like North Carolina.

BCBSNC Views

In order for health care reform to work, the demand of newly insured patients must be met by the supply of available providers. Blue Cross and Blue Shield of North Carolina commends the efforts of the federal government to expand the workforce through grants, scholarships and loan repayment programs but the situation remains dynamic and may require additional attention in the near term. We're committed to doing our part to find a solution. BCBSNC looks forward to continuing to work with provider communities in North Carolina to remedy these and other challenges presented by health care reform.

For More Information

Healthcare.gov "In Focus" on Providers: http://www.healthcare.gov/law/infocus/providers/

North Carolina Medical Journal, "Health Reform and Workforce: The North Carolina Connection": http://www.ncmedicaljournal.com/May-Jun-10/Ricketts.pdf

CMS Hospital Center: https://www.cms.gov/center/hospital.asp

White House ACA Brief on North Carolina Impacts: http://www.whitehouse.gov/files/documents/health-reform-states/affordable-care-act-immediate-benefits-nc.pdf

BCBSNC Spotlight on Providers: http://www.bcbsnc.com/assets/hcr/pdfs/provider_overview.pdf

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