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New Report: U.S. Primary Care System Crumbling Amid Historic Disinvestment and Surge in Chronic Diseases

Scorecard with National and State Level Data Reveals Workforce Shortages, Low Primary Care Reimbursement, and Reduced Patient Access to Vital Services

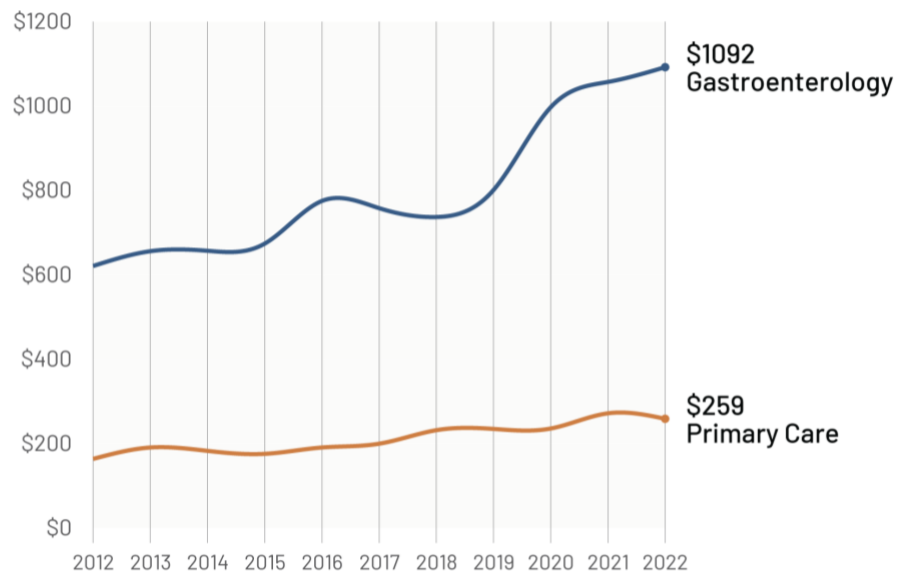
February 18, 2025 – As the nation faces a widespread surge in chronic diseases, the third *Primary Care Scorecard* highlights how systemic disinvestment in U.S. primary care is posing a grave threat to the wellbeing of communities nationwide. Developed by researchers at the Robert Graham Center for Policy Studies in Primary Care and co-funded by the Milbank Memorial Fund and The Physicians Foundation, [The Health of US Primary Care: 2025 Scorecard](#) report and its state data dashboard track key metrics of primary care performance, underscoring critical gaps at the national and state level.

KEY FINDINGS INCLUDE:

1. Systemic Undervaluation: Disinvestment and fee-for-service payments are hindering physicians' ability to meet growing patient needs

- In 2022, primary care accounted for less than 5% of total U.S. health spending, with spending on Medicare falling to 3.4% and Medicaid to 4.3%.
- Fee-for-service reimbursement models reward procedures over comprehensive care, and undervalue the primary care workforce. In 2022, the average reimbursement for a primary care visit was \$259, compared to \$1,092 for a gastroenterology visit.

Per Visit Revenue for Primary Care is One-Fifth of Revenue for Procedure-Heavy Specialties (2012-2022)



Data Sources: Analyses of Medical Expenditure Panel Survey data, 2012-2022. Notes: The primary care narrow definition is restricted to primary care physicians only. Primary care specialties included family medicine, general practices, internal medicine, geriatrics, pediatrics, and osteopathy.

State Highlights:

Oregon leads the nation, allocating 7.1% of its health care spending to primary care, far above the national average of 4.6%. Oregon also ranks highest in primary care spending for Medicaid (8.2%) and Medicare (6.4%).

2. Diminishing Workforce: Primary care clinician shortages worsen access to care

- The number of primary care clinicians, including physicians, nurse practitioners (NPs), and physician assistants (PAs), decreased from 105.7 per 100,000 people in 2021 to 103.8 per 100,000 in 2022.
- The percentage of NPs and PAs in primary care dipped to new lows of 30% and 24.3% in 2022, respectively, compared with 34% and 29.7% in 2021.
- More than 30% of U.S. adults lacked a usual source of care in 2022—marking the highest level in a decade, despite historically high rates of insurance coverage during this period.

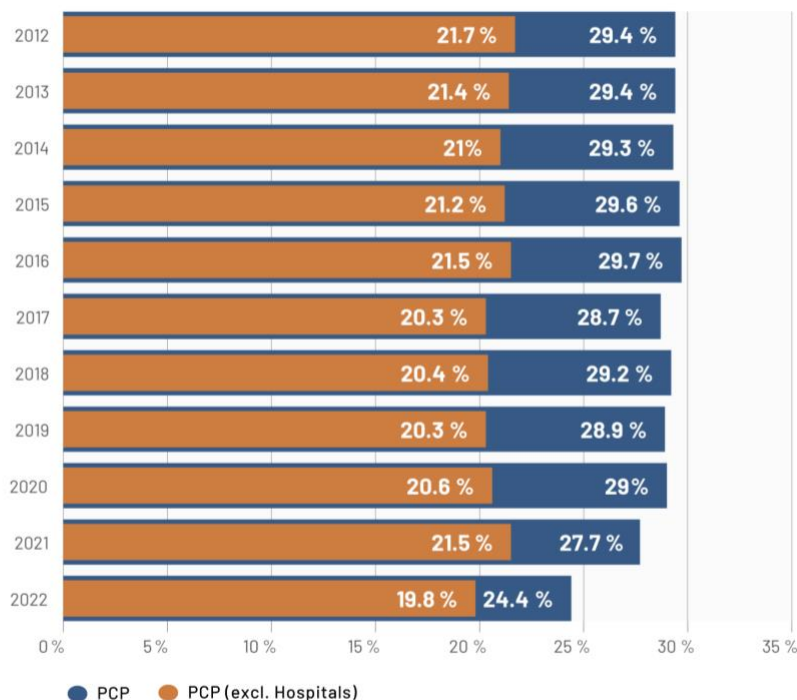
State Highlights:

Vermont has the highest density of primary care clinicians, with 216 primary care clinicians per 100,000 people—more than double the national average of 103.8.

3. Misplaced Training Dollars: Lack of funding for community-based training impacting the primary care physician pipeline

- Hospital-based graduate medical education (GME) receives significantly more funding than community-based programs, a disparity linked to fewer new primary care physicians entering the workforce.
- The rate of new primary care residents has remained stagnant at 17 per 100,000 people, even as residency slots in other specialties have grown.
- In 2022, only 24.4% of new physicians entered primary care—or 19.8% when excluding those practicing in hospitals—marking the lowest rate in a decade.

Percentage of New Physicians Entering Primary Care Drops to Lowest Rate in a Decade (Hospitalists vs. Non-Hospitalists) (2012–2022)



Data Sources: Analyses of the 2024 American Medical Association Historical Residency File, the 2024 American Medical Association Masterfile, and the 2012–2022 Center for Medicare and Medicaid Services Physician and Other Practitioners data
Notes: Primary care specialties included family medicine, general practices, internal medicine, geriatrics, and pediatrics. Specialty for doctors of osteopathy (DOs) are not always included in the American Medical Association Masterfile, so these data may be an underestimation of the true workforce. (See limitations in Appendix for more details.)

State Highlights:

Montana provides 65% of its medical training in community-based settings, far surpassing the national average of 16%.

North Dakota has the highest percentage of new physicians entering primary care, at 46.6%, double the national average.

“Health systems and payers are asking primary care physicians to take on more — manage multiple complex conditions, answer patient emails, handle insurance administration, and provide mental health and social needs screenings,” said Christopher F. Koller, President of the Milbank Memorial Fund. “Despite this heavy workload, primary care physician salaries are 30% lower than other physicians because of an outdated payment system that makes it hard to receive reimbursement for essential services. If we want to draw more people to primary care, we need to invest now by changing how we pay for it.”

The Scorecard was developed in response to a call for an annual tracking tool to inform primary care policy issued by the National Academies of Sciences, Engineering, and Medicine (NASEM) in their 2021 report, *Implementing High-Quality Primary Care Rebuilding the Foundation of Health Care*. Along with tracking the health of primary care, the Scorecard provides progress updates on the NASEM report’s policy recommendations for federal and state governments, health care organizations, and payers.

“With chronic diseases on the rise, primary care has never been more essential to the health of our nation,” said Ripley Hollister, MD, board member of The Physicians Foundation and a practicing family physician. “Yet, despite its pivotal role, primary care remains underfunded and undervalued—placing immense strain on our healthcare system and limiting patients’ access to critical care. The Physicians Foundation is dedicated to reversing this trend by championing increased investment and systemic support for primary care. The latest Primary Care Scorecard makes one thing clear: we stand at a critical moment for primary care. To safeguard the future of health care, we must act now to strengthen and prioritize primary care, ensuring every patient receives the high-quality, accessible care they deserve.”

About The Milbank Memorial Fund

The Milbank Memorial Fund works to improve population health and health equity by collaborating with leaders and decision makers and connecting them with experience and sound evidence. Founded in 1905, the Milbank Memorial Fund advances its mission by identifying, informing, and inspiring current and future state health policy leaders to enhance their effectiveness; convening and supporting state health policy decision makers to advance strong primary care and sustainable health care costs; and publishing high-quality, evidence-based publications and *The Milbank Quarterly*, a peer-reviewed journal of population health and health policy. For more information, visit www.milbank.org.

About The Physicians Foundation

The Physicians Foundation is a nonprofit seeking to advance the work of practicing physicians and help them facilitate the delivery of high-quality health care to patients. As the U.S. health care system continues to evolve, The Physicians Foundation is steadfast in strengthening the physician-patient relationship, supporting medical practices’ sustainability and helping physicians navigate the changing health care system. The Physicians Foundation pursues its mission through research, education and innovative grant making that improves physician wellbeing, strengthens physician leadership, addresses drivers of health and lifts physician perspectives. For more information, visit www.physiciansfoundation.org.