Physician retirement, practice closures and discontinuity of primary care - What are the causal impacts on patients?

From the perspective of patients, the closing of a primary-care practice causes a discontinuity of care, which bears consequences for patients with long-standing doctor-patient relationships. First, interruptions in care may lead to inefficient utilization of healthcare services. Second, the literature consistently finds that continuity of care is beneficial for patients' health-related outcomes. Moreover, practice closures decrease the local availability of primary care, which disproportionally affects peripheral areas.

This paper studies closures of primary-care practices in Switzerland from 2005 to 2015 to estimate the causal impacts of discontinuities of primary care on patients' utilization patterns, medical expenditures and health-related outcomes. Employing a difference-in-difference framework, we identify causal effects by comparing changes in outcomes between an affected group of patients ('treatment group') and an unaffected group that does not experience changes in primary care provision ('control group'). Our main findings are twofold. First, when faced with a discontinuity of primary care, patients adjust their utilization pattern by shifting visits away from ambulatory primary care providers (-5%) towards specialized care (+10%) and emergency departments of hospitals (+14%). Secondly, practice closures increase patients' total health care expenditures by 4.6%. Two policy-relevant implications are that practice closures may lead to an inefficient use of healthcare services and have adverse effects on social health insurance which must cover higher costs. These implications are relevant for health planners and policy makers, health insurers and physicians.

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