

# Patient-Centered Primary Care COLLABORATIVE

## STATE LEADERSHIP HIGHLIGHTS

*States are leading the way when it comes to prioritizing advanced primary care through increased spending or measurement designed to encourage increased spending. A variety of PCPCC members and partners are engaged at both the state and federal levels. Please find below a brief update on some of the most exciting examples of state leadership.*

### Showing Strong Results

#### Rhode Island



- From 2009 to 2014, Rhode Island regulators required commercial insurers to raise their primary care spending rate by 1 percentage point per year (using strategies other than increasing fee-for-service rates) as a condition of having their rates approved.
- Insurers responded by spending more on patient-centered medical homes, accountable care organizations (ACOs), performance incentives, and “common good” services such as health information technology, practice transformation, and loan-repayment programs.<sup>i</sup>
- The state measured and increased its primary care spending from 5.7% in 2008 to 9.1% in 2012. Over this same period, total healthcare expenditures fell 14%.<sup>ii</sup>

#### Oregon



- In 2009, Oregon’s legislature established the Patient-Centered Primary Care Home (PCPCH) program and a task force of clinicians, consumers, public health and healthcare delivery experts. The task force made strong recommendations for primary care homes and launched an institute to convene and broker resources, create a centralized learning system, and provide technical assistance to clinics.
- In 2016, striking results were published showing reductions in costs and utilization that totaled \$240 million in the first three years. It found that for every additional dollar Oregon spent on primary care, savings of \$13 were found in other services, such as specialty care, emergency department and inpatient care.<sup>iii</sup>
- In 2017, Oregon’s legislature unanimously passed legislation setting a minimum threshold for all payers - both commercial and public – of at least 12 percent of total medical expenditures on primary care.

## Significant Progress Underway

### Delaware

In 2018, Delaware passed primary care legislation that may lead to an Oregon-like transformation. It will:



- Create a Primary Care Reform Collaborative that will issue written recommendations by January 2019 including if 12% of health spending should be directed to primary care.
- Require payers to participate in a Health Care Claims Database.
- Requiring payers to reimburse primary care physicians, certified nurse practitioners, physician assistants, and other front-line practitioners at no less than the physician Medicare rate for the next three years.

care spending by an all payer health claims database.

- Stakeholders collaborated to produce an initial primary care spending report using the state's APCD and are considering next steps to drive progress with both the legislature and governor.

### California

- In 2018, California primary care stakeholders introduced AB-2895, the Primary Care Spending Transparency Act. This legislation did not pass in 2018.
- The legislation would have required payers to annually report the percentage allocated to primary care and created a payment reform collaborative.



## Next in Line

### Colorado

- In 2018, Colorado stakeholders came together in support of HB18-1365 – Primary Care Infrastructure Creation. While significant progress was made, the legislation did not pass in 2018.
- The legislation would have created a primary care payment reform collaborative and reporting on primary



### Vermont

- In 2015, the Primary Care Payment Work Group identified how a capitation payment model for primary care might be implemented in Vermont.
- The work included significant analysis of primary care spending, and recommendations increase the share of total healthcare expenditures that flow to primary care providers.
- The Vermont All-Payer ACO Model includes a primary care spend measure.



## IS YOUR STATE LISTED?

- *If not, let's make it happen!*



<sup>i</sup> Koller, C. (n.d.). Primary Care Spending Rate - A Lever for Encouraging Investment in Primary Care | NEJM. Retrieved from <https://www.nejm.org/doi/10.1056/NEJMp1709538>

<sup>ii</sup> Rhode Island Office of the Health Insurance Commissioner. "Commercial Insurer Primary Care Spending." January 21, 2014. <http://www.ohic.ri.gov/ohic-hiac-reports.php>

<sup>iii</sup> Gelmon, S., et al (2016) Implementation of Oregon's PCPCH Program, <http://www.oregon.gov/oha/HPA/CSI-PCPCH/Documents/PCPCH-Program-Implementation-Report-Sept2016.pdf>