

## 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

#### Vermont

- In May 2019, Vermont passed legislation increasing the proportion of healthcare spending allocated to primary care. The legislation, S.53, requires the Green Mountain Care Board to determine the proportion of healthcare spending currently allocated to primary care, recommend the proportion that should be allocated to primary care going forward, and project the avoided costs that would likely result if that proportion were achieved.
- 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 to increase the share of total healthcare expenditures that flow to primary care providers.

#### Colorado

- In May 2019 Colorado passed legislation HB19-1233 Investments In Primary Care To Reduce Health Costs setting targets for investment in primary care and establishing a primary care payment reform collaborative in the division of insurance in the department of regulatory agencies.
- In 2018, Colorado primary care stakeholders came together in support of HB18-1365 – Primary Care Infrastructure Creation. The legislation would have created a primary care payment reform collaborative and reporting on primary care spending by an all-payer health claims database. While significant progress was

made, the legislation did not pass in 2018.

#### Washington

- In 2019, Washington state appropriated \$110,000 for fiscal year 2020 that is provided solely for the office of financial management to determine annual primary care medical expenditures in Washington, by insurance carrier in total and as a percentage of total medical expenditure. Where feasible, this determination must also be broken down by relevant characteristics such as whether expenditures were for in-patient or out-patient care, physical or mental health, by type of provider, and by payment mechanism. The determination must be made in consultation with statewide primary care provider organizations using the state's all-payer claims database and other existing data.

#### West Virginia

- In March 2019, West Virginia passed SB 641 creating the Primary Care Support Program to provide technical and organizational assistance to community-based primary care services and report on West Virginia Medicaid primary care expenditures as a percentage of total West Virginia Medicaid expenditures.

#### Delaware

- In May 2019, introduced SB 116 to create the Office of Value-Based Health Care Delivery in the Department of Insurance to reduce health care costs by increasing the availability of high quality, cost-efficient health insurance products

that have stable, predictable, and affordable rates.

- In January 2019, Delaware's Primary Care Reform Collaborative (Collaborative) released recommendations to invest more in primary care to meet the medical, behavioral, and social determinants of health of Delaware's diverse patient population. These recommendations, if adopted, have the potential to help transform the healthcare system in Delaware and enhance value.
- In 2018, created a Primary Care Reform Collaborative that will issue written recommendations by January 2019 including whether 12% of health care spending should be directed to primary care.

### Oregon

- In 2017, Oregon's legislature unanimously passed legislation setting a minimum threshold for all payers - both commercial and public - of at least 12% of total medical expenditures on primary care.
- A 2016 study showed that for every additional dollar spent on primary care, saving of \$13 were found in other services,<sup>i</sup>
- 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.

### 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 PCMHs, ACOs, performance incentives, and "common good" services such as health information technology, practice transformation, and loan-repayment programs.<sup>ii</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 by 14%.<sup>iii</sup>

### Next in Line

#### Maine

- In 2019, Maine introduced legislation called "An Act to Establish Transparency in Primary Health Care Spending," which requires insurers to report primary care expenditures to the Maine Health Data Organization and for the Maine Quality Forum to use this data to report annually to the Department of Health and Human Services and the Legislature, the percentage of total medical expenditures paid for primary care.

#### Missouri

- In February 2019, Missouri's House of Representatives introduced HB 879 the Primary Care Transparency Act which would establish a primary care payment reform collaborative for the state. The bill was referred to the Committee on Health and Mental Health Policy and a public hearing was hosted on March 11.

#### Hawaii

- In January 2019, Hawaii introduced HB 1444 the Primary Care Payment Reform Collaborative to establish a task force known as the primary care payment reform collaborative to:
  - a) Examine current levels of primary care spending in the state; and
  - b) Develop annual recommendations to the legislature to strengthen the primary care system in the state.

### 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>