Changing How & What We Pay Primary Care: The Way Forward for Value

October 9, 2020

Ann Greiner, President and CEO

Primary Care Collaborative

Mission

The Primary Care Collaborative advances comprehensive primary care to improve health and health care for patients and their families by convening and uniting stakeholders around research, care delivery and payment models, and policies.

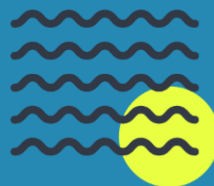
Vision

PERSON AND FAMILY-CENTERED

TEAM-BASED & COLLABORATIVE

COMPREHENSIVE & EQUITABLE

COORDINATED & INTEGRATED

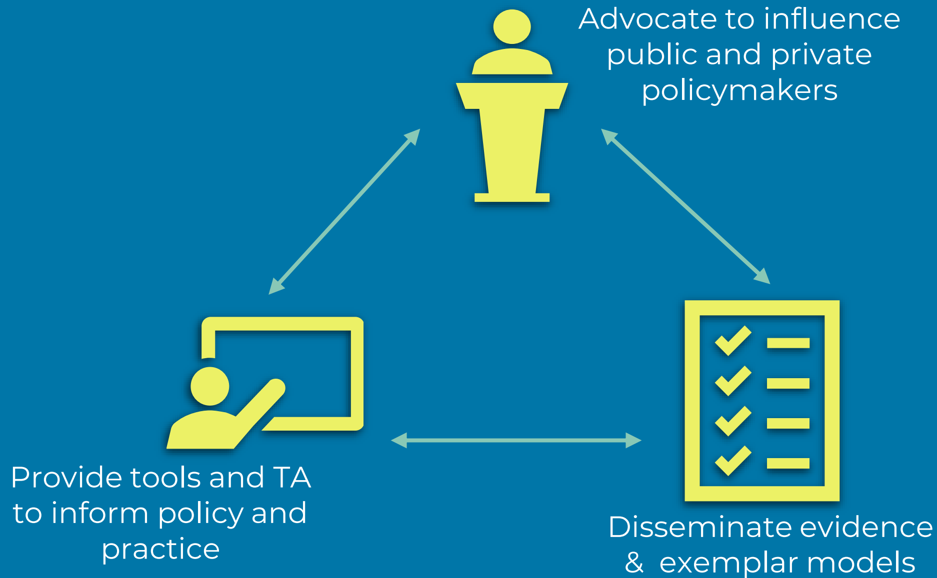


CONTINUOUS

ACCESSIBLE

HIGH-VALUE

PCC Levers to Achieve Mission and Vision



PCC Executive Members

Accreditation Association for Ambulatory Health Care (AAAHC)
Alzheimer's Association
American Academy of Child and Adolescent Psychiatry (AACAP)
American Academy of Family Physicians (AAFP)
American Academy of Pediatrics (AAP)
American Academy of PAs (AAPA)
American Association of Nurse Practitioners (AANP)
American Board of Family Medicine Foundation (ABFM Foundation)
American Board of Internal Medicine Foundation (ABIM Foundation)
American College of Clinical Pharmacy (ACCP)
American College of Lifestyle Medicine (ACLM)
American College of Osteopathic Family Physicians (ACOFP)
American College of Physicians (ACP)
American Psychiatric Association Foundation
American Psychological Association
America's Agenda
Anthem
Ascension Medical Group

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Black Women's Health Imperative (BWHI)
Blue Cross Blue Shield Michigan
Blue Cross Blue Shield of North Carolina
CareFirst BlueCross BlueShield
Collaborative Psychiatric Care
Community Care of North Carolina
Community Catalyst
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HealthTeamWorks
Humana, Inc.
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Institute for Patient and Family-Centered Care (IPFCC)
Johns Hopkins Community Physicians, Inc.
Johnson & Johnson
Mathematica
Mental Health America
Merck & Co.
Morehouse School of Medicine – National Center for Primary Care

National Alliance of Healthcare Purchaser Coalitions
National Association of ACOs (NAACOS)
National Coalition on Health Care
National Interprofessional Initiative on Oral Health (NIIOH)
National PACE Association
NCQA
Pacific Business Group on Health (PBGH)
Permanente Federation, LLC
PCC EHR Solutions
Primary Care Development Corporation (PCDC)
Society of General Internal Medicine (SGIM)
Society of Teachers of Family Medicine (STFM)
SS&C Health
St. Louis Area Business Health Coalition
Takeda Pharmaceuticals U.S.A.
The Verden Group's Patient Centered Solutions
University of Michigan Department of Family Medicine
UPMC Health Plan
URAC
YMCA of the USA

My Remarks

- US health system is moving further away from a primary care orientation
- Implications for patients and for the US value agenda
- Enter COVID-19
- Efforts to establish primary care as the foundation of a high value system and as pandemic preparedness

2019 PCC Report on Primary Care Spend

- Funded by Milbank Memorial Fund
- Research Partnership with the Graham Center

Investing in Primary Care

A STATE-LEVEL ANALYSIS

July 2019

PREPARED BY

Patient-Centered Primary Care Collaborative

Robert Graham Center

Made possible with support from the Milbank Memorial Fund

2019 PCC Report: Methods

Data: 2011 – 2016 Medical Expenditure Panel Survey (MEPS): primary care spend

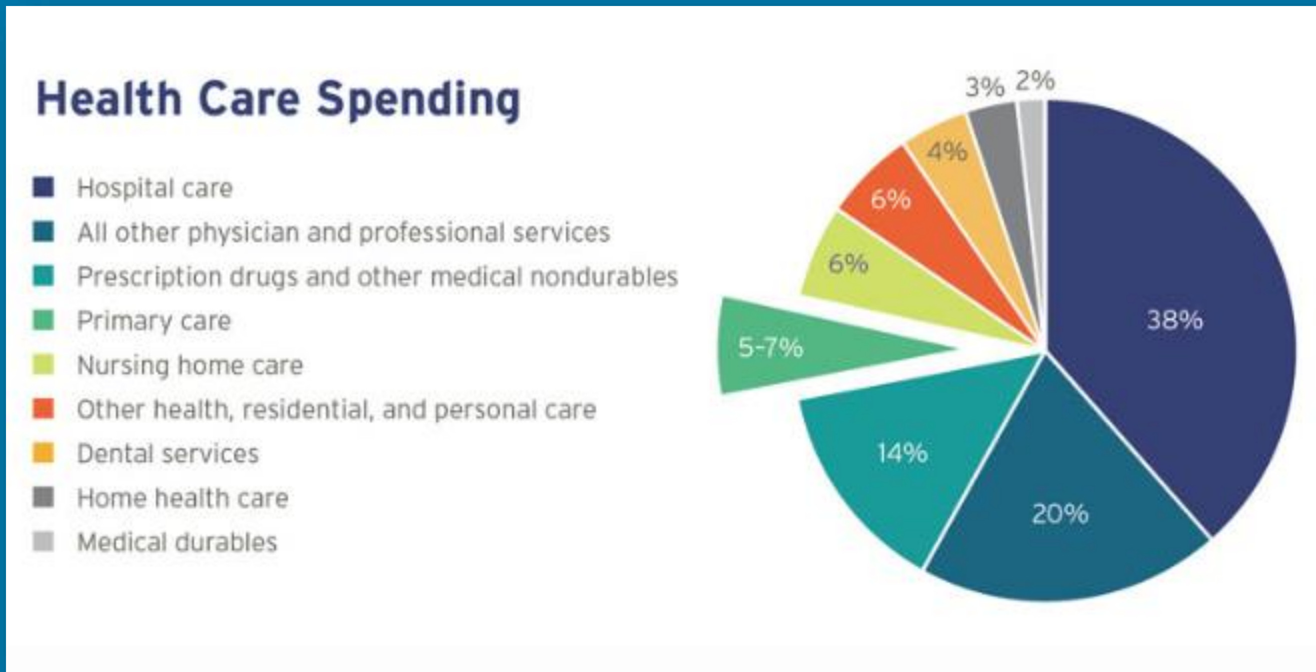
PC Spend: U.S. + 29 states; public/private payers

- PC Narrow – PCP (FPs, GPs, Peds, Geriatricians, Internists)
- PC Broad – PCP, NP/PAs, Psychiatrists, MH non-physicians, and OB-GYN

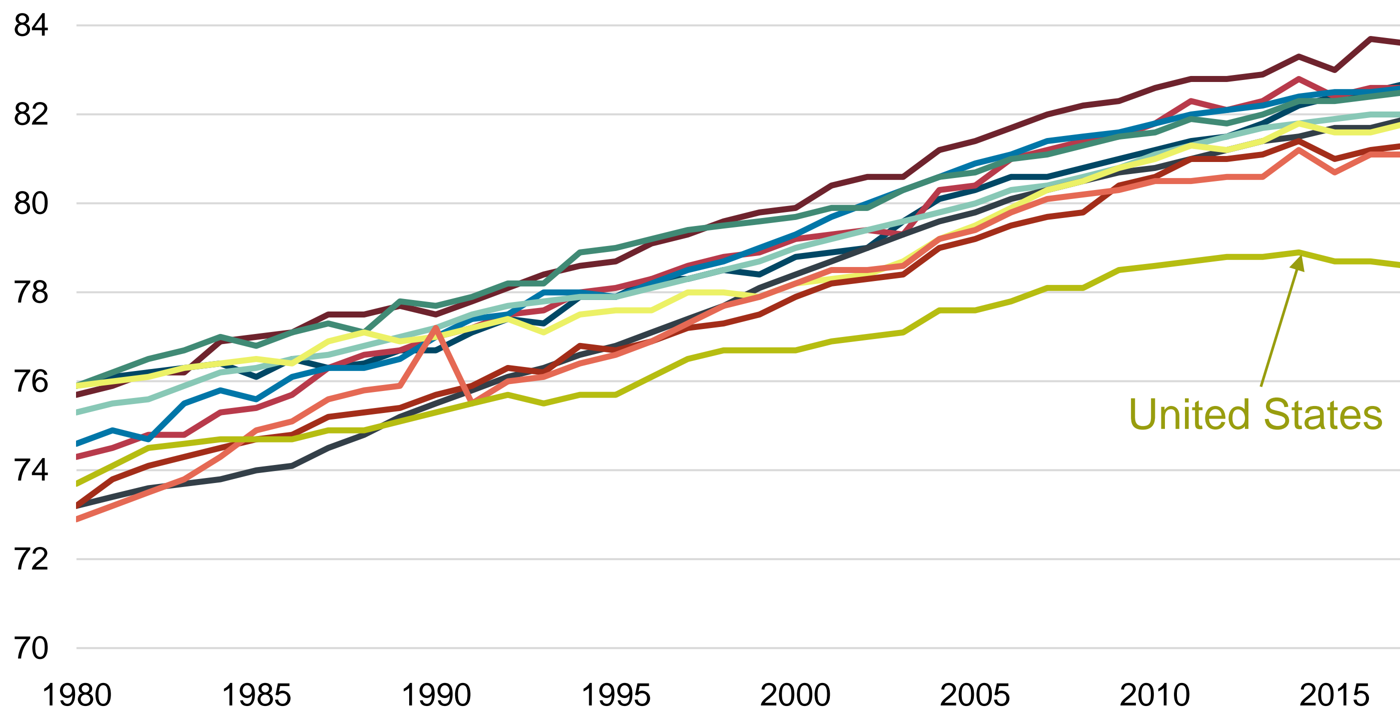
Health Outcomes

- Any ED visit
- Any hospitalization
- % Ambulatory-care sensitive hospitalizations

PC Spend: US 6% vs OECD 14%



Life Expectancy at Birth: 1980 – 2017; OECD Average = 80.7

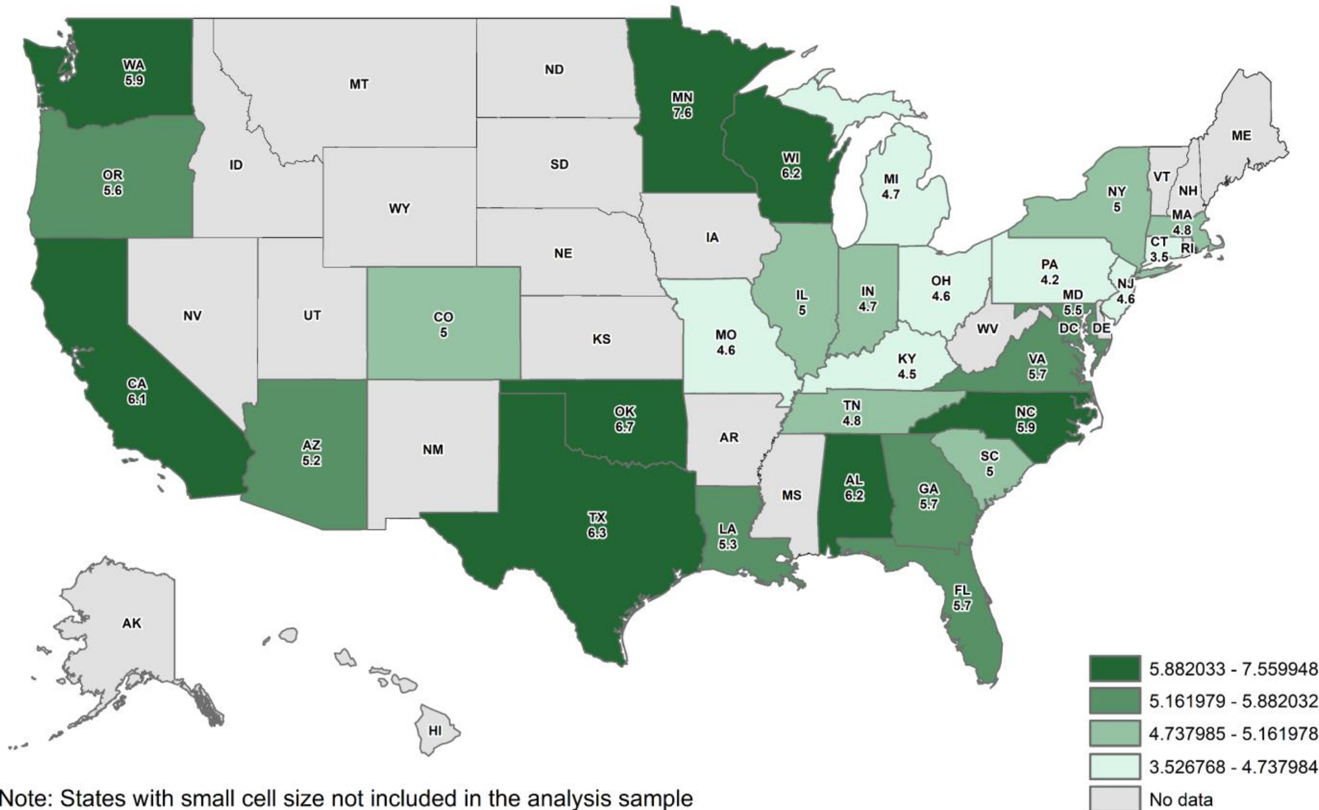


Life expectancy	PC Spend*
SWIZ: 83.6	10%
NOR: 82.7	12%
FRA: 82.6	N/A
AUS: 82.6	18%
SWE: 82.5	13%
CAN: 82.0	12%
NZ: 81.9	N/A
NETH: 81.8	N/A
UK: 81.3	N/A
GER: 81.1	15%
US: 78.6	6%

*Expenditure on primary care as share of current health expenditure, 2016 (or latest year)

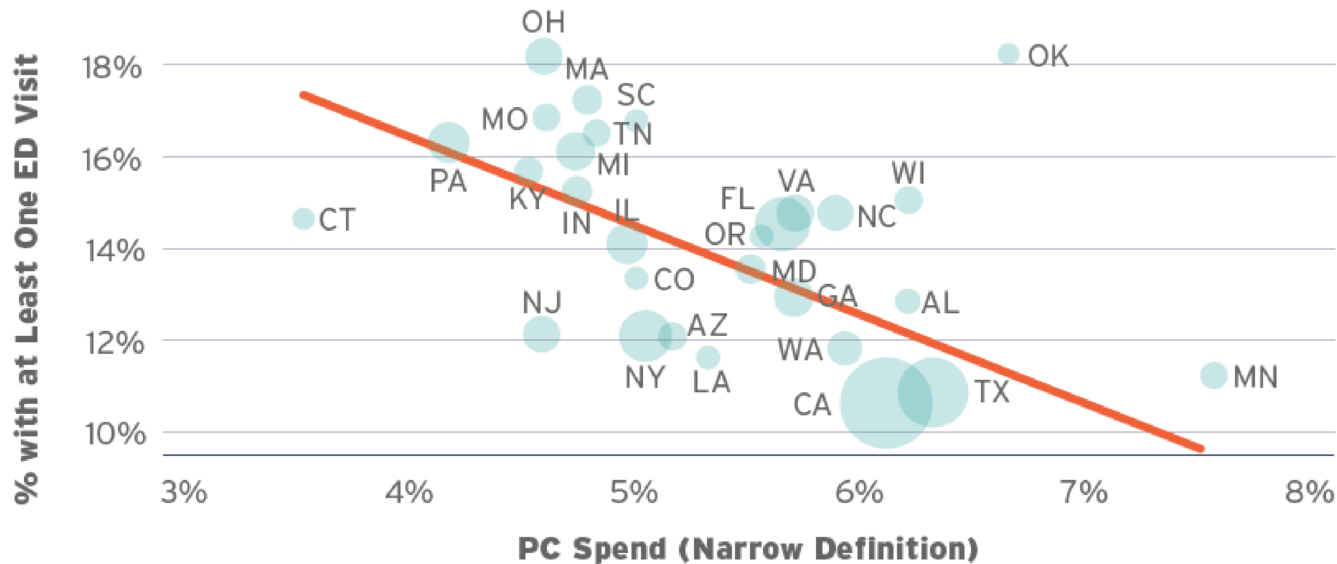
The Commonwealth Fund

Source: Roosa Tikkanen and Melinda K. Abrams, *U.S. Health Care from a Global Perspective, 2019: Higher Spending, Worse Outcomes* (Commonwealth Fund, Jan. 2020).

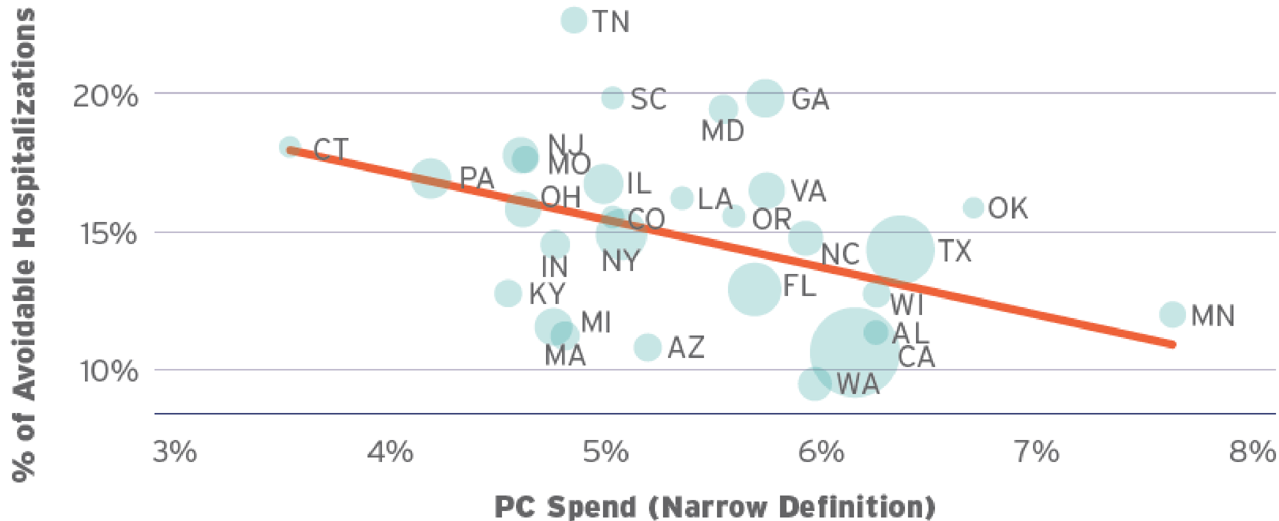


State	PC Narrow
National	5.6
AL	6.2
AZ	5.2
CA	6.1
CO	5.0
CT	3.5
FL	5.7
GA	5.7
IL	5.0
IN	4.7
KY	4.5
LA	5.3
MA	4.8
MD	5.5
MI	4.7
MN	7.6
MO	4.6
NC	5.9
NJ	4.6
NY	5.0
OH	4.6
OK	6.7
OR	5.6
PA	4.2
SC	5.0
TN	4.8
TX	6.3
VA	5.7
WA	5.9
WI	6.2

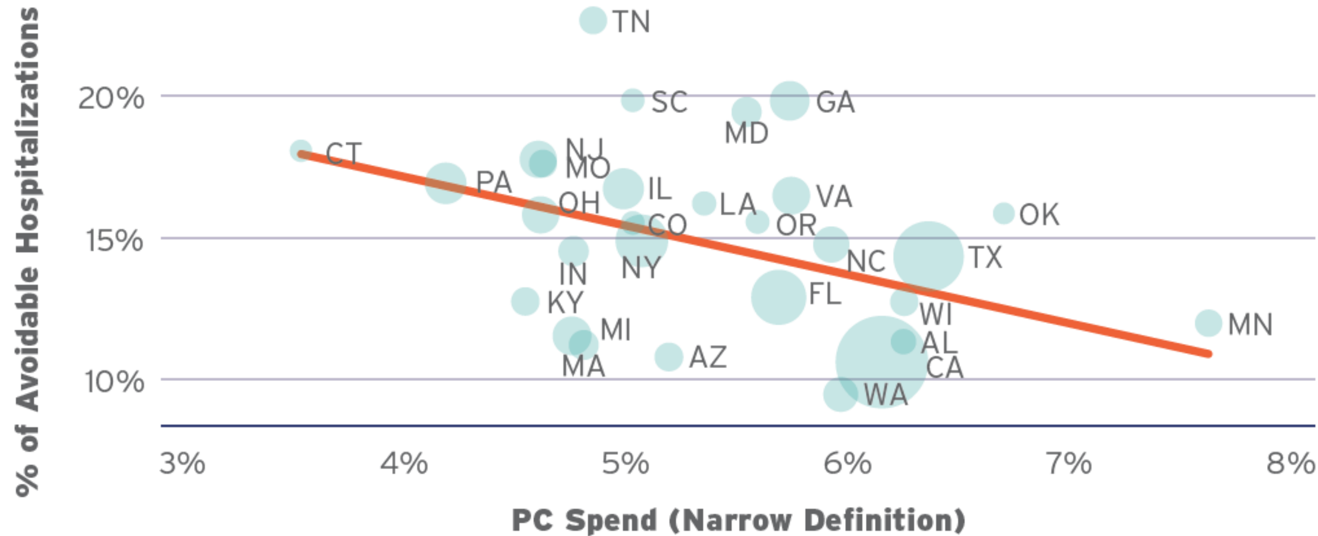
PC Investment & ED Visits



PC Investment & Avoidable Hospitalizations



PC Investment & Hospitalizations



Data source: Investing in Primary Care (PCC 2019 Evidence Report)

PCC Study Limitations

- Self-reported data – recall and reporting bias
- Based on non-institutionalized and civilian population
- Some expenses imputed based on costs by region, payer, gender, age
- PC spend not adjusted for payer, health of the population, age and other confounders

PC Investment: Low and Declining

JAMA Internal Medicine 2020: All Payer Decline Between 2002 – 2016

- 6.5% to 5.4% decline, narrow definition

JAMA 2019 – Commercially Insured Decline Between 2013 – 2017

- 4.6% to 4.35 % decline, narrow definition
- 8.97 % to 8.04% decline, broad definition

PCC 2020 Evidence Report – Commercially insured 2017–2019

- Forthcoming December 2020

Other signs of PC "Dis-Orientation"

- After ACA implementation, primary care spending & primary care utilization declined: 2010-2013 vs 2014-2017 (*JAMA Network Open, 2020)*
- Declining primary care physicians (PCPs) per capita between 2005 – 2015, with implications for life expectancy (*JAMA Internal Medicine, 2019)*

Basu, et al, Association of US Primary Care Physician Supply and Population Mortality, JAMA Internal Medicine, April 2019, Volume 179, Number 4.

Park, S, Stimpson, J, Nguyen, G. Association of Changes in Primary Care Spending and Use with Participation in the US Affordable Care Act Health Insurance Marketplaces. *JAMA Network Open*, June 10 2020. Doi:10.1001/jamanetworkopen.2020.7442

Potential Causes of PC Spending Decline

- More research is needed, but hypotheses include
  - High deductible health plans pose financial barriers to patients getting primary care services beyond screenings
  - Hospital/health system consolidation has resulted in more market power, loss of independent practices = higher utilization, prices
  - Data sources do not adequately capture primary care services delivered in retail and urgent settings or increases in NP, PA ranks
  - PC Spending does not account for value-based payments

COVID-19 Impacts on Primary Care + PC Patients

Green Center Survey – Only consistent data source on how the pandemic is affecting primary care practices and patients

PCC Collaboration with the Green Center started March 2020

GC/PCC Executive Summaries include data, clinician and patient quotes and policy implications + PCC website summaries

www.pcpcc.org/covid

April: the Eye of the COVID Storm

April 10–13, 2020, Green Center Survey; 2,600 Responses

% of Office Visits in the Last Week that were Reimbursable

- More than 50%: **43.7%**
- Less than 20% : **29.7%**
- Not happening: **8.7%**
- Do not know: **17%**

Source: https://www.pcpcc.org/2020/04/16/primary-care-covid-19-week-5-survey

More Practice Stats April 10–13, 2020

- **85%** have seen dramatic decreases in patient volume.
- **42%** experienced layoffs and furloughed staff
- **34%** of clinicians report no capacity for COVID–19 testing and **32%** have only limited capacity
- **53%** lack PPE

Source: https://www.pcpcc.org/2020/04/16/primary-care-covid-19-week-5-survey

Patient Stats, May 2020

May 4–11 Green Center Survey; 2200 Patient Responses

- **2/3** of patients have been in contact with primary care over the past 8 weeks, averaging **1.6** contacts per patient
- **58%** were phone contacts, **21%** were video based visits, **18%** were based in secure messaging and patient portals, with **21%** happening in person.
- Asked to rank 6 common PC settings, **73%** chose traditional primary care

https://www.pcpcc.org/sites/default/files/news_files/C19%20Patient%20Series%201%20National%20Executive%20Summary%20with%20comments.pdf

September Better than April But …

From the practice perspective (457 respondents):

28% have permanently reduced the size of their staff

Only **20%** report that their FFS volume is within 10% of pre-pandemic levels

26% report that one third of practice work is unpaid

97% disagree that PC has rebounded; **81%** emphatically so

Source: https://www.pcpcc.org/sites/default/files/news_files/C19%20Series%2021%20National%20Executive%20Summary_0.pdf

Patients are at Greater Risk

With flu season & a potential 2nd wave upon us:

86% report higher levels of patient mental health concerns

41% say the health of those with chronic conditions is noticeably worse

57% see an overall reduction in patient self care

40% see an increase in patient substance use

34% see higher levels of food insecurity across patients

Source: https://www.pcpcc.org/2020/10/01/primary-care-covid-19-week-21-survey;

Strategies to Turn the Tide

- States as Leverage – Reporting and Setting Targets for Primary Care Spending without Growing Total Cost of Care + Efforts related to Adoption of Global Payment

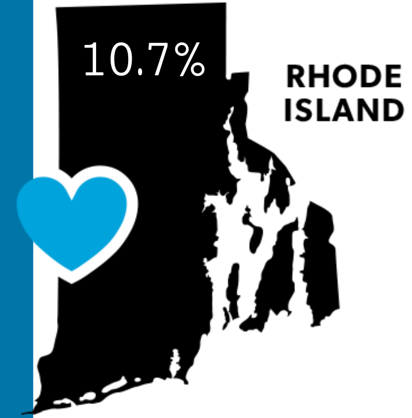
- Primary Care Driven ACOs – Public and Private

- Federal Leadership – Current & Future Administration and the Next Congress

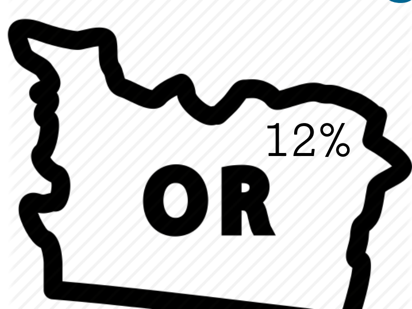
- Employer Action –– Vision for Advanced Primary care (care delivery/payment changes) and changes to benefit design

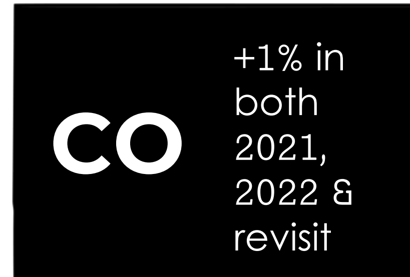
Momentum: PC Investment

- 13 states have introduced/passed legislation
- 6 states passed legislation/regulation in 2019 – CO, DE, VT, ME, WA and WV – focused on reporting primary care spending levels to achieve more comprehensive PC



- 5 states set targets for primary care spending





State PC Investment & Reports

Law or Regulation
Legislation Pending

State Report

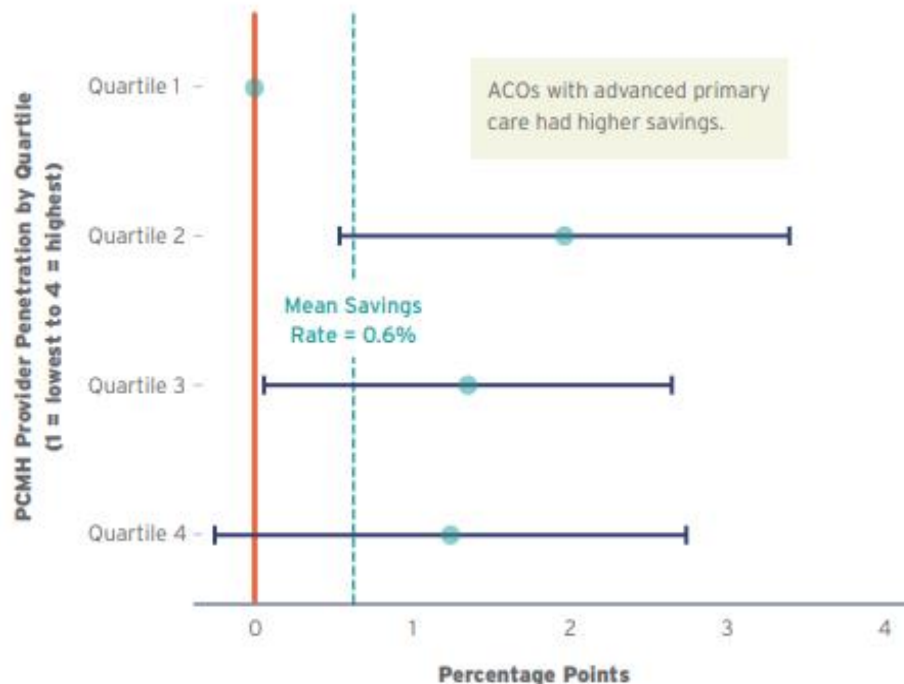
Physician-Led ACOs Appear to be More Successful

- MSSP after 3 years: physician led ACOs produced more savings for Medicare than hospital led (*NEJM, 2018)*
- Avalere Report: Physician led ACOs outperformed hospital based ACOs (*Avalere, 2019)*
- There were no consistent differences in quality by ACO type, nor were there differences in likelihood of achieving savings or overall spending per-person-year *(HSR, 2018)*

ACO Success Linked to PCMH

PCC 2018 Report

https://www.pcpcc.org/resource/advanced-primary-care-key-contributor-successful-acos



ACO = accountable care organization; PCMH = patient-centered medical home.

We used cross-sectional variation across ACOs that participated in the Medicare Shared Savings Program in 2014 to estimate the associations between the PCMH primary care physician share in the ACO workforce and ACO savings.

This figure shows that the savings rate difference was 1.6% higher for quartile 2 compared to quartile 1 and 1.3% higher for quartile 3 compared to quartile 1. See pcpcc.org/2018EvidenceReport for more details.

Federal Leadership

- CMMI's 2019 Announcement about New Primary Care Models
  - Primary Care First and Direct Contracting; CPC+ Continues
- CMS 2021 PFS Rule to Increase Payment for E&M Codes
- Letter from Former CMS Administrators Urging Support for Primary Care & Linking it to Payment Reform
- Looking Ahead to a New Congress and Re-freshed or New Administration

Emerging Employer Efforts

Improving Healthcare Value with ADVANCED Primary Care (APC)

FAST FACT:
US adults who have a primary care physician have 33% LOWER healthcare costs and 19% LOWER odds of dying than those who see only a specialist. As a nation, we would SAVE $67 BILLION each year if everybody used a primary care provider as their usual source of care.

Over 80%* of patients with common chronic conditions (diabetes, high blood pressure) access primary care, the most prevalent type of office visit. But misaligned incentives (i.e., fee-for-service), lack of behavioral health (BH) integration, and infrastructure and technology challenges can compromise healthcare quality and drive up costs.

25+

In a traditional fee-for-service (FFS) model, health care providers may be expected to see 25+ patients/day, leading to insufficient time for engagement, a tendency to refer, and high frustration levels for all.

What Makes Primary Care ADVANCED Primary Care? National Alliance Identified SEVEN Key Attributes

1. Enhanced access for patients: Convenient access, same day appointments, walk-ins, virtual access, no financial barriers to primary care
2. More time with patients: Enhanced patient engagement and support, shared decision-making, understanding preferences, social determinants of health
3. Realigned payment methods: Patient-centered experience and outcomes, quality and efficiency metrics, deemphasize visit volume
4. Organizational & infrastructure backbone: Relevant analytics, reporting and communication, continuous staff training
5. Disciplined focus on health improvement: Risk stratification and population health management, systematic approach to gaps in care
6. BH Integration: Screening for BH concerns (e.g., depression, anxiety, substance use disorder) and coordination of care
7. Referral Management: More limited, appropriate and high-quality referral practices, coordination and reintegration of patient care

Most of these attributes are consistent with critical success factors identified by respondents to a National Alliance survey

PATIENT-CENTERED
- Enhanced access
- More time for engagement, support and SDM
- BH integration

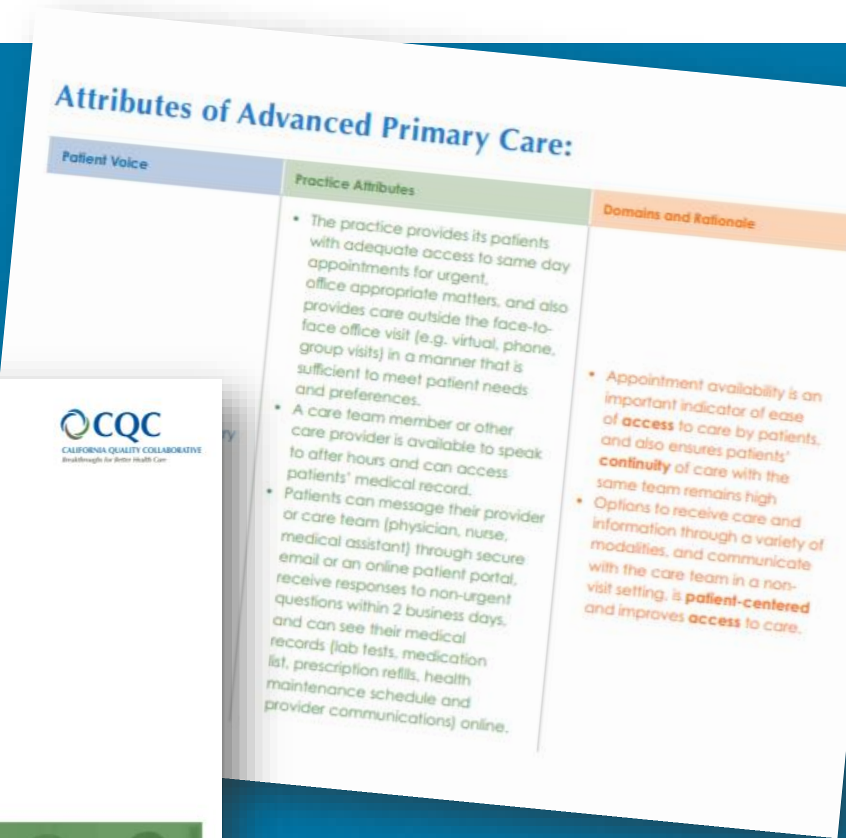
POPULATION-FOCUSED
- Disciplined focus on health improvement
- Systematic referral management/re-integration
- Appropriate organization and infrastructure

PERFORMANCE-REWARDED
- Realigned payment

APC

THE PROMISE OF APC
- Health, patient engagement, satisfaction, personalized and holistic care
- Unnecessary care and referrals urgent care, ER visits, and hospitalizations
- Overall reduced total cost of care 15+%

National Alliance of Healthcare Purchaser Coalitions
Driving Innovation, Health and Value



CQC
CALIFORNIA QUALITY COLLABORATIVE

Advanced Primary Care:
Defining a Shared Standard

PC and Pandemic Preparedness

- IOM Report Underscores Role of Primary Care in a Pandemic
- However, November 2016 HHS Pandemic Preparedness Plan does not include much of a role for Primary Care
- Current HLC/Margolis Effort –– Recognizes the important role of PC, e.g., overall patient education, triaging, assessing and managing COVID cases

Discussion

Ann Greiner, President and CEO

- agreiner@thepcc.org
- 202 417-2062
- @agreiner1
- www.thepcc.org