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Where are we on Measuring Primary Care Spending?

NASEM Webinar

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Agenda

- Why Measure Primary Care Spending
- Current State Efforts

About The Milbank Memorial Fund

An endowed operating foundation that works to improve population health by connecting leaders and decision-makers with the best available evidence and experience.

We advance our mission by:

- Identifying, informing, and inspiring current and future state health policy leaders to enhance their effectiveness;
- Working with state health policy decision makers on issues they identify as important, particularly in areas related to primary care transformation, sustainable health care costs, and aging, and
- Publishing high-quality, evidence-based publications and *The Milbank Quarterly*, a peer-reviewed journal of population health and health policy.

5 Objectives for Achieving High-Quality Primary Care

1 PAYMENT
Pay for primary care teams to care for people, not doctors to deliver services

2 ACCESS
Ensure that high-quality primary care is available to every individual and family in every community

3 WORKFORCE
Train primary care teams where people live and work

4 DIGITAL HEALTH
Design information technology that serves the patient, family, and interprofessional care team

5 ACCOUNTABILITY
Ensure that high-quality primary care is implemented in the United States

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PAYMENT

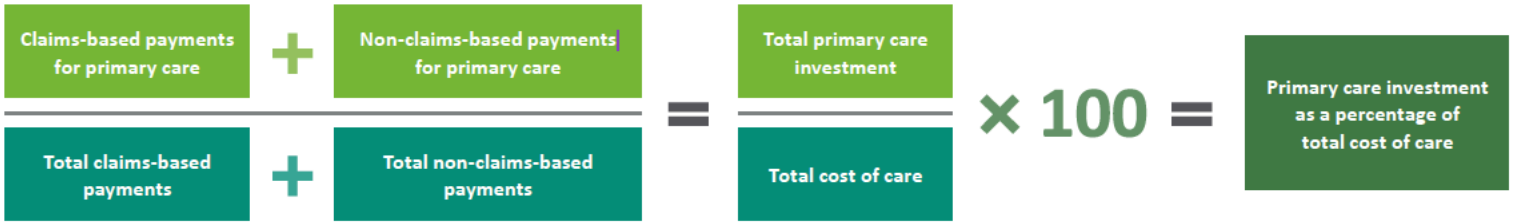
Pay for primary care teams to care for people, not doctors to deliver services.

Action 1.3: CMS should *increase overall portion of health care spending for primary care* by improving Medicare fee schedule and restoring the RUC to advisory nature.

Action 1.4: States should facilitate multi-payer collaboration and *increase the portion of health care spending for primary care.*

What?

Figure 4. Primary Care Investment Equation



Source: Adapted from Erin Taylor, Michael Bailit, and Deepti Kanneganti, ***Measuring Non-Claims-Based Primary Care Spending***, Milbank Memorial Fund, April 15, 2021.

A measure of a system, payer or geography's primary care orientation

Source: Investing in Primary Care, Lessons from State-Based Efforts, CHCF, 2022

Why?

(from report)

- "At a national level, primary care–oriented health care systems are associated with better population health and lower spending."
- "The portion of total health care expenses going to primary care is a way to measure primary care orientation. By this measure, the United States is at or below the proportion in other developed countries."

Where?

States that have set primary care investment targets

- *Oregon* (requirement): 12% by 2023
- Rhode Island (requirement) : 10.6% by 2014
- Connecticut: 10% by 2025
- Delaware: 9-11% by 2025 (provisional target)
- *Colorado*: 1 percentage point increases in 2022 and 2023

State legislation/action pending or in the works

- Maine, Massachusetts, Connecticut, *Washington:* Legislation pending on setting primary care spending targets
- *New Jersey*, Updated regulations/executive orders on affordability standards
- *California*, Pennsylvania: Bills pending on affordability standards
- New York, *Utah*, Maryland, *Nebraska*, Hawaii: Legislation pending on reporting primary care spending
- Pennsylvania: Executive Order to develop primary care spending targets

Regional and National Efforts to Measure Primary Care Spending

- New England States (NESCSO)
- Primary Care Collaborative
- Commonwealth Fund State Scorecard
- NASEM Scorecard (forthcoming)

What have we learned?

- States grow their own definitions – differences in results minimal but makes comparisons hard
- Sources: Payer submissions
- Non claims spending is important and hard to capture
- Feds are largest payer but conspicuously absent
- Primary Care spending rate appears to be decreasing

Opportunities for HHS Leadership

- Measure and improve performance for own programs
  - Medicare FFS, Medicare Advantage, Medicaid, CMMI Models
  - Will not achieve health equity or longer lifespan without this
- Standardize the definition
- Measure and research nationally
  - Use of MEPs or Claims
  - Understand further its relationship with health outcomes

Absent Federal Leadership on Primary Care Spending Measurement

- No compass for Medicaid and Medicare
- Continued erosion of Primary Care infrastructure in country
  - Attendant effects on population health equity and lifespan

Download the report and view more resources at:
Nationalacademies.org/primarycare

Questions? E-mail primarycare@nas.edu