



Innovations for the Federal Government to Consider to Strengthen Primary Health Care

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Primary Care Development Corporation (PCDC)



About PCDC

Primary Care Development Corporation (PCDC) is a national nonprofit organization and a community development financial institution catalyzing excellence in primary care through strategic community investment, capacity building, and policy initiatives to achieve health equity.

PCDC Leverages its Expertise to Catalyze Excellence in Primary Care to Achieve Health Equity

Transformation

We partner with health care providers to build capacity and improve services and outcomes.



Investment

We provide capital to integrate services, modernize facilities, or expand operations.

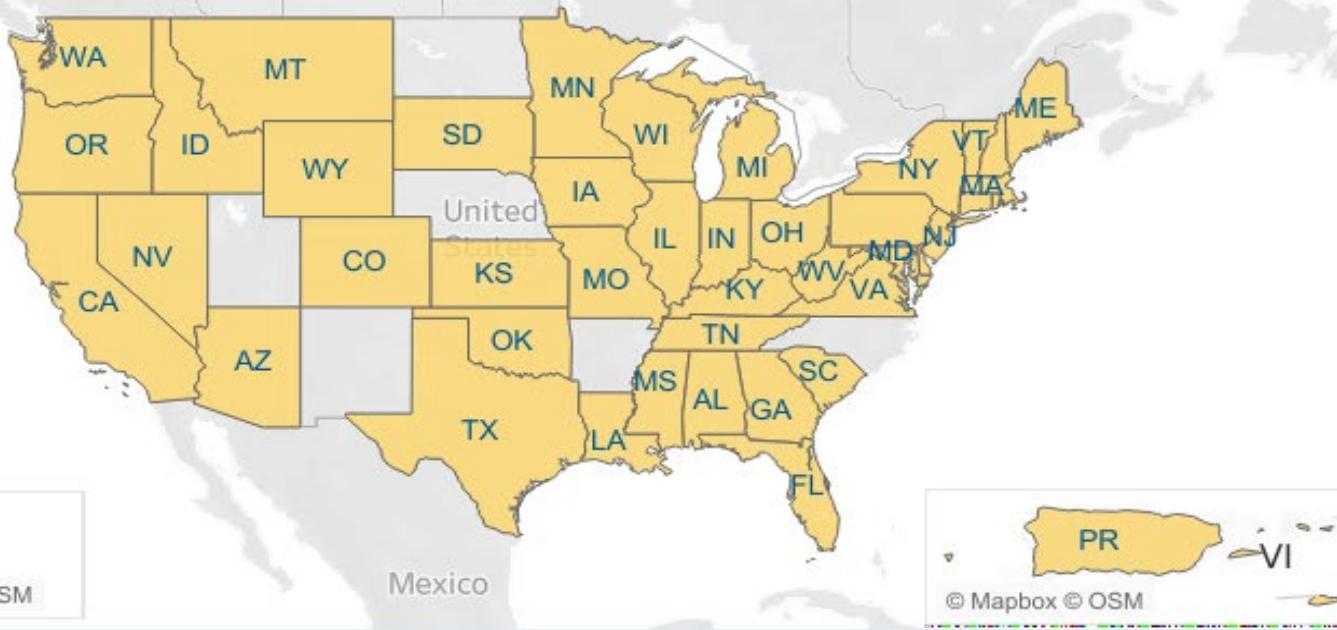


Advocacy

We advance policy initiatives to bring resource, attention, and innovation to primary care.



Since 1993, PCDC has supported **primary care practices and providers in 45 states**, as well as D.C., Puerto Rico, the Virgin Islands, and American Samoa.



5,000+
Sites assisted
nationally



11,000+
Health care
workers trained



1,010
Patient-Centered
Medical Home
recognized sites



\$1.34B
Leveraged in low-income
communities



\$295M
New Markets Tax
Credits invested



4.4M
Primary care visits per year
created



18,194
Jobs created or preserved



56.1M
Patients impacted

data collected through 12/31/2021

Independent Providers are Essential

- Small, independent providers provide nearly **60%** of primary care in disinvested communities
- Funded through multiple payment models including Medicare reimbursements, fee-for-service and value-based payment
- Represent roughly **40%** of the provider population
- National trends show a shift from small, independent practices to large-group practices, fueled by provider shortages and hospital “site-neutral” payments

Federally Qualified Health Centers (FQHCs) are Key to the Safety Net AND Build Economic Community Wealth

HRSA-funded health centers serve nearly 29 million patients across the country, including:



FindAHealthCenter.hrsa.gov



- Serve 19% of all Medicaid beneficiaries but account for only 2.1% of Medicaid expenditures
- Serve 22% of uninsured individuals
- Generate \$54.6B in total economic activity
- Many are small businesses (though are not-for-profit)

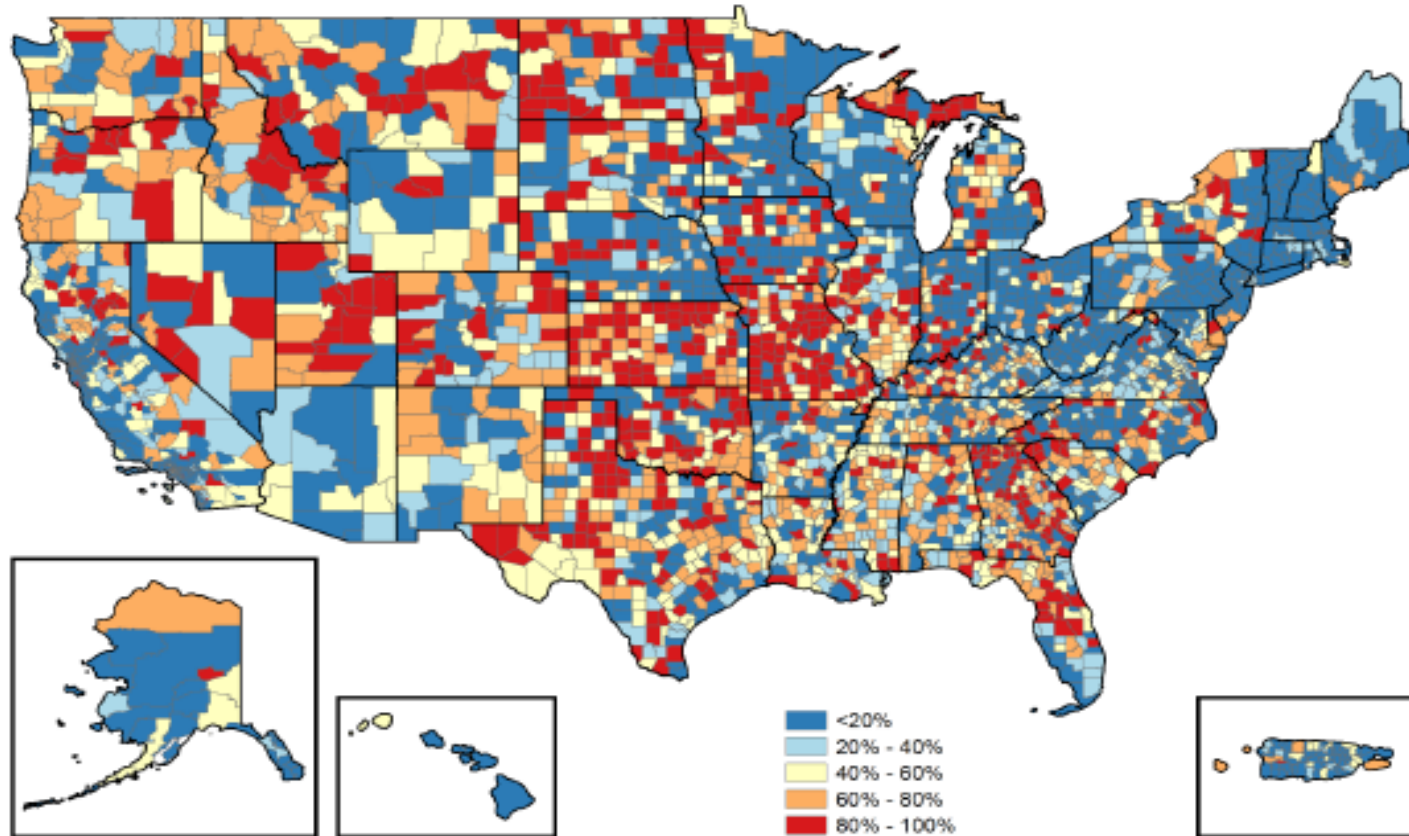
Sources:

[Health Resources and Services Administration.](#)
[National Association of Community Health Centers.](#)
[Centers for Medicare and Medicaid Services.](#)

Primary Care Practices Have a Fractured Web of Resources

Identified Need	Potential Resources
Technology to improve billing and revenue cycle operations	State Primary Care Associations for FQHCs only, which often offer group purchasing discounts on technology for their members/stakeholders; AMA; EHR vendors
Workforce to support clinical care	Local community colleges, trade schools
Capital	CDFIs, Banks, Small Business Administration, Credit Unions
Guidance on mergers or group alliances across unaffiliated practices	Local lawyers / legal firms / consultants
Technical Assistance	Many consulting firms, some state programs, associations, etc.

Estimated Percentage of Counties With Physician Shortages



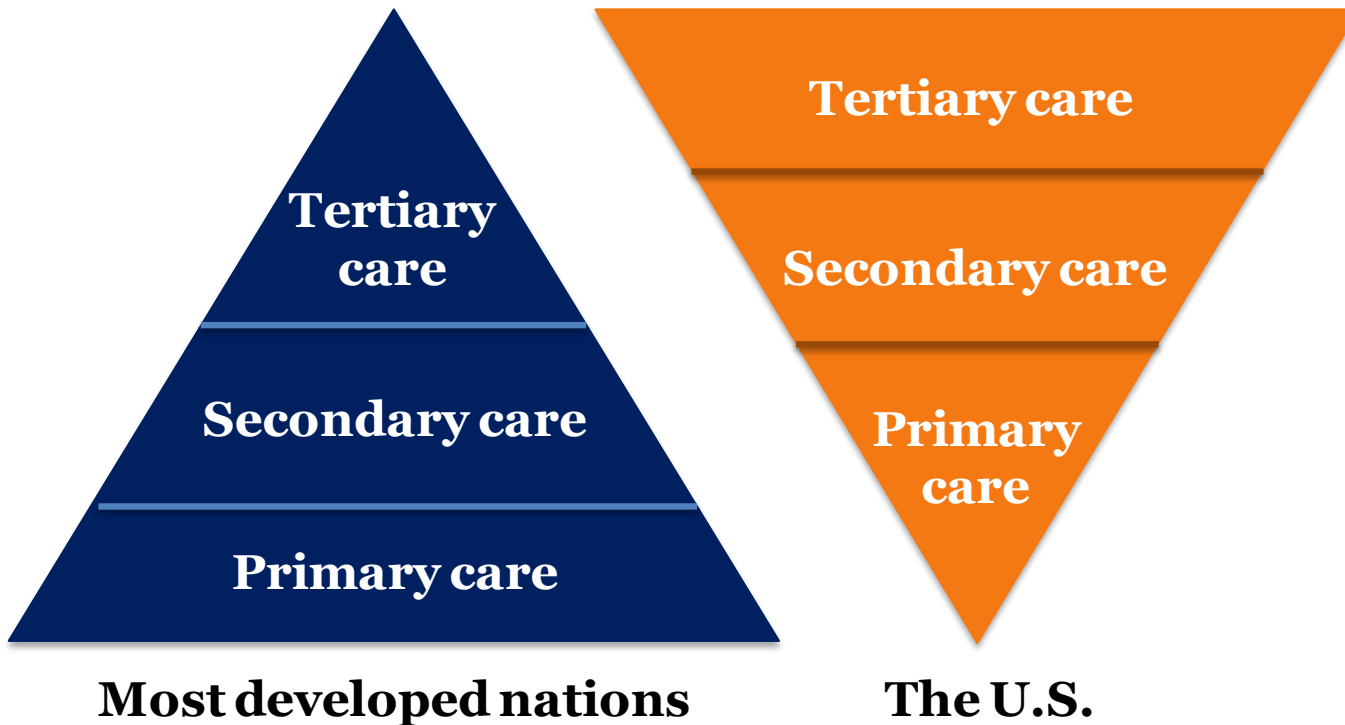
An estimated **62 million** people experience inadequate or no access to primary care because of shortages of physicians in their communities.

VBP Must be Designed to Help Primary Care Be Successful



- Upfront reimbursement
- No downside risk
- Capital
- Grants
- Technical assistance
- Workforce development
- Multi-payer alignment
- Reduce measures, reporting, administrative burden
- Align programs

Shift Federal Policy to Create a Primary Care-Centered System



“Health care is a pyramid in every country. Every country starts at the base of the pyramid with primary care, and they work their way up until the money runs out.

We start at the top of the pyramid, and we work our way down until the money runs out. And the money runs out. And so few people get good primary care and wellness.”

Former H.H.S. Secretary Tom Daschle,
Confirmation Hearings, January 2009

Key Areas for Federal Action

- Increase the proportion of the health care dollar that goes to primary care
 - Create one definition of primary care for measurement purposes
 - Publish amount of spending on primary care by payor, state and beneficiary demographics
 - Create a new “Primary Care Cost Ratio” requirement on insurers
- Promote global prospective payments
- Reduce the income gap between primary and specialized care providers
- Incentivize primary care training programs (MD, DO, NP, PA) and promote diversity among new professionals

Federal Actions to Support Primary Care to Address Social Determinants of Health

- Expedite new methods of paying for social determinants of health through federal dollars
- Create one pathway with many doors to get benefits across funding streams

Address Inequitable Access to Primary Care Infrastructure Funding

- Increase funds available for primary care infrastructure in underserved areas and disinvested communities
- Coordinate and measure across multiple federal funding streams
 - HRSA capital and new access points grants and Loan Guarantee Fund
 - CDFI Fund for on-lending
 - USDA rural health capital and grants
 - New Markets Tax Credits
 - Small Business Administration loan and guarantee programs



*Ravenswood (East Palo Alto, CA) serves the local community as a health center and gathering space.
(Photo courtesy of Alejandro Velarde — velardephotography.com.)*

THANK YOU!



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