3RD ANNUAL NEW ENGLAND MEETING ON REGIONAL OPPORTUNITIES FOR STATE GOVERNMENT IN HEALTH CARE OVERSIGHT AND REGULATION

Improving Primary Care: Building Blocks for Success and Opportunities for State Collaboration

Presented by the NESCSO Primary Care Workgroup

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Primary Care Workgroup Members

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Discussion Points

1. Define Primary Care and Primary Care Spending
2. Why Should States Consider Increasing Investments in Primary Care Providers and Primary Care Practices?
3. Components of Primary Care Investments
4. Tools States Can Use to Determine Primary Care Investments
5. Measures of Success
6. Opportunities For Collaboration Among the States
7. Next Steps

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Link to the Milbank Study on Measurement of Primary Care Spending

- **Published July 2017**
- **Work conducted under contract with Bailit Health Purchasing and subcontract with RAND**
- https://www.milbank.org/publications/standardizing-measurement-commercial-health-plan-primary-care-spending/

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How Do We Define Primary Care?

Primary Care is: *"The provision of integrated, accessible health care services by clinicians who are accountable for addressing a large majority of personal health care needs, developing a sustained partnership with patients, and practicing in the context of family and community."*

Institute of Medicine, 1996

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How Much of Our Health Care Dollars Go to Support Primary Care?

- **If primary care is so important to society, do our collective payments reflect it?**
- **Defining primary care is harder than it first seems. Should we define it by the type of provider offering the service? The type of services available, regardless of provider?**
- **As quality improvement experts remind us, we improve what we measure.**
- **The United States is in the midst of an unprecedented era of provider payment reform. Assessing the effects of these innovations on a known contributor to high value care—our primary care infrastructure—should be a high priority. [1]**

1 Milbank Memorial Fund Report: "Standardizing the Measurement of Commercial Health Plan Primary Care Spending by Michael H. Bailit, Mark W. Friedberg, and Margaret L. Houy (July 2017)

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Why Should States Consider Increasing Payments to Primary Care Providers/Practices?

- There is near-unanimity that a truly reformed U.S. health care system will require at its foundation a **robust system of primary care.**
- Implementing increased investments in primary care through value-based payment reforms will result in primary care practices' evolving over time toward **the medical home ideal**.
- Improving primary care is the key to **better care, smarter spending, and healthier people and communities.**

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The Status of Primary Care Payments in Selected New England States

State	Source of Payments	Year	Total Medical Payments	Primary Care Claims- Based Payments	Primary Care Non-Claims-Based Payments	Primary Care Total Payments as % of Total Medical Claims
Connecticut	State Employee Health Plan	2017	$1,485,422,512	$63,702,850	$5,749,504*	4.7%
Massachusetts	APCD (Top 3 Commercial Payers)	2015	$10,024,456,211	$665,795,472	---------	6.6%
Rhode Island	Fully Insured Commercial Claims Paid (Largest Payers)	Oct. 2016	$636,173,241	$38,716,942	$37,377,915	11.5%
Vermont	2016 VHCURES All Payers	2016	$1,311,282,144	$127,036,478	--------	9.69%

*CT Includes Care Coordination and Shared Savings Quality Payments Only

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Components of Primary Care Investments

1. Scope of Services a Primary Care Provider should provide
2. Who provides primary care services
3. Components of Primary Care Payments:
   - Claims-based (CPT Codes)
   - Non-Claims Based
4. Total Medical Payments -- The Denominator
5. Measures of Success

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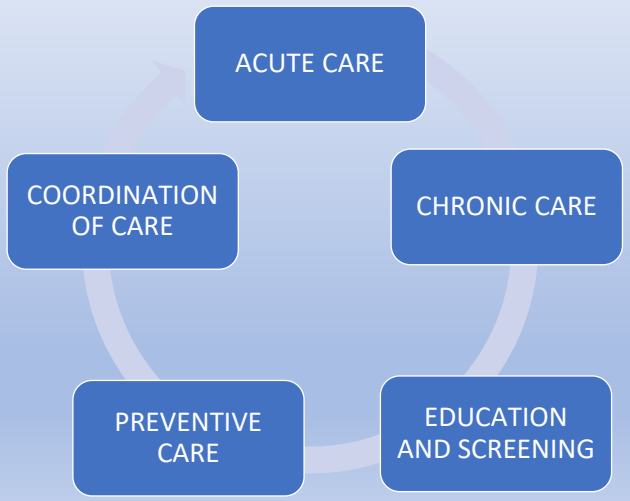
Scope Of Services A Primary Care Provider Should Provide

Primary Care is:
Integrated
Accessible
Accountable
Majority of Care
Partnership with Patients
Context of Family and Community



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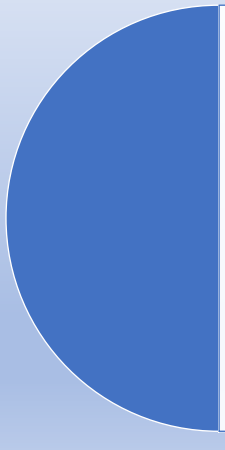
Who Provides Primary Care?



Health Care Providers Specializing in Primary Care Include:

- *Family Practice*
- *Internal Medicine*
- *Geriatrics*
- *Pediatrics*
- *Nurse Practitioner (Primary Care)*
- *Physician Assistant (Primary Care)*
- *Others (For Consideration)*
  - *Gynecologists*
  - *Primary Mental Health Provider*
  - *Naturopath*
  - *Homeopath*

Definitions from Vermont Primary Care Payment Workgroup
12/29/2015

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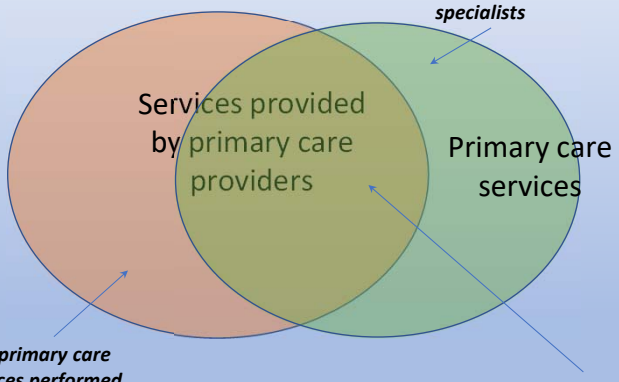
Components of Primary Care Spending

Claims-Based Payments



Non Claims-Based Payments

- **Capitation payments and provider salaries**
- **Risk-based payments**
- **Payments for primary care medical home or patient centered medical home recognition**
- **Payments for achievement of quality/cost-savings goals**
- **Payments to develop capacity to improve care for a defined population of patients, such as patients with chronic conditions**
- **Payments to help providers adopt health information technology, such as electronic health records**
- **Payments or expenses for supplemental staff such as practice coaches, patient educators, patient navigators or nurse care managers**

The sum of spending for selected CPT codes and non claims-based payments to primary care providers becomes the "numerator" in the spending calculation.

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How Can States Collect Information on Non-Claims Based Payments?

Can the States' APCD be Configured to Reliably Collect Non Claims-Based Payments?

Can States Require Commercial Payers to Report Non Claims-Based Payments? (See Rhode Island Standards)

Can Non Claims-Based Payments be Collected From Medicaid, Medicare and Self-Insured Organizations?

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Total Medical Payments – The Denominator

Categories of Services to be Considered in the Calculation of the Denominator – Include Payments to:	Rhode Island includes the Following:
• Hospitals • Physician Services • Dental Services • Other Professional • Home Health Care • Drugs and Supplies • Vision and DME • Skilled Nursing Care	• All payments made to RI facilities and providers regardless of where the member resides. This includes Rx, behavioral health, lab, and imaging services, inclusive of any secondary payments

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How Can States Achieve Goals Regarding the Percent of Total Health Care Expenditures that are Allocated to Primary Care?

Regulation (States Establish Rules and Measures of Accountability)	Voluntary Participation of All Payers (Need A Critical Mass of Payers)

• Certificate of Need Standards
• Insurance Regulations
• Legislation
• Health Dept. Regulations
• Other
	• Commercial Fully Insured/Self Insured
	• Medicaid
	• Medicare Advantage
	• Medicare
	  • Next Gen Models
	  • Demonstration Projects
	  • State Specific Contracts with CMMI

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Rhode Island's Approach to Increasing Primary Care Spending and Supporting Primary Care Infrastructure

In 2009 the RI Office of the Health Insurance Commissioner began a process to strengthen and expand primary care in the state by rapidly increasing funding for primary care services through the promulgation of "Affordability Standards"

- **Standard One – Increase the proportion of primary care investments by one percentage point per year for five years.**
- **Standard Two – Require insurers to support an expansion of the medical home initiative based on the chronic care model.**
- **Standard Three – Insurers must Implement an incentive program for physicians to adopt electronic health records.**
- **Standard Four - Insurers must transition to DRGs & APCs for hospital services, incorporate quality incentives into their hospital contracts, and cap the annual rate increases that insurers can grant hospitals to the average percentage change in the Medicare IPPS plus 1 percent.**

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Connecticut: Primary Care Modernization

Design a new model for primary care to:

- Expand and diversify care teams
- Expand patient care and support outside of the traditional office visit
- Double investment in primary care over five years through more flexible payments
- Reduce trend in total cost of care

Foundational Assumptions for designing model:

- Eligibility limited to practices in Advanced Networks/ACOs/FQHCs
- Multi-payer
- Existing MSSP or other shared savings arrangements remain in place, but model introduces downside risk *(may propose program adjustments)*
- Hybrid, partial or full bundle for primary care services

OHS CONNECTICUT Office of Health Strategy

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SIM connecticut state innovation model

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Connecticut: Capabilities Under Consideration

Diverse Care Teams	Pharmacists, Nurses	Care Coordinators, Community Health Workers, Navigators	Health Coaches, Nutritionists
Alternative Modes of Support & Engagement	Phone/Text/e-mail	Home Visits	Telemedicine
Technology	Patient generated data & Remote patient monitoring	Precision & Genomic Medicine	E-Consults
Integration and Specialization	Behavioral Health Integration	Practice Specialization (e.g., geriatrics, chronic pain)	Community Integration

OHS CONNECTICUT Office of Health Strategy

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SIM connecticut state innovation model

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Connecticut: Payment Reform Model Options Under Consideration

Basic Bundle + **Supplemental Bundle** + **Fee for Service Payments**

MSSP or Other Shared Savings or Downside Model Risk Puts Pressure on Total Cost of Care

Options:
Hybrid basic bundle (partial bundle with reduced fees for office visits)
Combined bundle (single upfront payment that combines basic and supplemental bundles)

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Massachusetts Health Policy Commission's Policy and Research Work to Advance Primary Care Investment

The vision of the HPC's care delivery transformation is that providers and payers are patient-centered and accountable for high-value care across a patient's medical, behavioral, and health-related social needs.

PCMH certification

The HPC sets all-payer care delivery standards for patient-centered primary care in the Commonwealth, with a particular focus on behavioral health integration capabilities. The HPC also provides technical assistance at no cost to primary care practices to work on PCMH capabilities.

ACO certification

The HPC sets all-payer care delivery standards for ACOs in the Commonwealth. Massachusetts Medicaid requires all ACOs (both commercial and Mass Health) to be certified in order to participate in their DSRIP program. Patient-centered primary care is a foundational standard for ACO. The program also has standards around how funds flow from the ACO to participating providers, including primary care.

Research

- Mandatory reporting of PCP rosters of nearly all provider groups
- Analysis of primary care-based provider system variation in spending and potentially avoidable utilization (e.g. low-value care, avoidable ED use).
- Analysis and tracking of usage of alternative payment models among primary-care-based provider system in the Commonwealth

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Vermont's Work to Advance Primary Care Investments

Blueprint for Health (PCMH)

- Multi-payer PCMH program launched in 2008
- Nearly every primary care practice in the state participates
- PMPM payments to advanced primary care practices (NCQA recognition required), with incentive payments based on community-wide quality performance
- Multi-payer regional community health teams support primary care practices across the state

ACO Budget Review

Access to primary care is a foundational goal embedded in the All-Payer Model Agreement between the State of Vermont and CMMI

- ACO investments are primary care centered (18 V.S.A. § 9551):
  - PMPMs (Basic/PCMH, Complex Care Coordination, Independent Primary Care)
  - VBIF 70% of earnings returned to attributing primary care providers, 30% to specialists within the network
- 2019 will serve as a test year for evaluating primary care spending within the ACO

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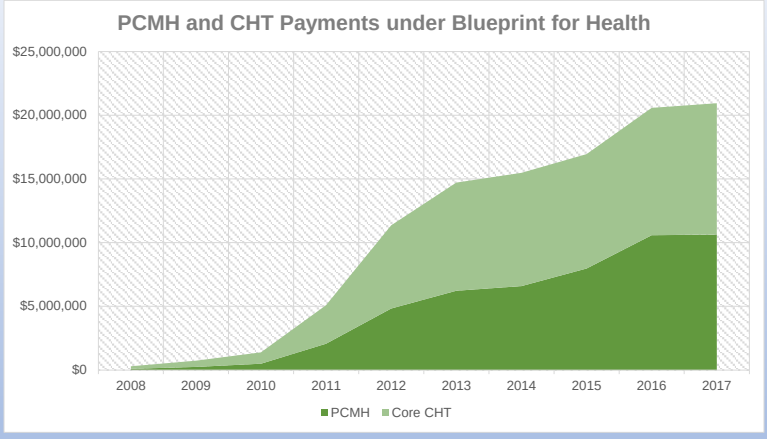
Vermont
PCMH and CHT Payments under Blueprint for Health



Year	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Ave # PCMH	6	7	13	51	93	115	124	126	128	135

VERMONT Blueprint for Health

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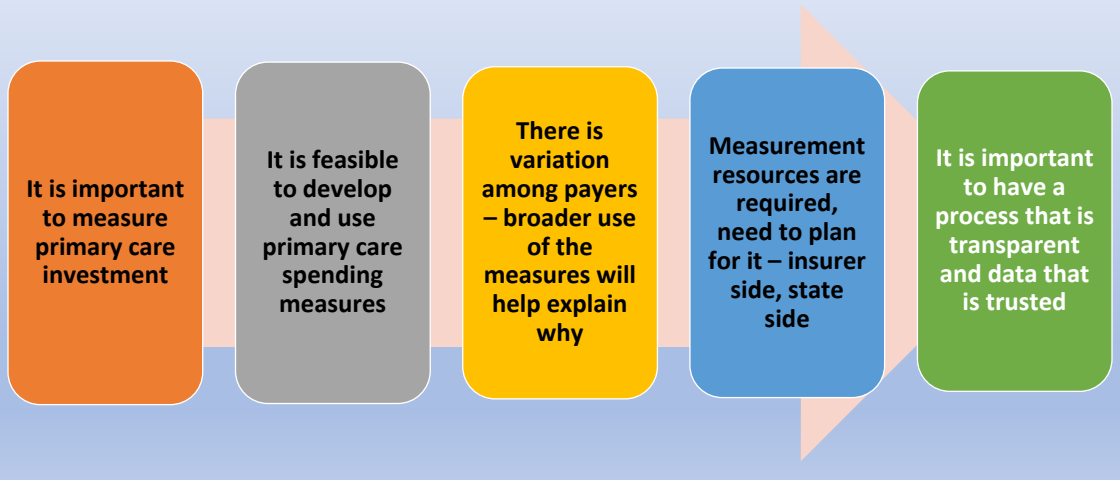
Broad Messages



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Building a Movement - Next Steps

Milbank Continues to Partner with State and National Groups to Advance this Agenda. This Includes:

- Collaborating with primary care specialty societies and researchers on refining definitions
- Sponsoring additional research using measures to establish Medicare FFS spending levels
- Connecting with national organizations developing and using measures (e.g., HCCI report includes primary care spending measure)
- Working with states to replicate PC spend measures, legislation and regulation including support for NESCSO convening
- Disseminating these results at professional meetings (e.g. PCPCC)

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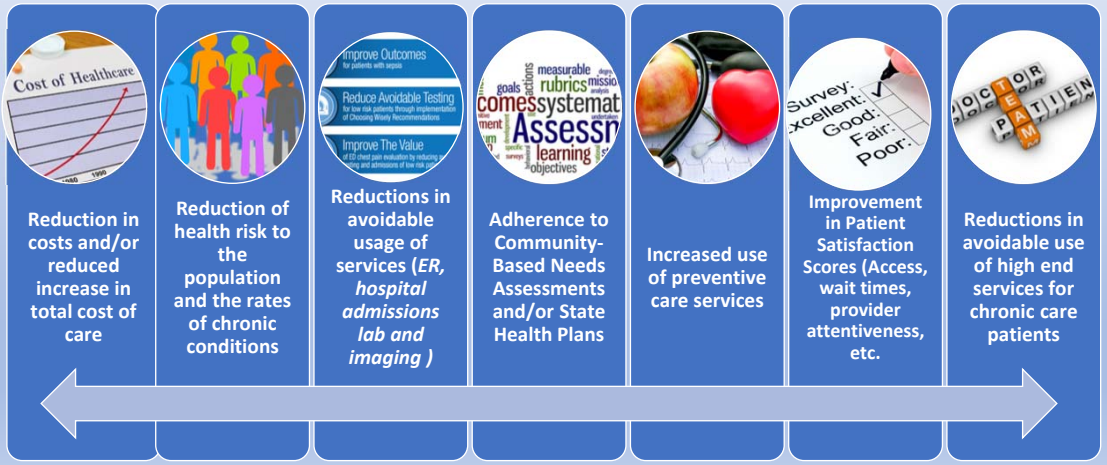
What are Some Potential Measures to Ensure that Investments in Primary Care are Producing the Desired Results (ROI)?



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Opportunities for Collaboration States Might Consider

Develop Common Definitions for:

- Primary care services
- Primary care providers
- CPT Codes to include in the calculation of payments
- Define the Denominator

Agree on "measures of success" related to the increased investments such as cost reduction, improved access, improved quality, and impact on population health

Define the data needed to support the "measures of success" and determine how that data will be collected and reported

Collaborate to reconsider regulatory approaches (CON, Budget Review, Insurance Regulations) or other means to ensure accountability

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Appendix

Primary Care CPT Codes

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Examples of Claims-Based Payments (CPT Codes) that States Included for the Calculation of Primary Care Payments

States Need to Agree on Which Primary Care CPT Codes Should be Included in the Calculation of Payments to Primary Care Providers

See Appendix Slides 29-33 for a Comparative List of CPT Codes that States are Currently Including in their Calculations

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Primary Care CPT Codes Currently Being Used for Calculation of Primary Care Payments

Procedure Codes	Description	Mass.	Rhode Island	CT. State Employee Plan Analysis	Vermont ACO Primary Care Spend	Milbank Report [1]	2018 Primary Care Spending Report Oregon
Office Type Visits							
98966	Non-physician telephone services	No	No	Yes	No	No	Yes
98967	Non-physician telephone services	No	No	Yes	No	No	Yes
98968	Non-physician telephone services	No	No	Yes	No	No	Yes
98969	Online assessment, mgmt. services by non-physician	No	No	Yes	No	No	Yes
99201-99205	Office or outpatient visit for a new patient	Yes	Yes	Yes	Yes	Yes	Yes
99211-99215	Office or outpatient visit for an established patient	Yes	Yes	Yes	Yes	Yes	Yes
99241-99245	Office or other outpatient consultations	No	No	Yes	Yes	Yes	Yes
Home/NH Visits							
99339-99340	Domiciliary or rest home multidisciplinary care planning	No	No	No		Yes	No
99324-99328, 99334-99337	Domiciliary or rest home Custodial Care	No	No	No	Yes	No	No
99304-99310, 99315-99316, 99318	Nursing Facility Care	No	No	*No*	Yes	No	No
99341-99345	Home visit for a new patient	No	No	Yes	Yes	Yes	Yes
99347-99350	Home visit for an established patient	No	No	Yes	Yes	Yes	Yes
99354-99355	Prolonged Service Office Visit	No	Yes	No	Yes	No	No
99358, 99359	Prolonged Service Office Visit	No	No	No	Yes	No	No

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Primary Care CPT Codes Currently Being Used for Calculation of Primary Care Payments

Procedure Codes	Description	Mass.	Rhode Island	CT. State Employee Plan Analysis	Vermont ACO Primary Care Spend	Milbank Report [1]	2018 Primary Care Spending Report Oregon
Preventive Visits							
99381-99385	Preventive medicine initial evaluation	Yes	Yes	Yes	Yes	Yes	Yes
99386-99387	Initial preventive medicine evaluation	Yes	Yes	Yes	Yes	Yes	Yes
99391-99395	Preventive medicine periodic reevaluation	Yes	Yes	Yes	Yes	Yes	Yes
99396-99397	Periodic preventive medicine reevaluation	Yes	Yes	Yes	Yes	Yes	Yes
99401-99404	Preventive medicine counseling and/or risk reduction intervention	Yes	No	Yes	Yes	Yes	Yes
99406-99409	Smoking and tobacco use cessation counseling visit (Alcohol/Sustance Abuse Screenng)	No	No	Yes	Yes	No	Yes
99411-99412	Group preventive medicine counseling and/or risk reduction intervention	Yes	No	Yes	Yes	Yes	Yes
99420	Administration and interpretation of health risk assessments	Yes	No	Yes	Yes	Yes	Yes
99429	Unlisted preventive medicine service	Yes	No	Yes	Yes	Yes	Yes
99442	Telephone calls for patient mgmt.	No	No	Yes		No	Yes
99444	Non-face-to-face on-line Medical Evaluation	No	No	Yes		No	Yes
99495-99496	Transitional care management service	No	Yes	Yes	Yes	Yes	Yes

1. Milbank Memorial Fund, "Standardizing the Measurement of Commercial Health Plan Primary Care Spending", Michael Bailit, Mark Friedberg, Margaret Houy, July 2017

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Primary Care CPT Codes Currently Being Used for Calculation of Primary Care Payments

Procedure Codes	Description	Mass.	Rhode Island	CT. State Employee Plan Analysis	Vermont ACO Primary Care Spend	Milbank Report [1]	2018 Primary Care Spending Report Oregon
Medicare Visits							
G0008-G0009	Administration of influenza virus vaccine	No	No	Yes	Yes	No	Yes
G0402	Welcome to Medicare visit	No	No	Yes	Yes	Yes	Yes
G0438-G0439	Annual wellness visit	Yes	No	Yes	Yes	Yes	Yes
G0444	Annual depression screening	No	No	Yes		No	Yes
G0463	Hospital Outpatient Clinic Visit (Medicare)	No	No	Yes	Yes	No	No
G0502-G0507	Care management	No	No	Yes		No	Yes
T1015	Clinic visit, all-inclusive(FQHC)	No	No	Yes	Yes	No	Yes
99487,99489,99490, G0506	Chronic Care Management	No	No	Yes	Yes	No	No

1. Milbank Memorial Fund, "Standardizing the Measurement of Commercial Health Plan Primary Care Spending", Michael Bailit, Mark Friedberg, Margaret Houy, July 2017

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Primary Care CPT Codes Currently Being Used for Calculation of Primary Care Payments

Procedure Codes	Description	Mass.	Rhode Island	CT. State Employee Plan Analysis	Vermont ACO Primary Care Spend	Milbank Report [1]	2018 Primary Care Spending Report Oregon
Immunizations and Injections							
90460-90461	Immunization through age 18, including provider consult	No	No	Yes	Yes	No	Yes
90471-90474	Immunization by injection/oral/intranasal route	No	No	Yes	Yes	No	Yes
90649	Human Papilloma virus vaccine	No	No	Yes	No	No	Yes
90658	Influenza virus vaccine	No	No	Yes	No	No	Yes
90670	Pneumococcal conjugate vaccine	No	No	Yes	No	No	Yes
90686	Influenza virus vaccine	No	No	Yes	No	No	Yes
90688	Influenza virus vaccine	No	No	Yes	No	No	Yes
90715	Tetanus, diphtheria toxoids adsorbed	No	No	Yes	No	No	Yes
90732	Pneumococcal polysaccharide vaccine	No	No	Yes	No	No	Yes
90736	Zoster (shingles) vaccine	No	No	Yes	No	No	Yes
96372	Therapeutic, prophylactic, or diagnostic injection	No	No	Yes	No	No	Yes

1. Milbank Memorial Fund, "Standardizing the Measurement of Commercial Health Plan Primary Care Spending", Michael Bailit, Mark Friedberg, Margaret Houy, July 2017

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Primary Care CPT Codes Currently Being Used for Calculation of Primary Care Payments

Procedure Codes	Description	Mass.	Rhode Island	CT. State Employee Plan Analysis	Vermont ACO Primary Care Spend	Milbank Report [1]	2018 Primary Care Spending Report Oregon
Obstetric Visits							
59400	Routine obstetric care including vaginal delivery (global code)	No	No	No	Yes	No	Yes – 60% of payment
59610	Routine obstetric care including VBAC delivery (global code)	No	No	No	Yes	No	Yes – 60% of payment
59618	Routine obstetric care including attempted VBAC delivery (global code)	No	No	No	Yes	No	Yes – 60% of payment
99460-99465	OB/GYN Evaluation and Management Services	No	No	No	Yes	No	No

1. Milbank Memorial Fund, "Standardizing the Measurement of Commercial Health Plan Primary Care Spending", Michael Bailit, Mark Friedberg, Margaret Houy, July 2017

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QUESTIONS/DISCUSSION

Thank You

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