

Bolstering Primary Care through Medicaid Population-Based Payments

July 11, 2024

3:00 – 4:00 pm ET

Made possible by Arnold Ventures and The Commonwealth Fund

Agenda

- Welcome & Introductions
- Presentation: Developing Primary Care PBP Models in Medicaid
- Panel: Primary Care PBP Models in Colorado, Connecticut, and Massachusetts
- Q&A

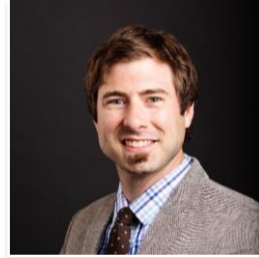


Welcome & Introductions

Today's Speakers



Anne Smithey
Program Officer,
Center for Health Care Strategies



Brad Richards
Outgoing Chief Medical Officer,
Connecticut Department of Social
Services



Rob Houston
Director of Delivery System and
Payment Reform,
Center for Health Care Strategies



Sabrina Werts
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APM 2 Payment Reform Analyst,
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Center for Health Care Strategies

Dedicated to strengthening the U.S. health care system to ensure better, more equitable outcomes, particularly for people served by Medicaid.

Together with our partners, our work advances:



Effective models for prevention and care delivery that harness the field's best thinking and practices to meet critical needs.



Efficient solutions for policies and programs that extend the finite resources available to improve the delivery of vital services and ensure that payment is tied to value.



Equitable outcomes for people that improve the overall well-being of populations facing the greatest needs and health disparities.

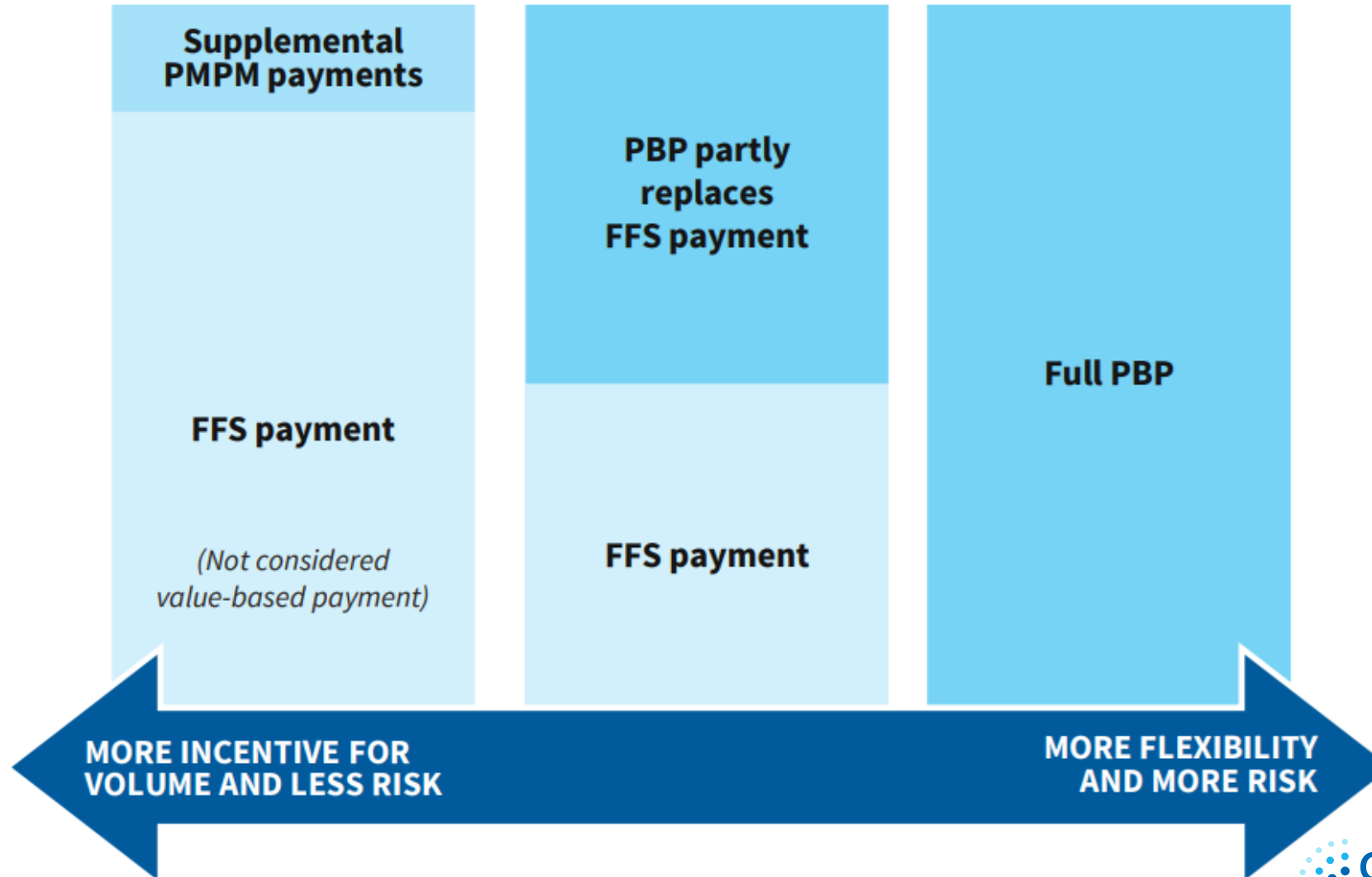


What is a Population-Based Payment?

- **Population-based payment (PBP):** Upfront, prospective, value-based payment models that include provider accountability both for quality and cost of care
- Can be used for primary care, but also for hospitals, total cost of care, etc.
- **Key features:**
 - Payments to providers based on number of empaneled patients, not number of services performed
 - Must hold providers accountable for quality
- PBP approaches can be either “hybrid” or “full” PBPs



Full vs. Hybrid PBP



Primary Care PBP: Benefits and Challenges

Benefits

- ✓ Moves away from volume-based incentives inherent in FFS payment
- ✓ Provides budget stability to payers
- ✓ Provides financial stability and predictability to provider organizations
- ✓ Increases flexibility in treatment and staffing decisions
- ✓ Includes a link between payment and quality of care

Challenges

- ✓ Limited existing examples and evidence base
- ✓ Challenges inherent in designing and implementing any new payment model
- ✓ Creates incentive to withhold needed care
- ✓ Requires a new way of doing business that may take times for provider organizations to adopt and figure out

Increased National Interest in PBPs

Currently, few primary care PBP models have been launched... ...but there are many models in early stages of design

- **Innovative states** have designed, and in some cases already launched, these types of models in Medicaid and across payers:
 - Connecticut, Colorado, Massachusetts, New Mexico, Oregon, and Washington State
- **CMS Innovation Center models** are pushing adoption of primary care PBPs:
 - **CPC+** and **Primary Care First** tested hybrid PBP models
 - **Making Care Primary** includes a pathway to hybrid or full PBP models
 - 8 participating states: Colorado, Massachusetts, Minnesota, New Jersey, New Mexico, New York, North Carolina, and Washington State
 - **AHEAD Model** and **ACO Primary Care Flex** show continued interested in incorporating primary care PBPs into broader payment models

Designing Primary Care PBP Models

Key Topics in Primary Care PBP Model Design



Model Goals



Patient Attribution



Model Scope



Rate Setting



Payment Approach



Care Delivery Standards

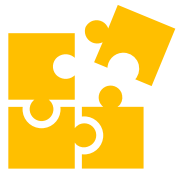
Additional Considerations for Designing Models



Engaging with model stakeholders



Designing models for providers who face specific barriers to participation

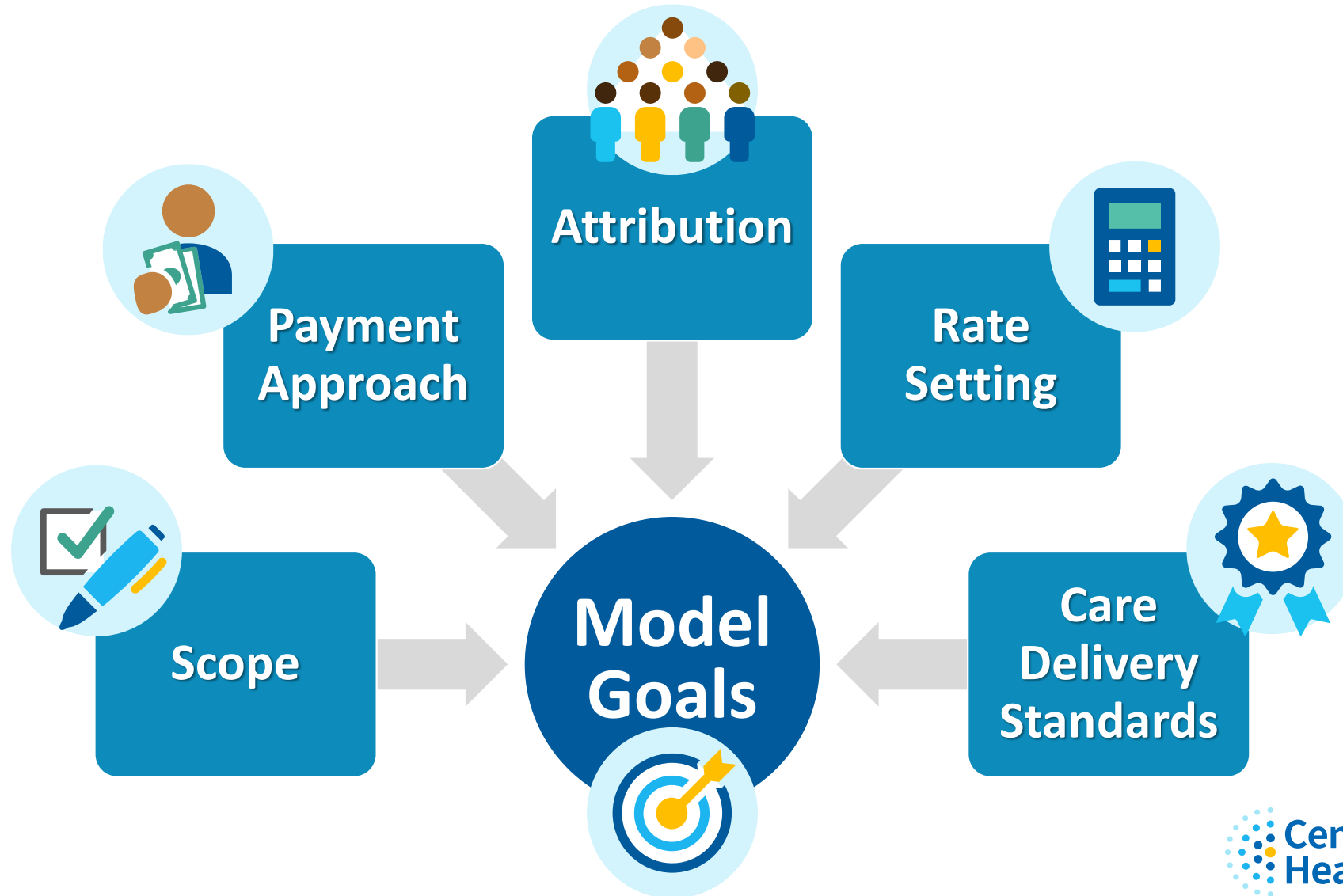


Considering opportunities for alignment with other payers and models within the state



Setting Goals

Model design choices should refer back to your goals





Setting Model Goals

- Creates a vision, guides your design, and defines “success”
- Two or three key goals can help target limited resources effectively
- Goals should be specific and measurable
- Ideally, model goals can be linked to bigger-picture agency priorities
 - Cost control
 - Health equity

Cost Control and Primary Care

- It is common for VBP model goals to focus on decreasing cost of care — but in primary care, this may be counterproductive
- It is widely agreed that primary care in the U.S. is underfunded, which limits its ability to deliver systemwide cost savings
- Many primary care models focus on increased investment in primary care, as opposed to controlling costs in primary care

Example: Increase investment in primary care by raising rates for participants in the PBP model to 100% of Medicare rates within three years



Health Equity Goals

- States are focused on developing programs that lead to more equitable care and health outcomes
- Primary care can be a key part of health equity strategies
- There are different methods to prioritize health equity during the goal-setting process:
 - Develop specific health equity or health disparities goals
 - Develop goals focused on populations who experience health inequities

Example: Promote equitable primary care by requiring adoption of team-based care models within three years of model launch





Evaluating Progress on Model Goals

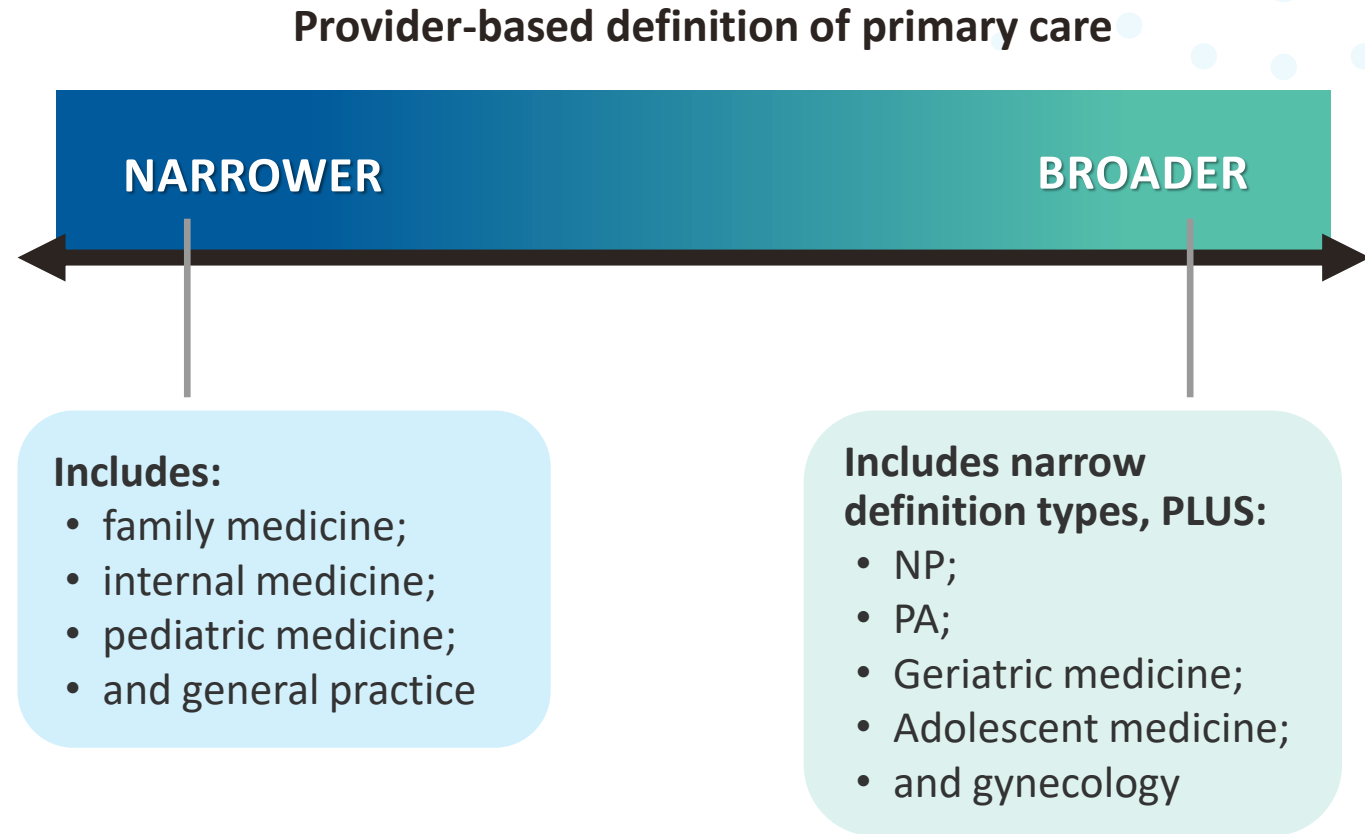
- Resources to evaluate primary care and VBP programs are limited at the state level — but evaluation is critical
 - Interim evaluation: *Is the program working so far? Are there early indicators that can be linked to our goals?*
 - Long-term evaluation: *Is the program achieving our goals?*
- Plans for evaluation should be informed by programmatic goals
- Plans for evaluation should ideally be developed before the model is launched
 - Collection of baseline data
 - Identification of data needed to assess success



Model Scope

Service- and Provider-Based Definitions of Primary Care

- **Service-based:** a defined set of services are *primary care*, regardless of who delivers them
- **Provider-based:** any service delivered by a defined “primary care provider” is *primary care*
- **Combination:** some specific services, delivered by some defined “primary care providers” are *primary care*



Source: Bailit, M. H., Friedberg, M. W., & Houy, M. L. (2017, July). Standardizing the measurement of commercial health plan primary care spending. Milbank Memorial Fund. <https://www.milbank.org/wp-content/uploads/2017/07/MMF-Primary-CareSpending-Report.pdf>

Defining Primary Care in Your Setting

- Are there specific populations, providers, or services that you need to include in the model to meet your goals?
- Do you want to use a definition, and create a primary care model, that is more or less expansive?
- Do you want a model that aligns with CMS Innovation Center models or other payers' models?
- Are there specific stakeholder perspectives that need to be accounted for?
→ e.g., do OB/GYNs in your state want to be counted as PCPs?
- Are there specific services where you want to incentivize volume?



Engaging Stakeholders

Primary Care Stakeholders Include:

- Those who will be impacted by a new primary care PBP model
 - Primary care practices/providers
 - Patients seeking primary care and their families
 - Medicaid managed care plans
 - Non-Medicaid payers (for multi-payer models)
- Those who have interest in model design and adoption
 - Advocacy organizations
 - Professional associations



Stakeholders should be involved from the beginning



- Model goals should be designed in partnership with stakeholders, including Medicaid members
- Meaningful stakeholder engagement in goal-setting and other model design activities will:
 - Help to create a model that addresses issues faced by plans, providers, and patients
 - Improve model design and avoid potential pitfalls
 - Create mutually understandable goals that resonate with stakeholders
 - Increase buy-in to the model and likelihood of participation

Key Takeaways

Key Takeaways

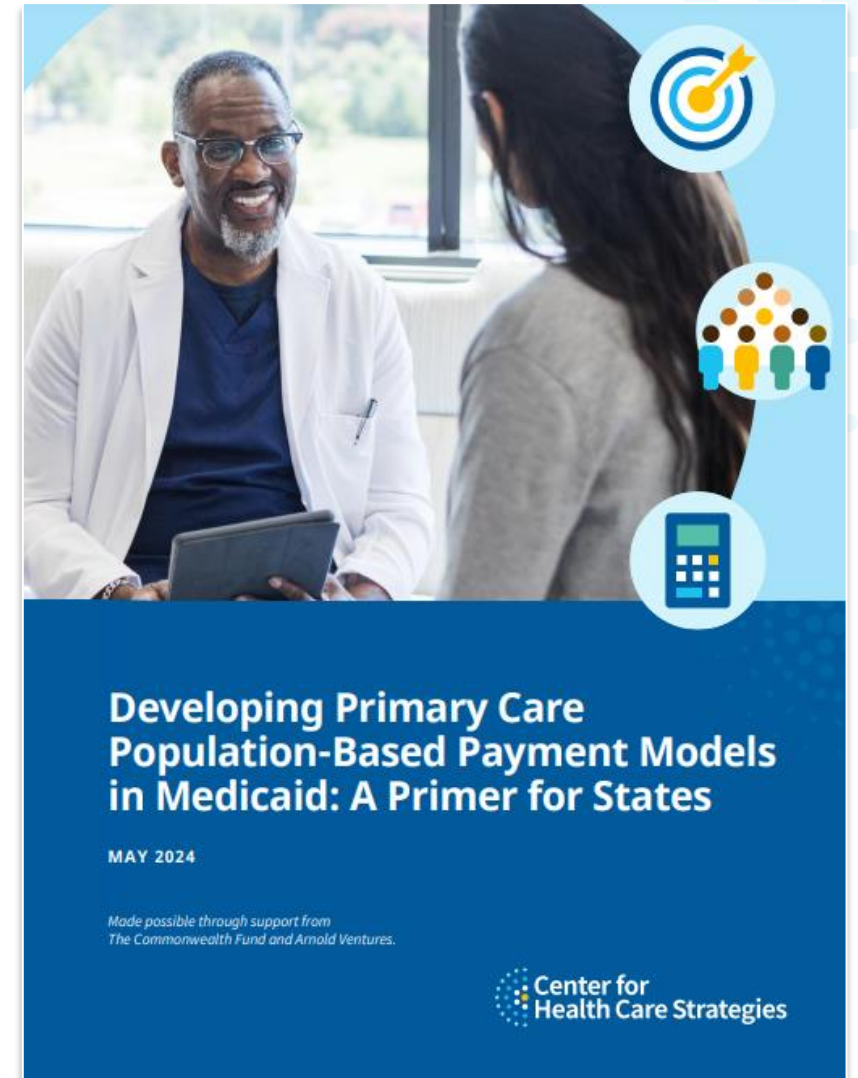
✓ Many states are in the early stages of ideating and designing primary care PBP models.

✓ Model designers have a series of technical choices to make, all of which should be driven by clear and measurable goals.

✓ In the early stages of model design, states may want to focus on setting goals, defining the model's scope, and engaging with model stakeholders early and often.

Visit CHCS.org to...

- **Explore our additional resources on primary care PBP models**
- **Download practical resources** to improve health care for people served by Medicaid.
- **Learn about cutting-edge efforts** from peers across the nation to enhance policy, financing, and care delivery.
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Panel: Primary Care PBP Models in Colorado, Connecticut, and Massachusetts

Questions?



To submit a question online, please click the Q&A icon located at the bottom of the screen.

