

UNIVERSAL PRIMARY CARE—Saves Money, Saves Lives

What is primary care?

“Primary care,” as defined in the Universal Primary Care study, means health services provided by health care professionals who are specifically trained for and skilled in first-contact and continuing care for individuals with signs, symptoms, or health concerns not limited by problem origin, organ system, or diagnosis, and includes pediatrics, internal and family medicine, gynecology, primary mental health services, and other health services commonly provided at federally qualified health centers. The definition of primary care does not include dental services.

“Primary care” is also described as the care typically provided by pediatricians, internists, family physicians, and nurse practitioners who specialize in primary care. The study also includes outpatient mental health and substance abuse providers in its definition.

What did the study find?

The state of Vermont recently submitted a [report to the legislature](#) on primary care (in accordance with Act 54, 2015). The study looked at claims data to determine how much is currently spent on primary care, and to project how much it would cost for Vermont to publicly fund those services with and without cost sharing by patients.

The study found that Universal Primary Care, without patient cost sharing, would cost the state about \$175 million per year in new spending, after subtracting what would already be spent by Medicaid. An additional \$12–\$35 million would need to be added for administration, according to the study. Overall, this means that the legislature would need to finance \$187–\$209 million in 2017 to implement Universal Primary Care. Additional revenue of \$27–\$135 million would be required to fund provider reimbursement rate increases if policymakers chose to increase reimbursements 10–50% above the status quo. These findings are summarized in the following table for calendar year 2017:

Claim Costs	Status Quo	UPC with Cost Sharing	UPC without Cost Sharing
Total Claim Costs	\$221.747M	\$220.236M	\$281.929M
Paid by Medicaid	(\$107.371M)	(\$107.371M)	(\$107.371M)
Net Claim Costs	\$114.376M	\$112.865M	\$174.558M
Avg. Actuarial Value	87%	87%	100%

On a per member per month basis, the findings look like this:

PMPM	Status Quo	UPC with Cost Sharing	UPC without Cost Sharing
Paid by Plan	\$35.14	\$34.94	\$44.01
Paid by Member	\$5.30	\$5.24	\$0.00
Total Paid PMPM	\$40.44	\$40.19	\$44.01
Avg. Actuarial Value	87%	87%	100%