

# Green Mountain Care Board

## Measurement of Primary Care Spend - Background

February 15, 2019

# Today's Agenda

1. Background and purpose of GMCB work thus far
2. Overview of GMCB definition
3. Total Cost of Care data
4. Considerations

# Vermont's Work to Advance Primary Care Investments

## Blueprint for Health (PCMH)

- Multi-payer patient-centered medical home (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

## All-Payer ACO Model

*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)
  - Value-Based Incentive Fund (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

# GMCCB Work to Date

**February 2018:** GMCCB staff met weekly to discuss scope of the provider taxonomy and codes to use in defining primary care spending.

**March 2018:** Rachel Block of Milbank Memorial Fund presented to the Board and the Primary Care Advisory Group (PCAG); GMCCB's draft measure was vetted with the Board and the PCAG.

**April 2018:** GMCCB analytics staff tested the measure.

**May 2018:** Measure vetted with OneCare for inclusion in the 2019 ACO Budget Guidance.

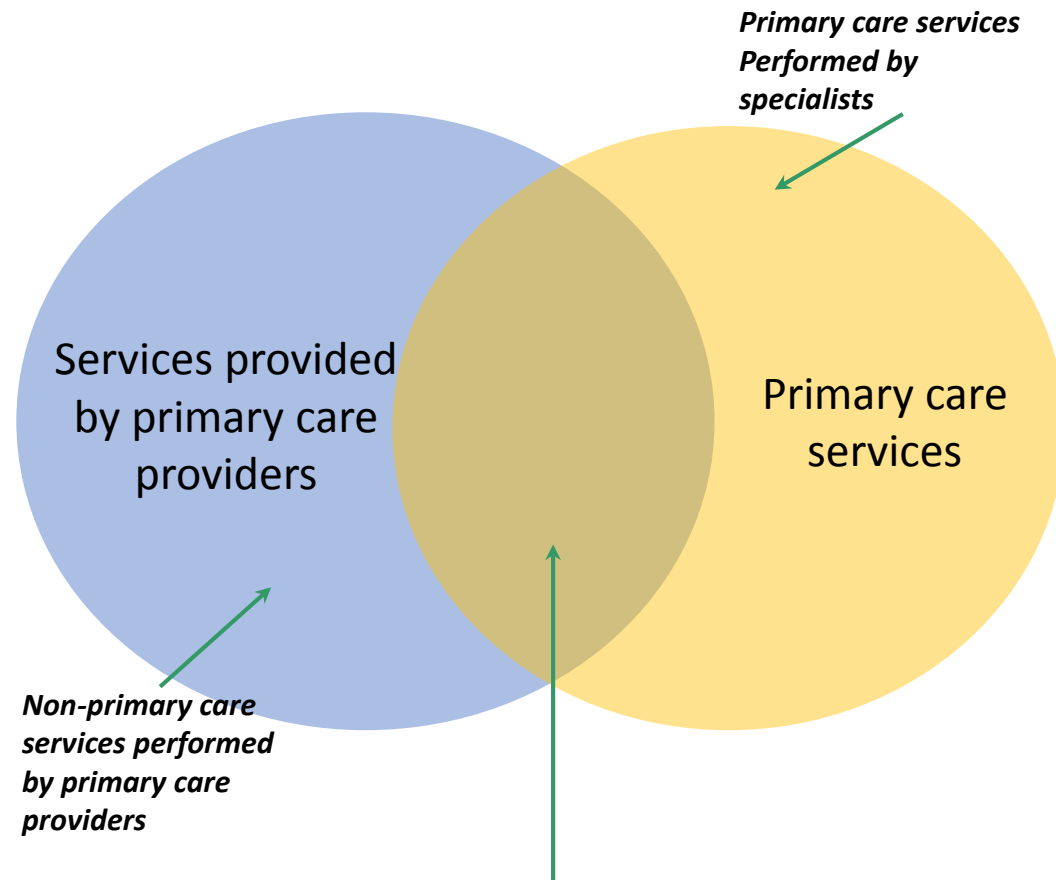
**October 2018:** OneCare submitted their first run of the measure with their budget guidance (currently being validated by our analytics team and analytics vendor).

**January 2019:** Measure was used for the 2017 Total Cost of Care (TCOC) baseline and will continue to be used for this purpose by the analytics vendor for the APM TCOC reporting.

# Components of Primary Care Spending

## Claims-Based Payments

## Non Claims-Based Payments



- Capitation payments
- Risk-based payments (AIPBP)
- Primary care medical home or patient centered medical home recognition
- Achievement of quality/cost-savings goals
- Develop capacity to improve care for a defined population of patients, such as patients with chronic conditions
- Support providers adopt health information technology, such as electronic health records
- Additional 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.

# Primary Care Definition

The GMCB used the following in the development of our primary care spend measure:

- AOA - Universal Primary Care
- SIM - GMCB Stakeholder Group
- DVHA
- Rhode Island
- Oregon
- Milbank Memorial Fund report
- OneCare Vermont – annual budget submission

# Provider Taxonomies Included

Family Practice

Internal Medicine with no subspecialty

Internal Medicine with subspecialty of Geriatrics

Pediatrics with no subspecialty

General practice

Nurse Practitioner

Physician Assistant

Naturopath

Osteopath

Ob/GYN

# Claims-Based Spending: CPT Code Categories Included

Office Visits

Encounter Payments (FQHC)

Preventive Visits

Vaccine Administration (not actual vaccine costs)

Care Management

Chronic Care Management

OB/GYN

Nursing Facility

Home Services

Domiciliary/Rest Home/Custodial Care

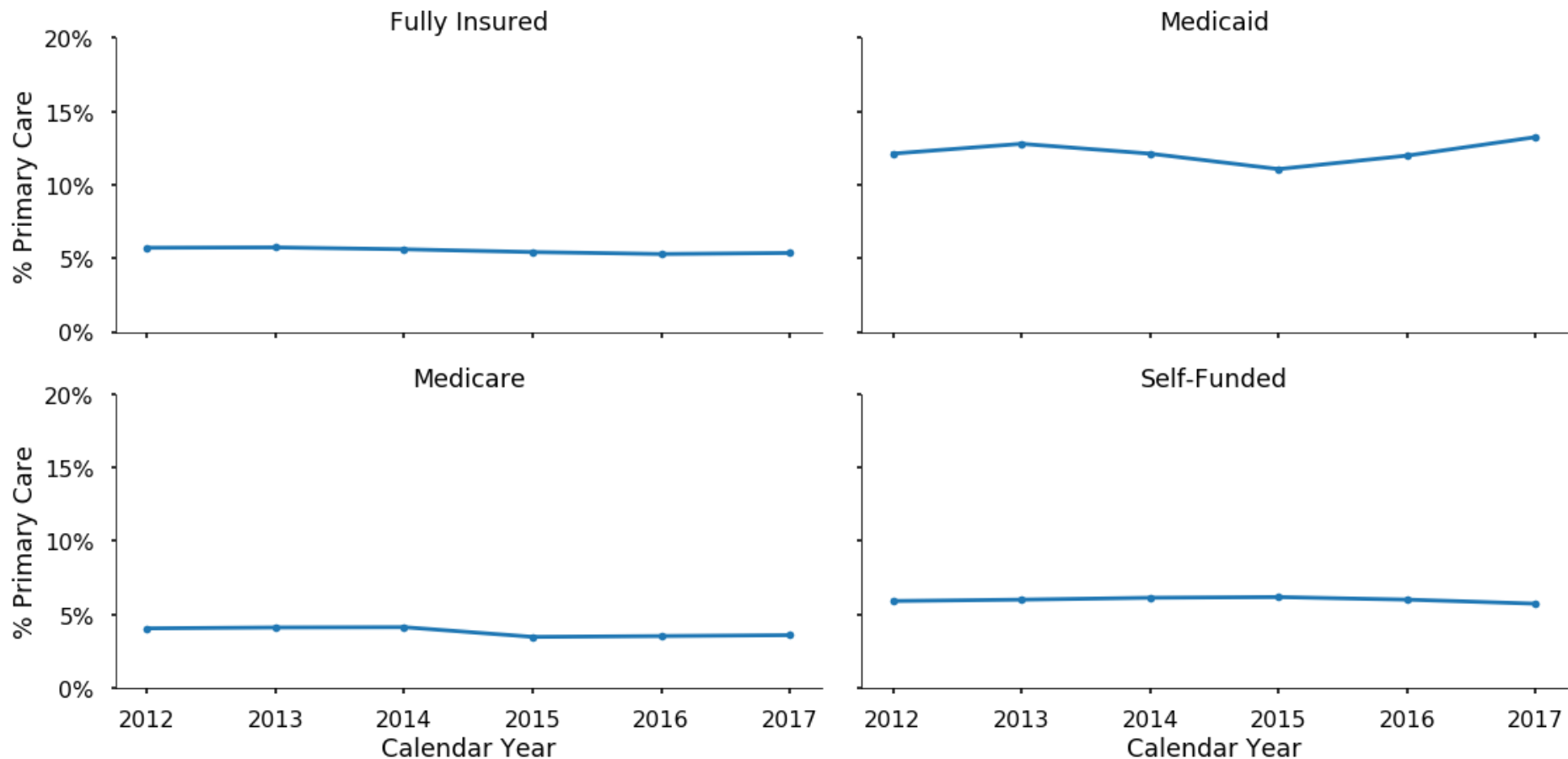
Prolonged Services



# Non-Claims Spending: Challenges

- Many payment reform initiatives pay based on the episode, which means intentionally taking the provider and procedures performed out of the equation (e.g. bundled payments for maternity, DRG-based payments).
- Without a measure of total healthcare-related investments, it's difficult to put primary care spending like the Blueprint for Health in context.

# Claims-Based Primary Care Spending All-Payer Model Total Cost of Care (TCOC)



# Claims-Based Primary Care Spending All-Payer Model Total Cost of Care (TCOC)

## Primary Care All-Payer Total Cost of Care Expenditures

	2012	2013	2014	2015	2016	2017
Medicaid	\$38,599,922 12%	\$44,613,922 13%	\$47,280,169 12%	\$46,762,835 11%	\$50,665,697 12%	\$47,997,355 13%
Fully Insured	\$38,295,640 6%	\$40,892,783 6%	\$38,879,910 6%	\$38,313,526 5%	\$34,595,080 5%	\$36,332,483 5%
Self-Funded	\$24,535,380 6%	\$29,009,575 6%	\$33,772,187 6%	\$35,416,282 6%	\$20,103,138 6%	\$19,081,697 6%
Medicare	\$38,178,978 4%	\$40,708,675 4%	\$43,731,698 4%	\$39,754,248 3%	\$42,906,562 4%	\$45,788,197 4%
<b>TOTAL</b>	<b>\$139,609,919</b> <b>6%</b>	<b>\$155,224,955</b> <b>6%</b>	<b>\$163,663,963</b> <b>6%</b>	<b>\$160,246,891</b> <b>6%</b>	<b>\$148,270,479</b> <b>6%</b>	<b>\$149,199,733</b> <b>6%</b>

# Considerations

- Estimating the total spending per person associated with residential populations may provide a more comprehensive and appropriate lens for evaluating health care system spending, especially for value-based payment mechanisms.
- In addition to per person spending, utilization may be monitored as one potential factor, which would speak to the proportion of primary care services delivered.

# Questions?