



# **The State of Primary Care: Federal, State, and Private Sector Responses**

**Senate Health and Welfare  
Vermont State House Room 17**

**February 12, 2026**

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Harvard Medical School  
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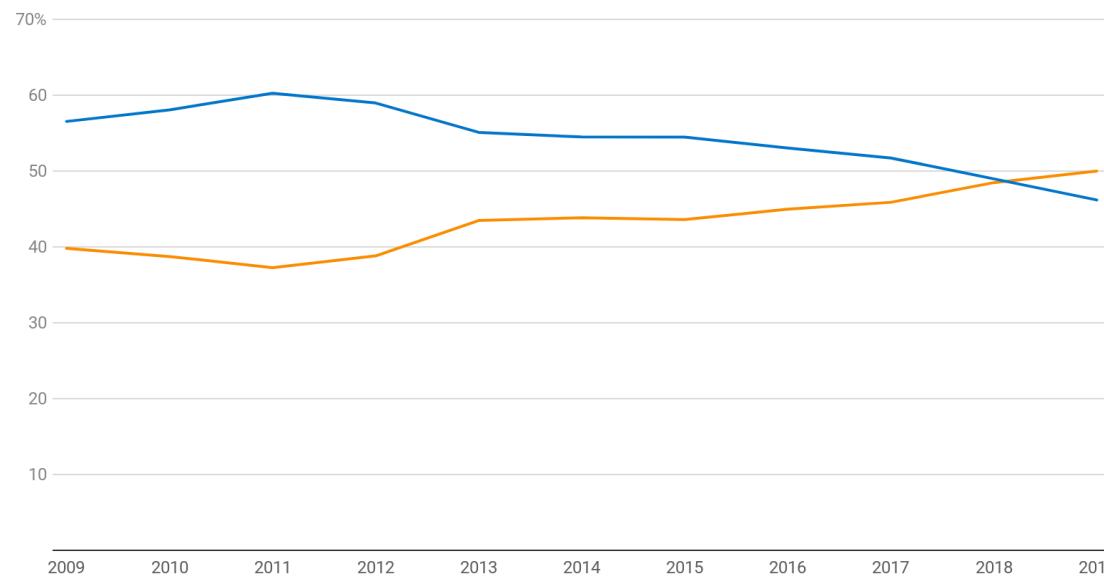


## U.S. PCP shortage: 21K to 55K by 2032

### Newly Minted M.D.s Less Likely to Seek Careers As Primary Care Physicians

Although the percentage of U.S.-trained M.D.s who seek further training in one of the three primary care residency categories — internal medicine, family medicine and pediatrics — is declining, the percentage of U.S.-trained osteopathic doctors and foreign-trained allopathic doctors desiring jobs in those fields is on the rise.

— U.S.-trained allopathic doctors — Osteopathic and foreign-trained allopathic doctors

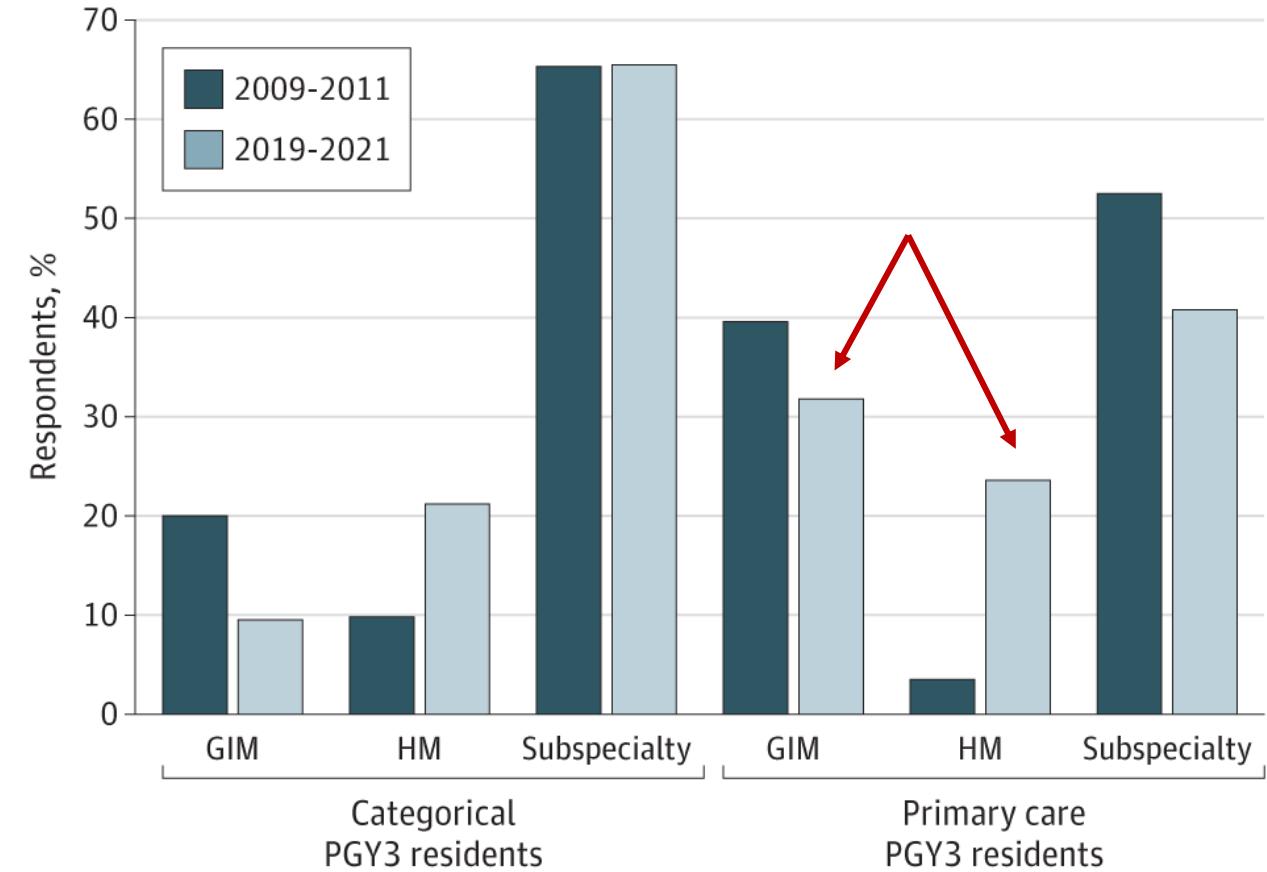


Note: The category for U.S.-trained allopathic doctors, or M.D.s, includes both fourth-year medical students and graduates of U.S. medical schools.

Credit: Victoria Knight/Kaiser Health News

Source: National Resident Matching Program

## Less than 1/3 of primary care residents stay in primary care by end of residency training



## 1. Federal Response

## ↑ Office Visit Fees or New E/M Visit Codes

### Changing Medicare Payment to Strengthen Primary Care

Douglas B. Jacobs, M.D., M.P.H., Christiane T. LaBonte, M.S., and Meena Seshamani, M.D., Ph.D.

#### APCM Service Elements and Practice-Level Capabilities.\*

##### Consent

Inform patients of the availability of APCM services and of related policies.

(NEJM 2025)

##### Initiating visit for new patients (separately paid)

Initiation during a qualifying visit for new patients only.

##### Provision of 24/7 access to care and care continuity

Provide access to care for urgent needs.

Continuity of care with a designated team member.

##### Comprehensive care management

May include systematic needs assessment, approaches to ensuring receipt of preventive services, and medication reconciliation.

##### Patient-centered comprehensive care plan

Development, implementation, revision, and maintenance of an electronic, patient-centered, comprehensive care plan.

##### Management of care transitions

Coordination of care transitions between practitioners and settings.

Timely exchange of electronic health information.

Follow-up communication with the patient or caregiver within 7 days after ED visits and discharges.

##### Practitioner, home, and community-based care coordination

Coordinate provision of needed services among practitioners and settings.

##### Enhanced communication opportunities

Enhance opportunities for the patient to communicate with the care team.

Access to patient-initiated digital communications.

##### Patient-population-level management

Analyze patient-population data to identify gaps in care and offer interventions.

Risk-stratify the practice population to target services.

##### Performance measurement

Be assessed on the basis of primary care quality, total cost of care, and meaningful use of certified EHR technology.

### Paying Primary Care More—Will It Work This Time?

Zirui Song, MD, PhD

(JAMA 2025)

#### 2025 APCM codes

\$80 or \$107 PMPM

\$36 or \$49 PMPM

\$12 or \$15 PMPM

#### 2026 BHI codes

\$91 or \$145 PMPM

\$99 or \$134 PMPM

\$41 or \$53 PMPM

## ORIGINAL RESEARCH

Annals of Internal Medicine

### The Underuse of Medicare's Prevention and Coordination Codes in Primary Care

(2022)

#### A Cross-Sectional and Modeling Study

Sumit D. Agarwal, MD, MPH; Sanjay Basu, MD, PhD; and Bruce E. Landon, MD, MBA, MSc

Table 1. Payment Amounts, Eligibility, Current Use of Code, and Receipt of Service as Input Data Used for Revenue Estimates\*

Code	Medicare Payment in 2020 for Code, \$†	Service Eligibility (Eligible for Code, Percentage of Medicare Beneficiaries), %	Among Medicare Beneficiaries Eligible for Service/Code	
			Billing Rate (Current Use of Billing Code, Percentage of Eligible), %	Service Provision (Received Service Regardless of Billing for Service, Percentage of Eligible), %‡
<b>Prevention codes</b>				
Smoking cessation counseling	15.52-29.59	8.8	10.1	60.6
Alcohol misuse screening	18.41	100	2.9	57.4
Alcohol misuse counseling	26.71	16.0	<1	25.9
Depression screening	18.41	100	7.9	27.1
Behavioral counseling for cardiovascular disease	26.71	74.0	1.4	46.7
Obesity counseling	26.71	34.6	<1	51.9
Shared decision making for lung cancer screening	29.95	9.3	1.5	5.0
Advance care planning	76.15-86.98	100	3.7	22
Wellness visit	117.29-172.87	100	35.8	-
<b>Coordination codes</b>				
Transitional care management	187.67-247.94	22.5	9.3	43.3
Chronic care management	37.89-92.39	65.8	2.3	-
Behavioral health integration	48.00-156.99	30.2	<1	-
Cognitive assessment with care planning services	265.26	10.5	1.5	-

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	2017	2023
Total TM beneficiaries	38.9 million	34.4 million
Total PCP Allowed Charges	\$17.0 billion	\$14.4 billion
PCP Allowed Charges Per TM Enrollee	\$438	\$420
PCP Office Visit Allowed Charges	\$8.4 billion	\$7.6 billion
PCP Office Visit Allowed Charges Per TM Enrollee	\$215	\$221
Total Fee Schedule Spending	\$91.4 billion	\$91.1 billion
Total Fee Schedule Spending Per TM Enrollee	\$2,352	\$2,646
PCP Allowed Charges as a Share of Total	18.6%	15.9%
PCP Allowed Office Visit Charges as a Share of Total	9.1%	8.4%
PCP Allowed E/M Charges as a Share of Total	17.0%	14.7%

	Total E/M Spend (in millions)	E/M Spend as Share of Specialty Total (%)	E/M Spend as a Share of Total E/M Spending (%)
Total	\$47,712	52.4	100.0
Primary Care	\$13,365	92.5	28.0
Family practice	\$5,304	91.8	11.1
Internal medicine	\$7,840	92.9	16.4
Geriatric medicine	\$221	97.8	0.5
Non-Procedural Specialties	\$9,537	83.0	20.0
Non-Surgical, Procedural Specialties	\$6,227	41.8	13.1
Surgical Specialties	\$5,970	36.1	12.5
Other Health Professionals	\$9,848	50.1	20.6
Behavioral Health	\$2,192	97.3	4.6
Other MD Specialties	\$419	4.1	0.9

## 2. State Response

### ↑ % of Spending on Primary Care +/- APMs and Price Caps

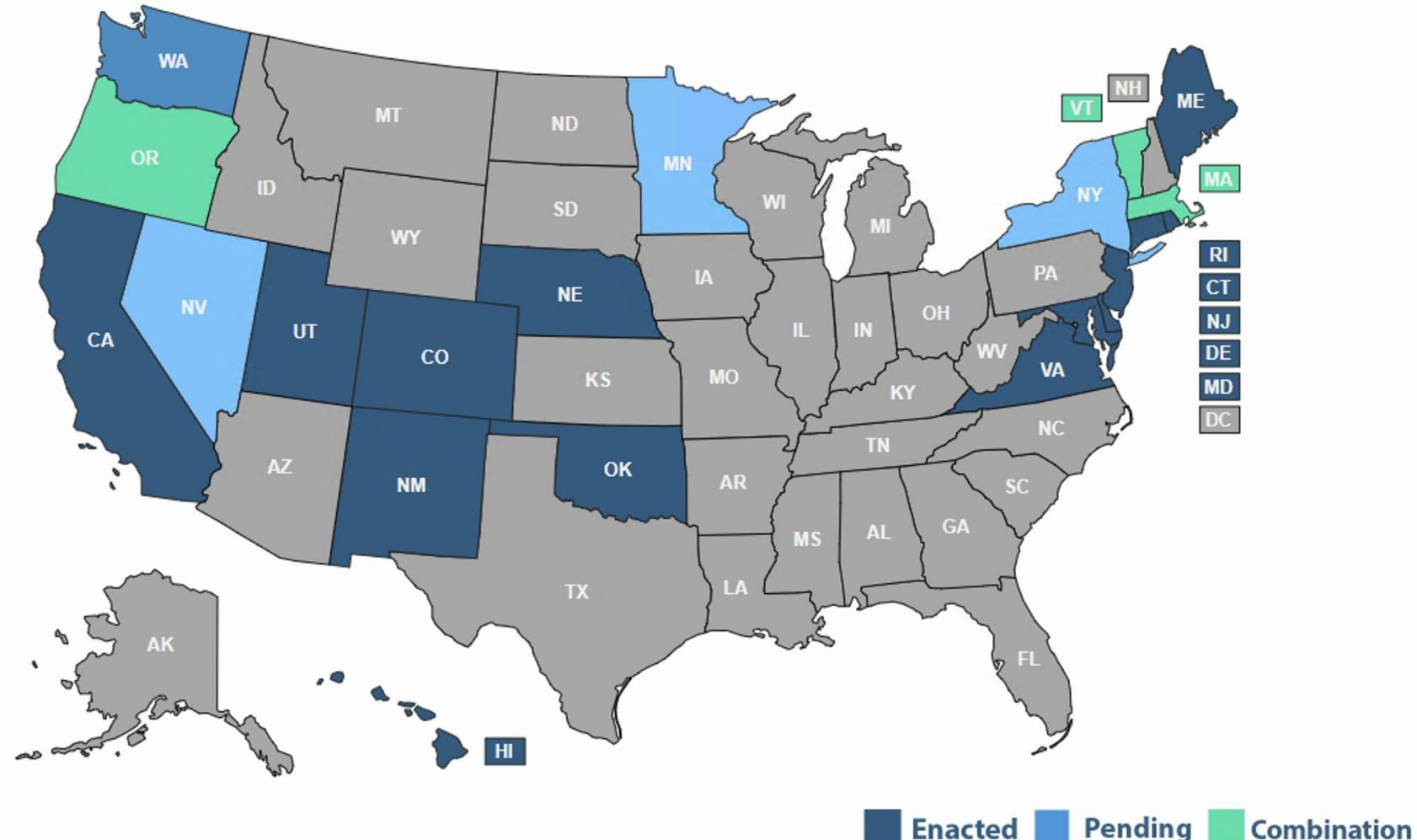
JAMA Health Forum™

(2025)

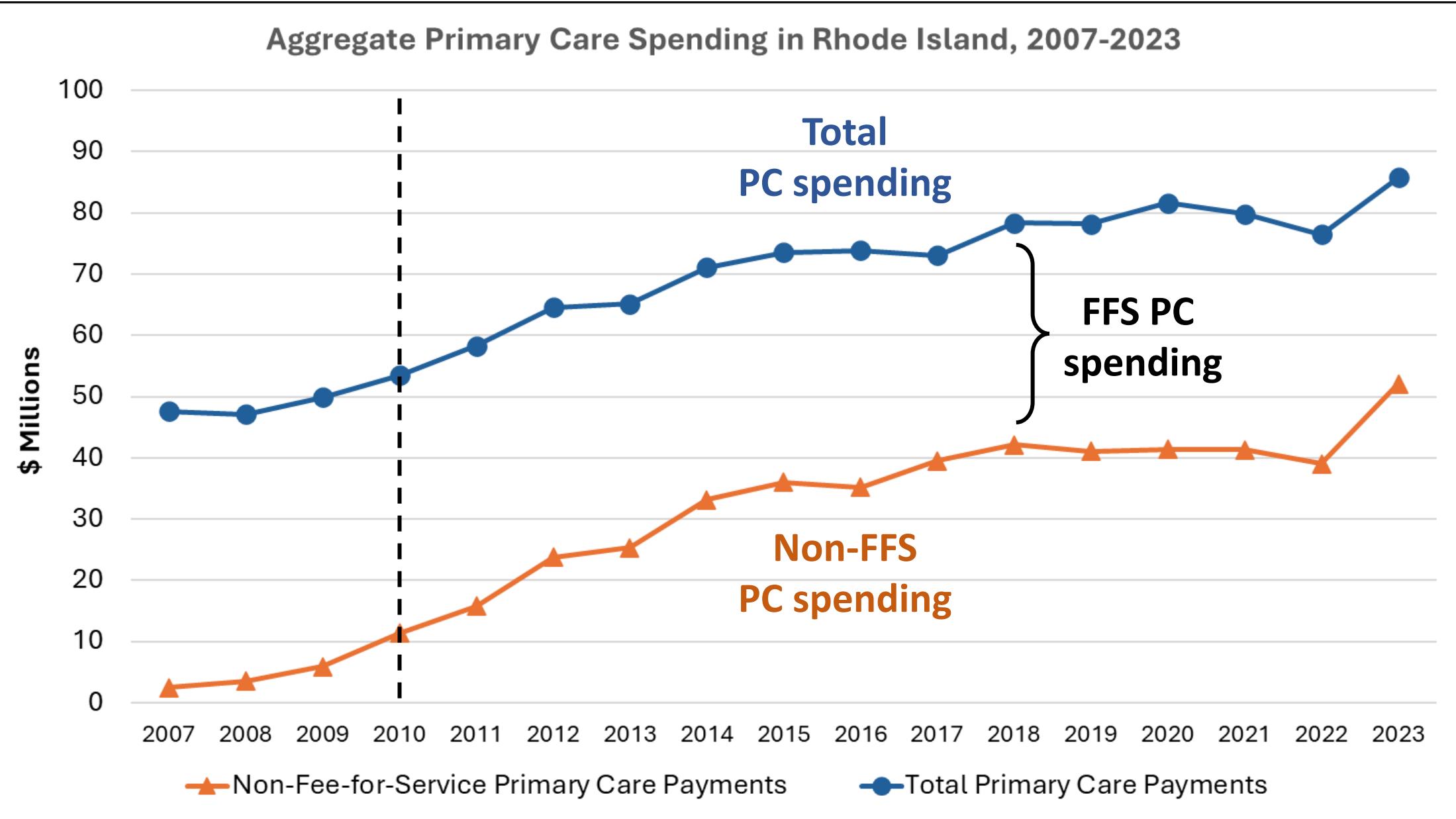
Viewpoint

State Investments in Primary Care—5 Early Leaders of a Potential Policy Trend

Sarah H. Brown, MD; Dru A. Ricci, BA; Ananya Tadikonda, BSPH; Zirui Song, MD, PhD



■ Enacted ■ Pending ■ Combination



### 3. Private Response

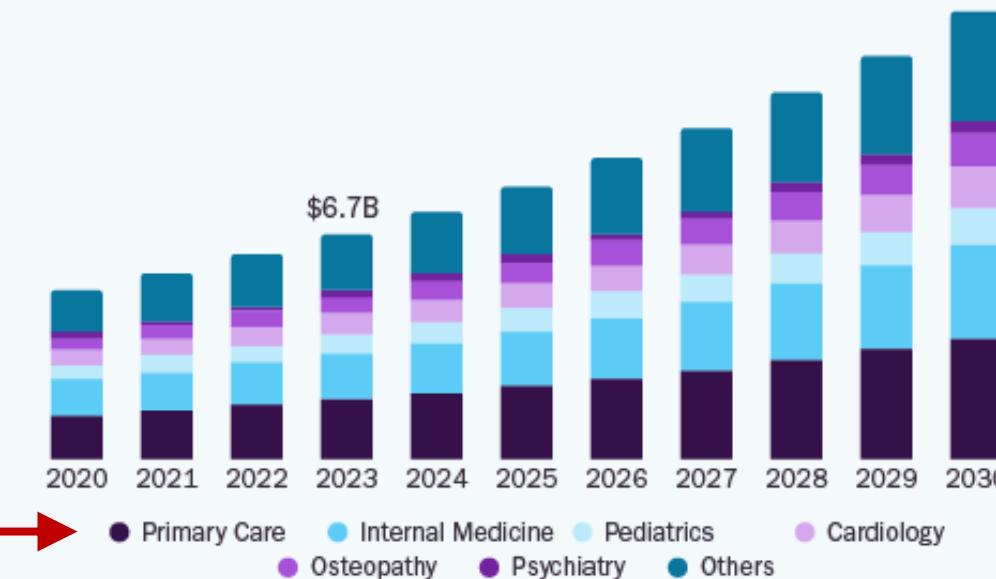
### Concierge, Direct PC, Private Equity

#### Key U.S. Concierge Medicine Companies:

- ▶ MDVIP
- ▶ Signature MD
- ▶ Crossover Health
- ▶ Specialdocs Consultants, LLC
- ▶ PartnerMD
- ▶ Concierge Consultants & Cardiology
- ▶ Castle Connolly Private Health Partners
- ▶ Peninsula Doctor
- ▶ Campbell Family Medicine
- ▶ Destination HealthMDI
- ▶ Priority Physicians, Inc.
- ▶ U.S. San Diego Health

### U.S. Concierge Medicine Market

Size, by Specialty, 2020 - 2030 (USD Billion)



**10.4%**

U.S. Market CAGR,  
2024 - 2030

Source:  
[www.grandviewresearch.com](http://www.grandviewresearch.com)



The NEW ENGLAND  
JOURNAL of MEDICINE

**Perspective**  
MAY 29, 2025

### Primary Care — From Common Good to Free-Market Commodity

Zirui Song, M.D., Ph.D.,<sup>1,2</sup> and Jane M. Zhu, M.D., M.P.P.<sup>3</sup>

**M**ore than 30% of U.S. adults lack a usual source of primary care.<sup>1</sup> As the population ages, the gap between primary care demand and supply is poised to widen. Primary care

along with willingness among many patients to pay retainer fees, health care systems have also opened their own concierge practices, often alongside traditional