North Carolina Primary Care Payment Reform Task Force

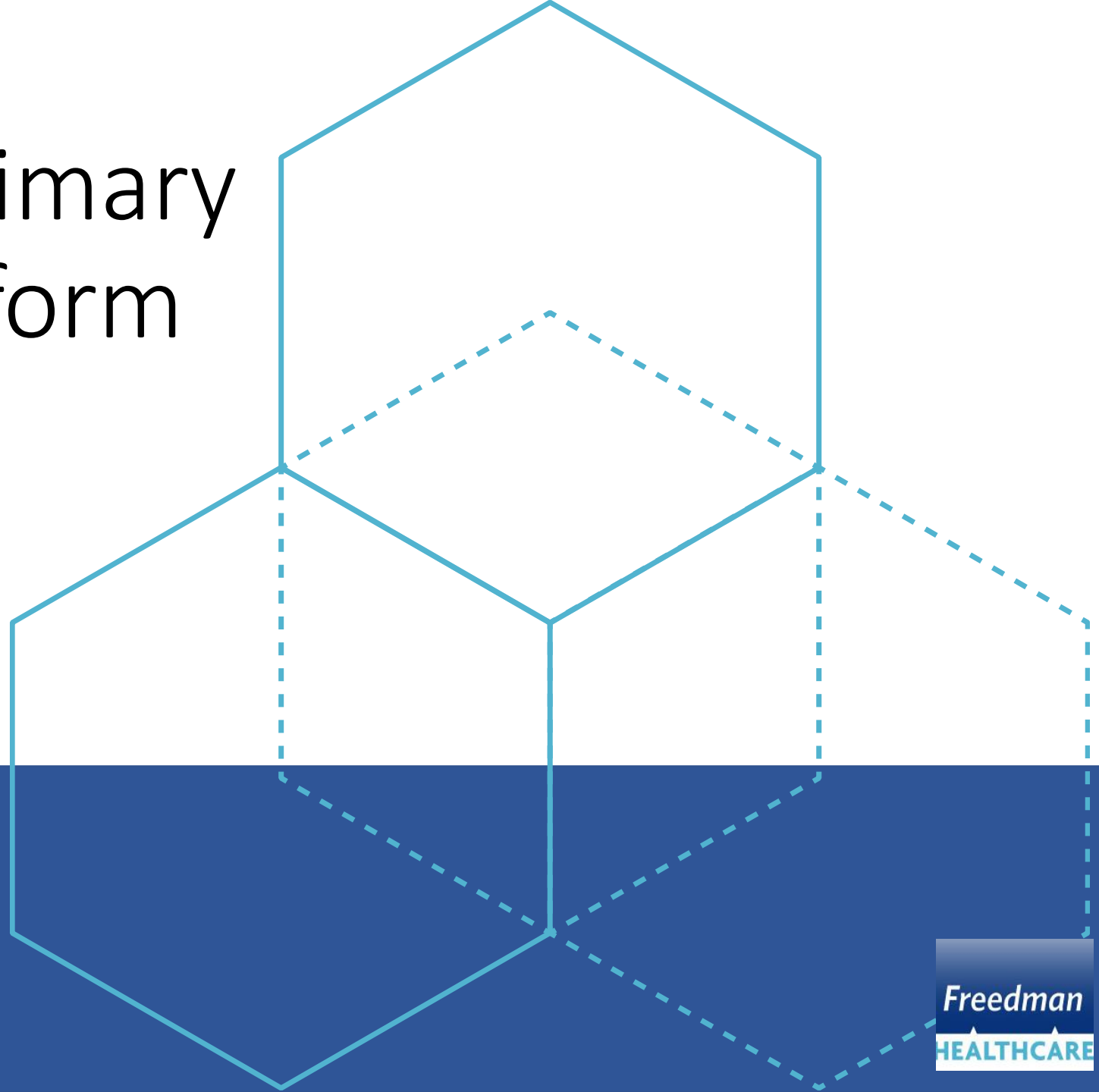
Meeting 1: National Overview & Primary Care Definition

January 19, 2024

Mary Jo Condon, MPPA, Principal Consultant, Project Director

Gary Swan MBA, MHPA, Senior Consultant

Julia Sledzik MPH, CSM, Health Policy Analyst



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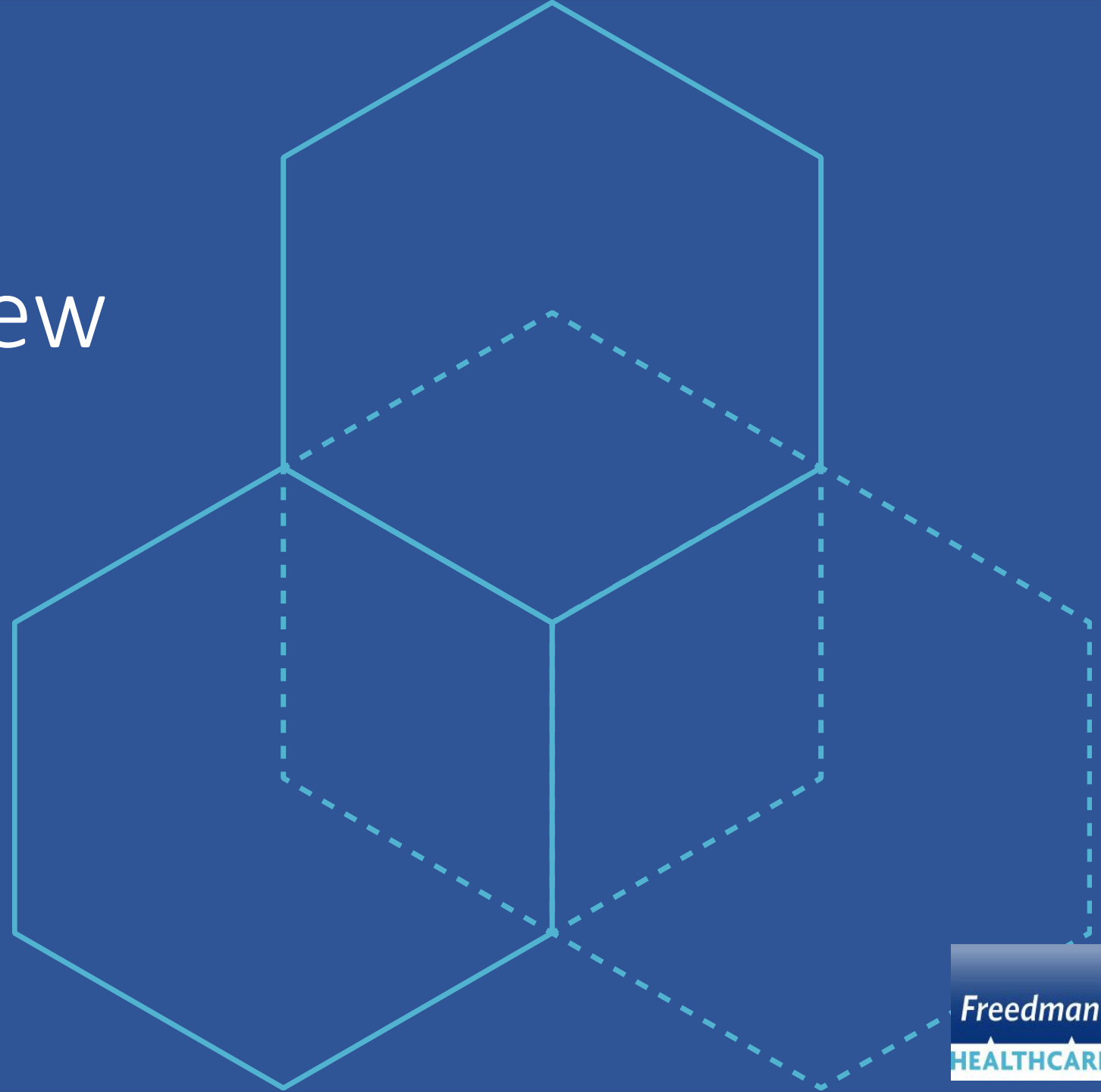
Etiquette for Easy Collaboration

- Mute your microphone when you are not speaking to avoid background noises
- Use of your camera is encouraged
- Raise your hand to make a comment, provide feedback, or offer an idea
- Use the chat box, reactions, and emojis to contribute to the conversation
- Be present and practice active listening, we want to hear your insights
- Be respectful of differences in understanding and perspective
- Hold the tension of both/and thinking, rather than either/or thinking

Agenda

1.	Introductions & Timeline Overview	2:00 PM
2.	Goals & Level-setting	2:10 PM
3.	National Overview of Primary Care	2:25 PM
4.	Primary Care Priorities in North Carolina	2:30 PM
5.	Member Input on Primary Care Definition	2:45 PM
6.	Wrap Up & Meeting 2 Preview	3:25 PM

Introductions & Timeline Overview



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Introductions

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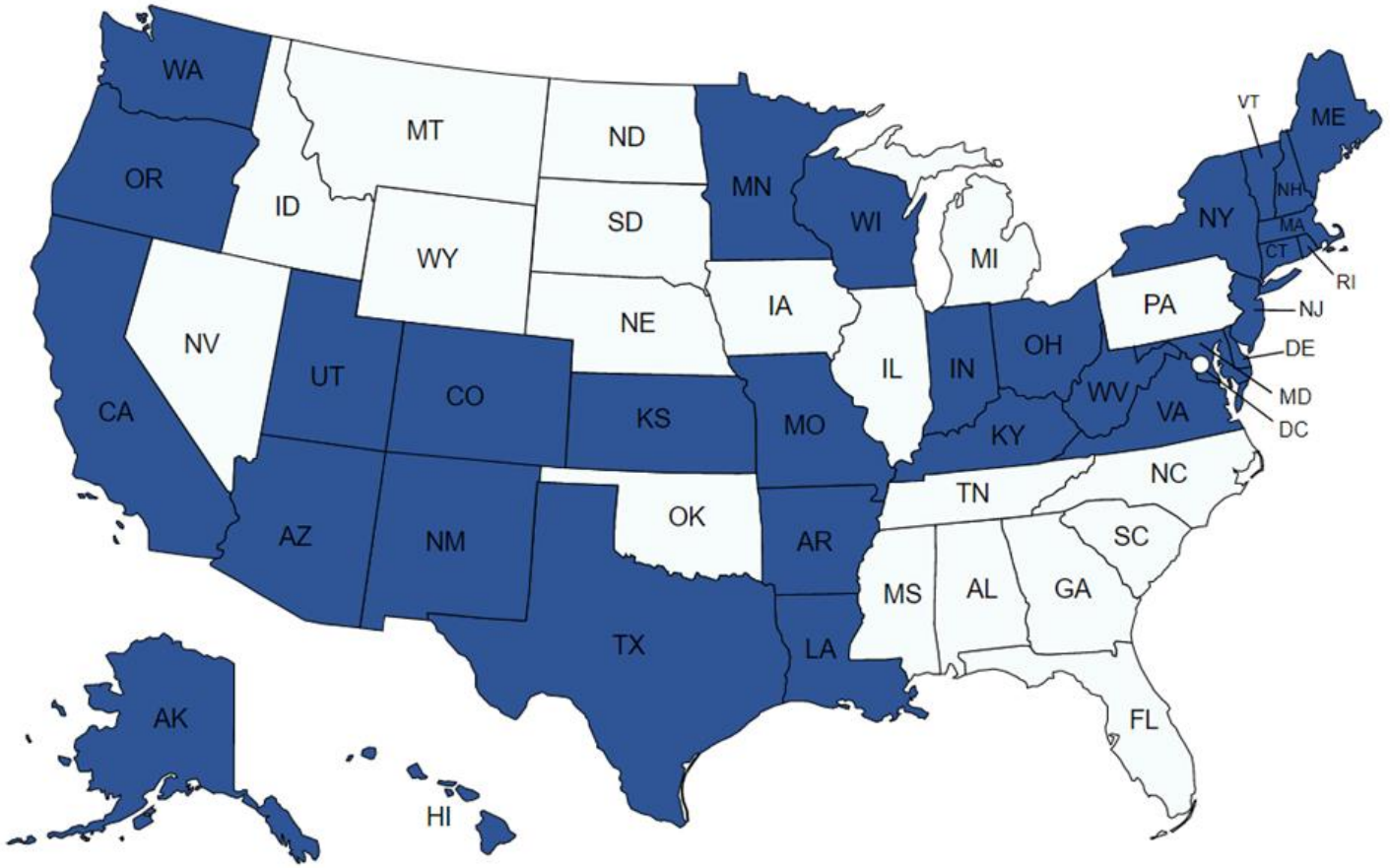
Health Policy Analyst

About Freedman HealthCare



Founded in 2005, FHC is a focused, independent consulting firm dedicated to improving health care access, affordability, equity, and quality by empowering our clients with actionable data.

Our vision is to be the partner of choice for policymakers and changemakers who use data to transform healthcare and promote health, wellbeing, and justice.

Primary Care Payment Reform Task Force Members

Name	Title & Organization
Jay Ludlam	Deputy Secretary for NC Medicaid
Bobby Croom	Commissioner of the Department of Insurance Selected Representative
Sam Watts	Executive Administrator of the North Carolina State Health Plan for Teachers and State Employees (State Health Plan)
Hugh Tilson	Director of the North Carolina Area Health Education Centers Program
Christie Burris	Director of the North Carolina Health Information Exchange Authority
Mark McNeill, MD	North Carolina Academy of Family Physicians Selected Physician Representative
Michelle Schmerge	North Carolina Nurses Association Selected Advanced Practice Registered Nurse Representative
Larry Wu, MD	North Carolina Association of Health Plans Selected Representative of the Commercial Health Insurance Community
Genie Komives, MD	North Carolina Association of Health Plans Selected Representative of a Prepaid Health Plan
Cody McKinney	North Carolina Community Health Center Association Selected Representative of Community Health Centers

Primary Care Payment Reform Task Force Introduction Instructions

Welcome Task Force members! We look forward to getting to know you and connecting you with each other.

Please keep introductions brief today and include the following:

1. Name, Organization, Title/Role
2. One goal for advancing high-value care, primary care

Example: Hi, I'm Gary Swan, a Senior Consultant with Freedman HealthCare. One of my goals for advancing high-value primary care is to ensure we reach a good working definition of primary care.

Welcome additional participants!
Please feel free to introduce yourself with your name, organization, and title/role in the chat. Please also note that while the meeting is open to the public, formal participation in the meeting is limited to Task Force members or their delegates outlined in the legislation.

Timeline

January 2024

- ***Meeting 1: National Overview & Definitions***
  - Friday, 1/19 from 2:00 – 3:00 PM
- ***Meeting 2: PC Measurement & Benchmarking***
  - Wednesday, 1/31 from 8:00 – 9:30 AM
- ***Data Review***
- ***Outline Report***

February 2024

- ***Meeting 3: Measurement & Workforce***
  - Wednesday, 2/14 from 8:00 – 9:30 AM
- ***Meeting 4: Recommendations***
  - Wednesday, 2/28 from 8:00 – 9:30 AM
- ***Draft Report***

March 2024

- ***Finalize Report***

April 2024

- **Report Delivered by April 1st**

Task Force Logistics

PLEASE NOTE: This is a public meeting. Formal meeting minutes will be taken and posted following this session.

- We will walk the Task Force through a series of options and key decision points and will seek group consensus on recommendations. These decisions will inform the final report and will be revisited throughout our time together.
- Membership and voting is limited to representatives (or their delegates) named in the legislation
- Given our short working time together, we will take public comments through written response to Task Force meetings following the meeting.

Goals & Level-Setting

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Legislative Charge

Legislative Requirements (SL 2023-134)

The Task Force must submit a report to the Joint Legislative Oversight Committees on Health & Human Services and Medicaid.

The Report is to include ***findings and recommendations*** that are specific, concrete, and actionable steps that the State and General Assembly can act on.

- ✓ Provide a **national overview** of primary care measurement and investment
- ✓ Recommend a working **definition of primary care**
- ✓ Set the stage for ongoing primary care **measurement and investment**
- ✓ Recommend primary care **investment targets**
- ✓ Recommend a **data collection strategy**
- ✓ Recommend policies for **future legislative opportunities**
- ✓ Recommend next steps for evaluating primary care **workforce adequacy**

Task Force Meetings and Goals

Meeting 1: National Overview & Definitions *(Friday, 1/19)*

- Outcome: Goals for primary care and alignment with making care primary

Meeting 2: PC Measurement & Benchmarking *(Wednesday, 1/31)*

- Outcome: A working definition how to measure primary care investment and benchmarking

Meeting 3: Measurement & Workforce *(Wednesday, 2/14)*

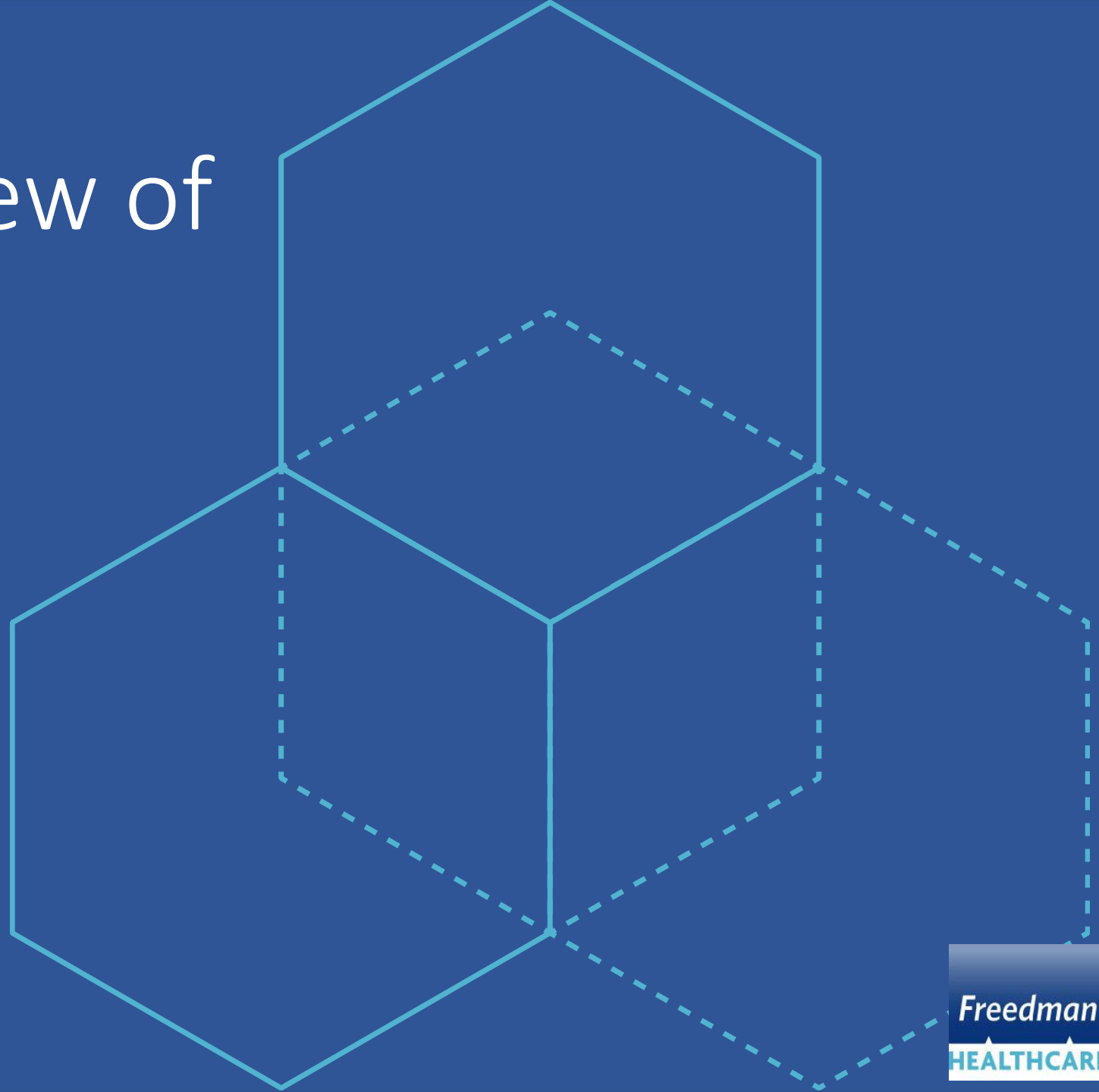
- Outcome: Close conversations on primary care measurement and benchmarking, and, review workforce

Meeting 4: Recommendations *(Wednesday, 2/28)*

- Outcome: Review past work sessions and close open conversations

Update based on Meetings 1 & 2

National Overview of Primary Care



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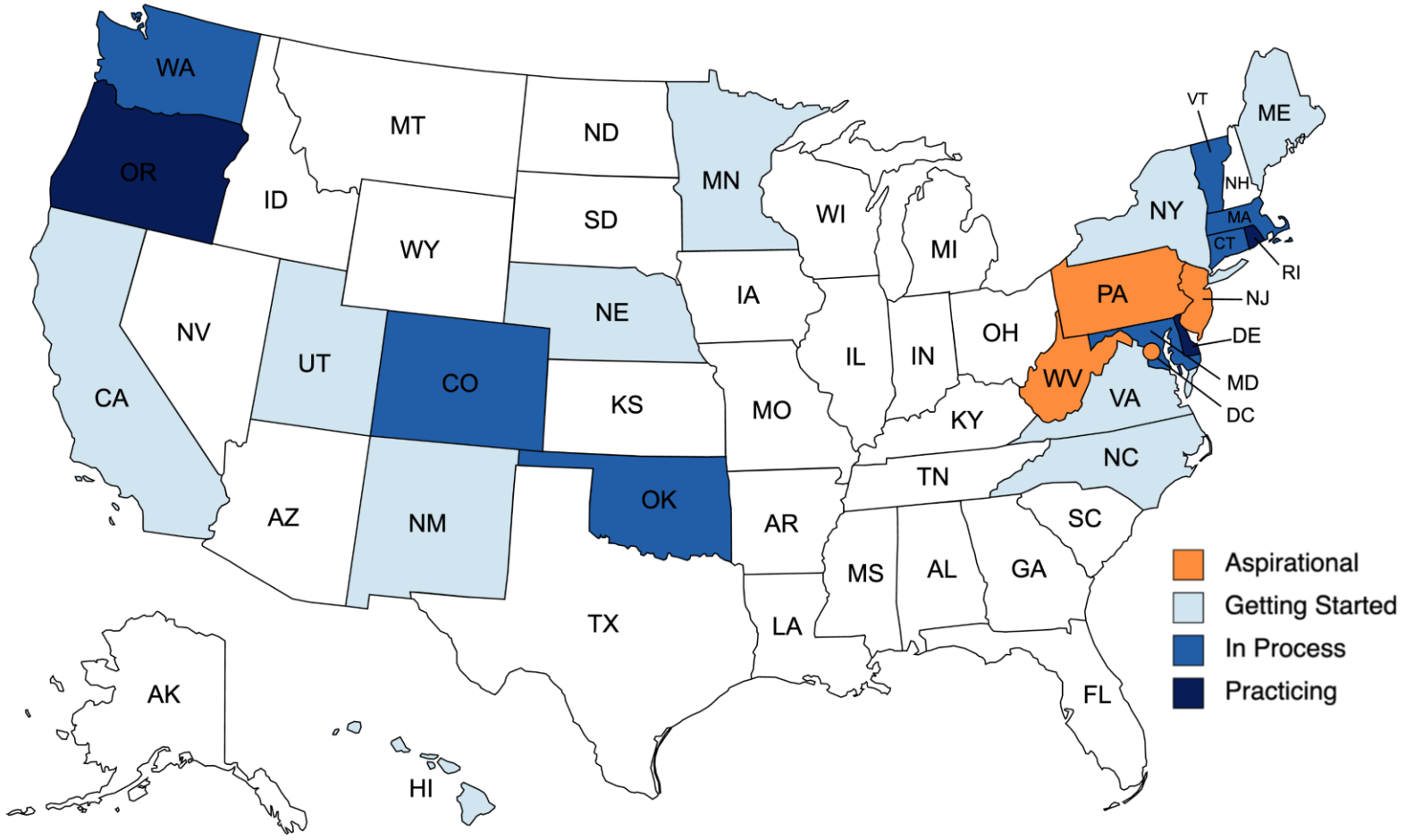
National Overview

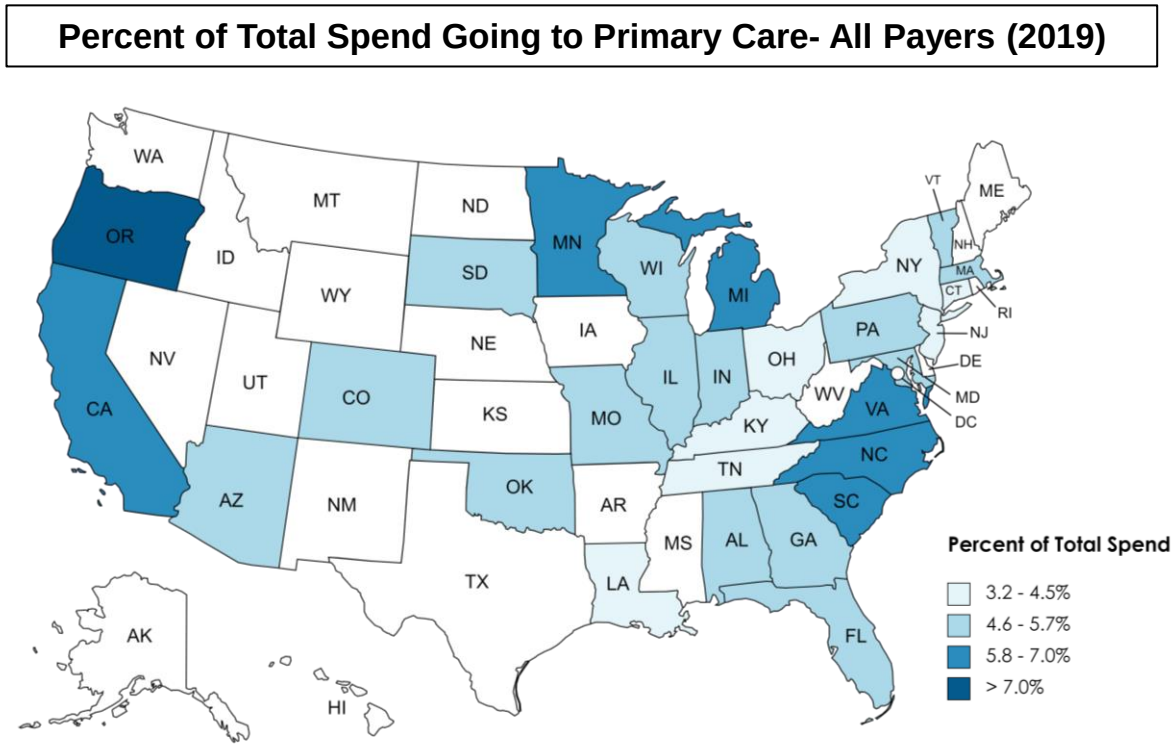
- Over a dozen states have launched efforts to allocate a greater proportion of the health care dollar to primary care.
- Most begin with measurement and reporting, but definitions vary.
- Five states — RI, OK, OR, CO, DE – require a defined level of primary care spend for at least one payer type.
- A growing number of efforts include certain behavioral health services and non-claims spend in their primary care definitions.



California Health Care Foundation. Investing in Primary Care: Lessons from State-Based Efforts. April 2022.

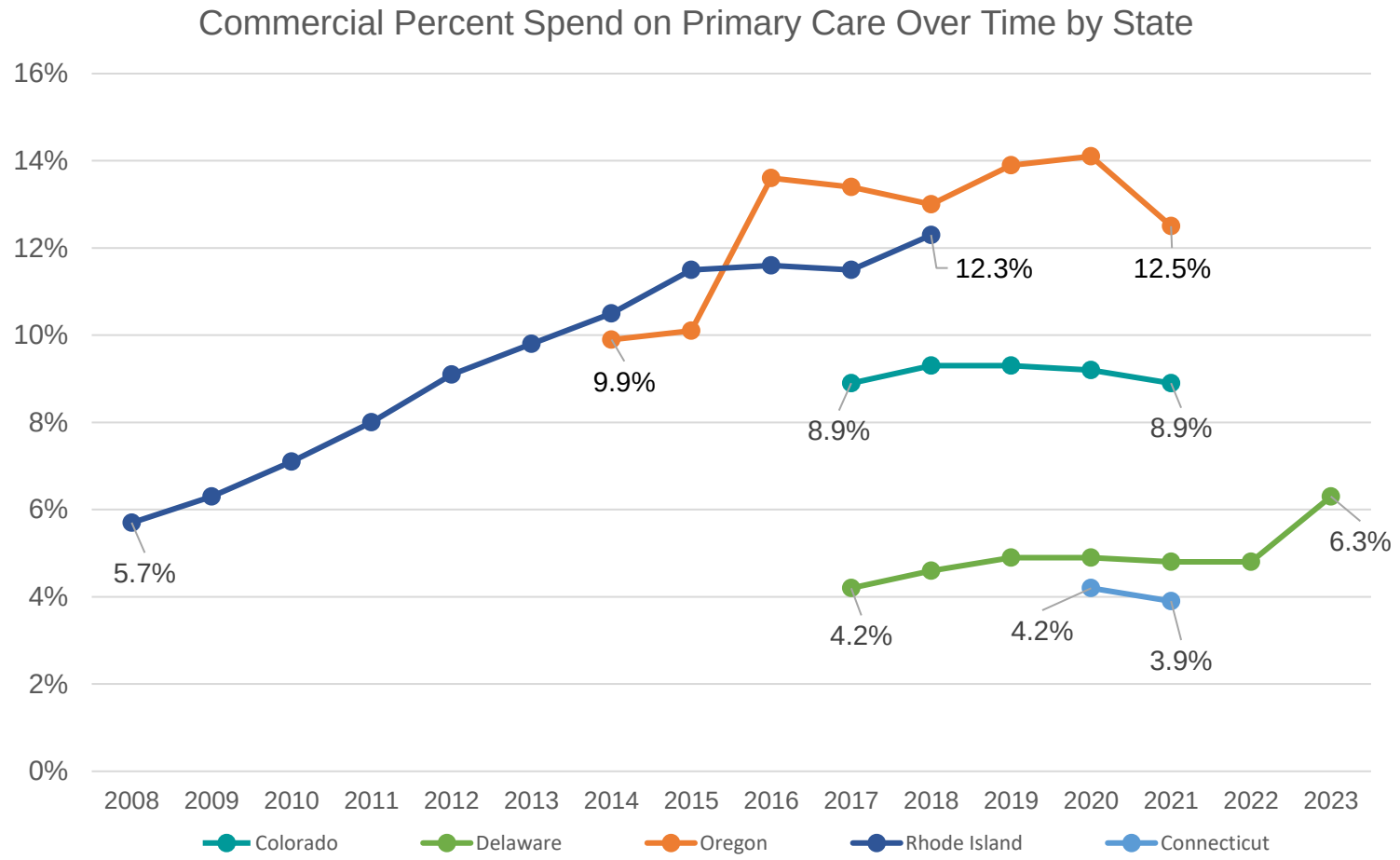
The Health of US Primary Care: A Baseline Scorecard

In 2023, the Milbank Memorial Fund, with the Robert Graham Center, published a scorecard that measured primary care spending across 19 states using publicly available survey data from the Medical Expenditure Panel Survey (MEPS).



Jabbarpour Y., Petterson S., Jetty A., Byun H.The Health of US Primary Care: A Baseline Scorecard Tracking Support for High-Quality Primary Care, The Milbank Memorial Fund and The Physicians Foundation. February 22, 2023.

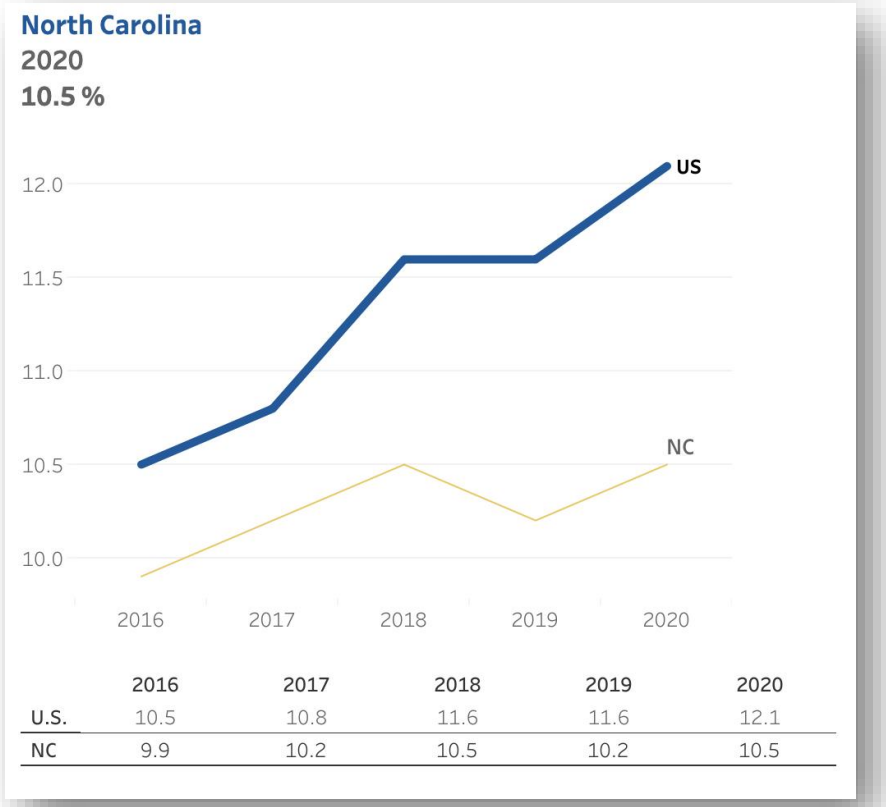
Example: States See Investment Increase



Note: State definitions and total cost of care differ, which contributes to differences in investment percentages. Delaware's definition changed slightly in 2022. The Delaware 2023 figure is a projection.

Milbank Memorial Fund: Primary Care Spend for North Carolina

Broad Definition Primary Care Spend in North Carolina vs. the US, 2016-2020



	2016	2017	2018	2019	2020
U.S.	10.5	10.8	11.6	11.6	12.1
NC	9.9	10.2	10.5	10.2	10.5

Jabbarpour Y., Petterson S., Jetty A., Byun H.The Health of US Primary Care: A Baseline Scorecard Tracking Support for High-Quality Primary Care, The Milbank Memorial Fund and The Physicians Foundation. February 22, 2023.

North Carolina All-payers Percent Primary Care Spend 2015-2020

	Narrow	Broad
2016	5.9%	9.9%
2017	6.1%	10.2%
2018	6.0%	10.5%
2019	5.8%	10.2%
2020	**5.8%**	**10.5%**

Narrow Definition: Outpatient and office-based expenditures to primary care physicians (PCPs), defined as family physicians, general pediatricians, general internal medicine physicians, general practitioners, and geriatricians.

Broad Definition: Narrow Definition + Spending for office-based care from nurse practitioners (NPs), physician assistants (PAs), behavioral health clinicians, and obstetricians/gynecologists.

Primary Care Priorities in North Carolina

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Enabling High-Quality Primary Care

↑ Investment + Δ Payment Methods = Sustainable Care Transformation

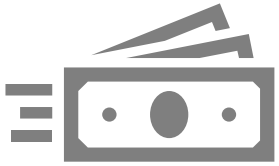
Primary care is the only health care component where an increased supply is associated with better population health and more equitable outcomes.

1. Define Primary Care

Where are we headed?

2. Set Targets & Measure

How do we know when we get there?



3. Promote Adoption of Alternative Payment Models

What mechanisms do we use to get there?

4. Promote Best Practices for Care Delivery

What clinical and care management practices will get us there?

Acting on a Vision

Clarifying the measurement purpose is an important first step in measuring primary care spending.

Approach	Trade Offs
Core Services: Is spending on core primary care services sufficient?	• Helpful starting point to identify populations or geographic areas in need of additional access. • May miss important aspects of care delivery.
Future Vision: Is primary care spending adequate to support future vision for primary care delivery?	• May be helpful to setting a future target and monitoring progress. • May include services not currently provided on a routine basis.

Note: Some spending will not be captured (e.g., uninsured, third-party vendors, concierge care and worksite clinics).

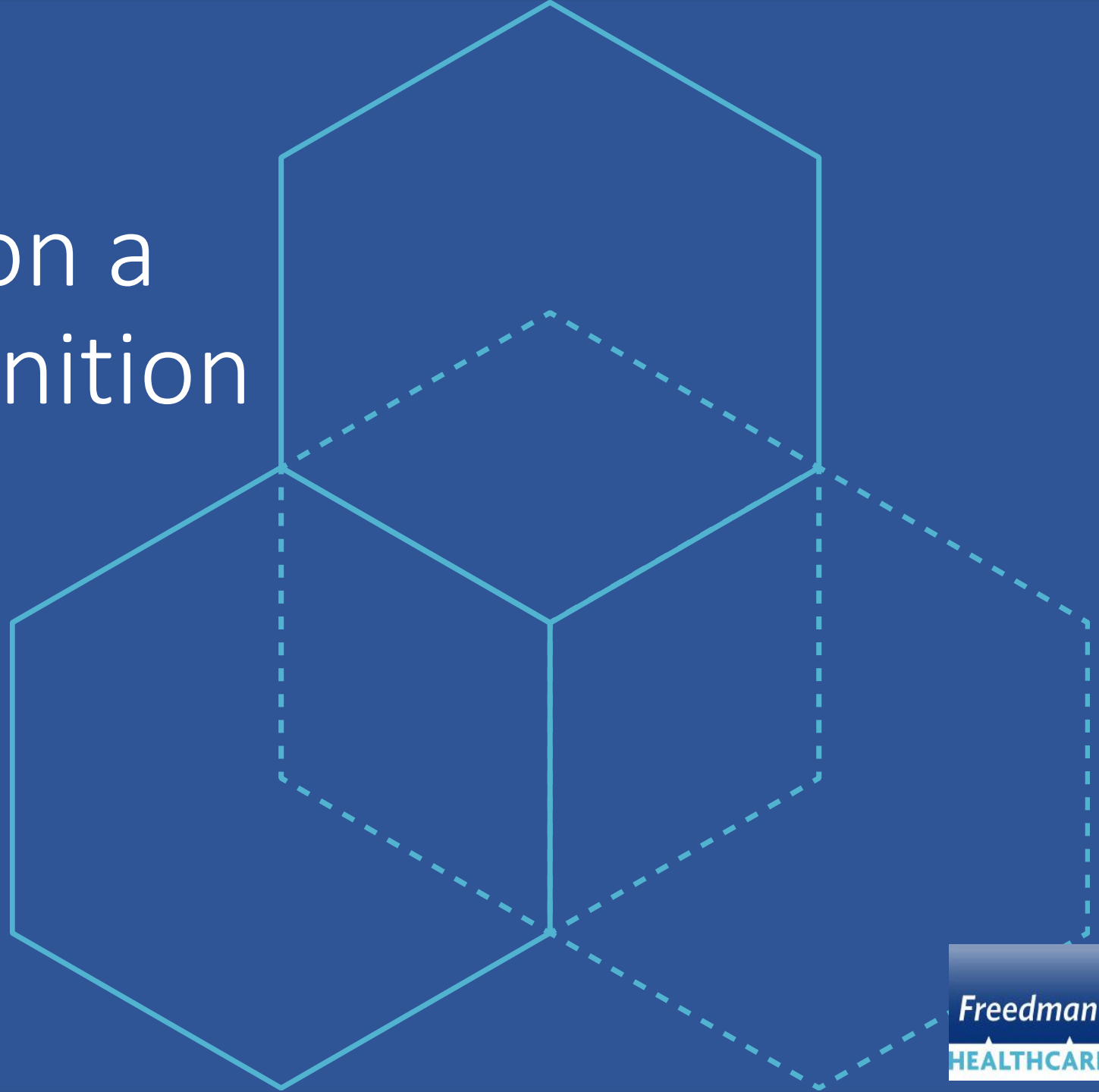
Barabara Starfield's Pillars of Primary Care Practice

In 1992, Barbara Starfield identified 4 pillars of primary care practice which set the foundation for future elaborations of key primary care attributes.

1. First-Contact Accessible
2. Continuous
3. Comprehensive
4. Coordinated

Starfield B. Primary Care: Concept, Evaluation, and Policy. New York, NY: Oxford University Press; 1992.

Task Force Input on a Primary Care Definition



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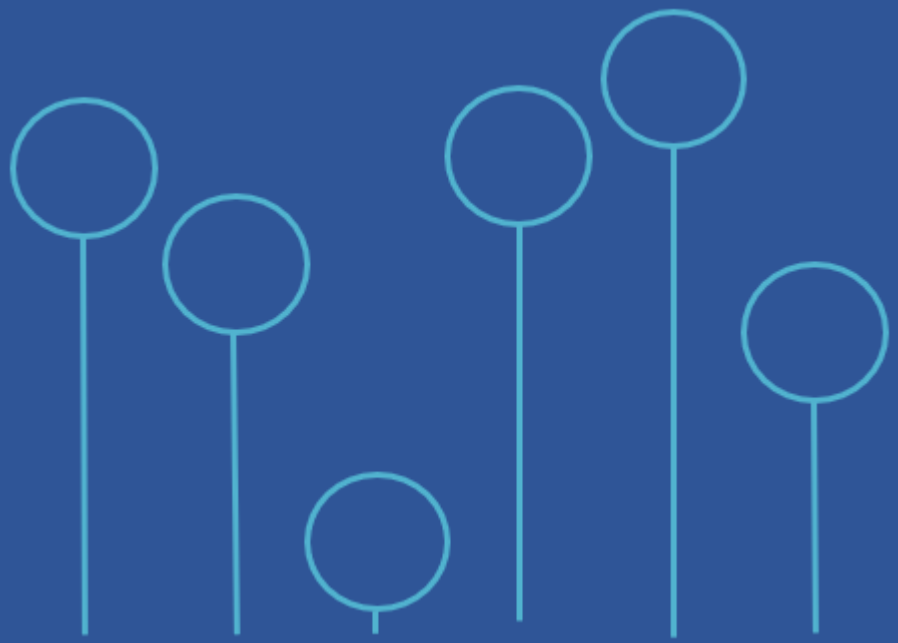
Key Decision Points



Defining Primary Care:

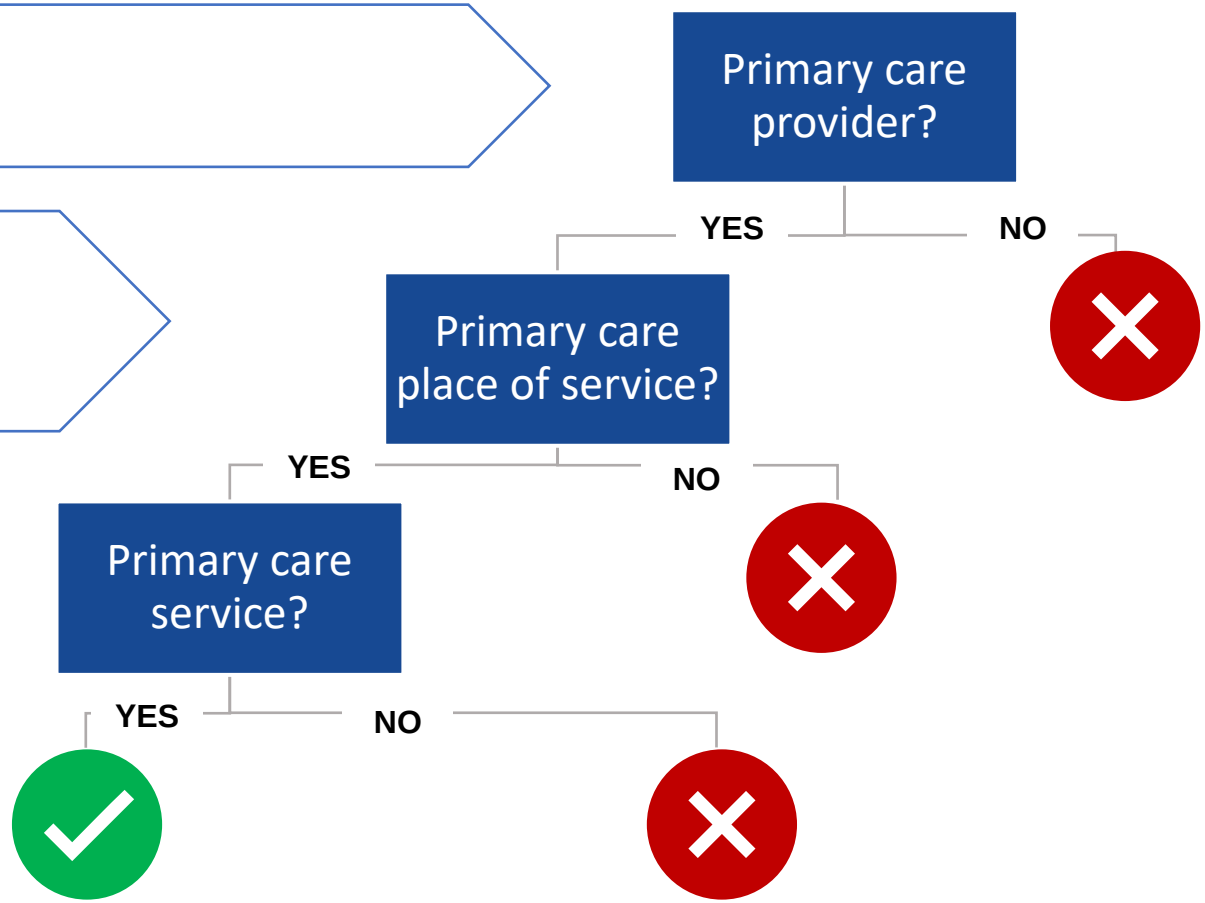
- Narrow or broad set of providers?
- Narrow or expanded set of services, or all?
  - Include or exclude behavioral health services and/or providers?
  - Include or exclude OB/GYN services and/or providers?
- Restrict places of service?
- Include non-claims spending?

Defining Primary Care

Provider taxonomy defined as primary care

Typically Included: Office, telehealth, home
Typically Excluded: Inpatient setting, emergency room
Often Debated: Urgent Care, retail clinic

Services defined as being a part of primary care, often using a list of HCPCS/CPT codes or as any service provided by a primary care provider.



Focusing the Definition of Primary Care

Narrow Primary Care Definition	• Emphasizes core primary care providers and services essential for maintaining general health • Includes providers such as family practice, internal medicine, pediatrics, and general practice • Focuses on core services, such as office visits and preventive care • Sometimes also restricts by place of service
Broad Primary Care Definition	• Expands on the narrow definition by including a wider range of providers and services, addressing more complex and diverse healthcare needs. • Can include providers such as nurse practitioners, physician assistants, geriatric medicine, and gynecology • Can add such services as e-consults, hospital outpatient visits, and prolonged preventive services

Common Definitions of Primary Care

	Types of Providers	Places of Service	Types of Services

Nearly All Include	• ***Family Medicine***
	• ***Internal Medicine***
	• ***General Practice***
	• ***Geriatrics***
	• ***Pediatrics***
	• ***Federally Qualified Health Center***
	• ***Physician Assistant***
	  • Medical
	• ***Nurse Practitioner***
	  • Adult Health/Family/Pediatrics/ Primary Care
	• ***Primary Care & Rural Health Clinics***
		• Office
		• Telehealth
		• School
		• Home
		• Federally Qualified Health Center
		• Public Health
		• Rural Health Clinic
		• Worksite
		• Walk-in Retail Health Clinic
		• Urgent Care Facility
			• Office visit
			• Home visit
			• Preventive visits
			• Immunization administration
			• Transitional care & chronic care management
			• Health risk assessment
			• Advanced care planning

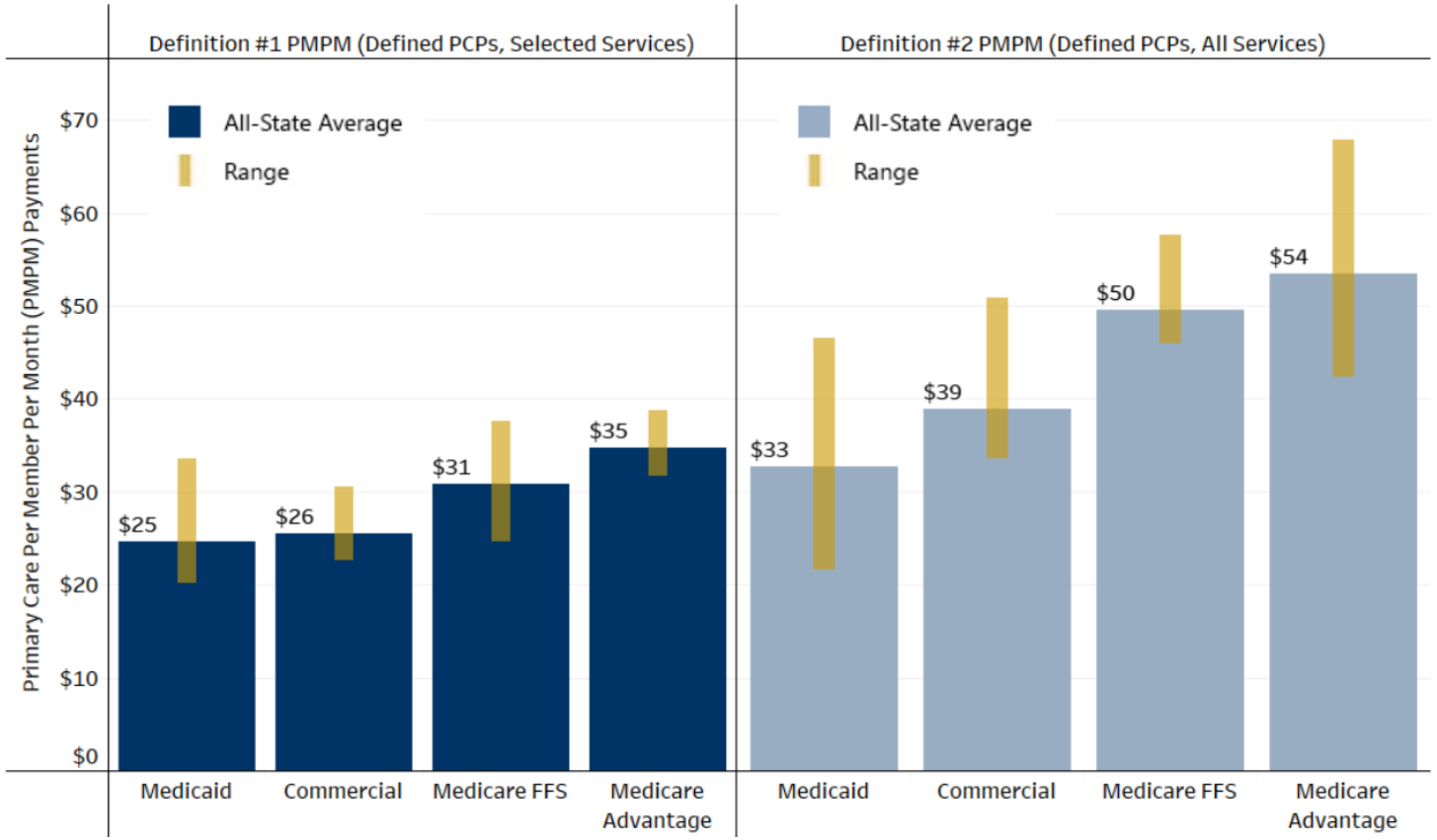
Most Include	• ***Adult Medicine*** • ***Adolescent Medicine*** • Behavioral health • ***OB-GYN*** ***Bolded indicates currently defined as primary care within Medicaid**	• Homeless Shelter • Indian Health Service • Tribal Facility • Correctional Facility • Assisted Living Facility • Group Home • Mobile Unit	• Interprofessional consult (e-consult) • Team conference w or w/o patient • Prolonged preventive service • Domiciliary or rest home care/ evaluation • Hospital outpatient clinic visit

Example: Impact of Narrow Versus Broad Set of Services by Payer Type

NESCSO found less variation in primary care spend by payer type when using a narrow list of services. This was particularly true when comparing Medicaid and commercial. This was likely due to differences in service mix across payer types.

Another reason may be imperfect provider data. The broader the primary care definition, the greater the impact of specialists who may be mistakenly counted as primary care providers.

Primary Care PMPM Payments by Payer Type, 2018



The New England States' All-Payer Report on Primary Care Payments, 2020. New England States Consortium Systems Organization (NESCO) & Onpoint Health Data.

Example: Impact of Narrow Versus Broad Provider Definition

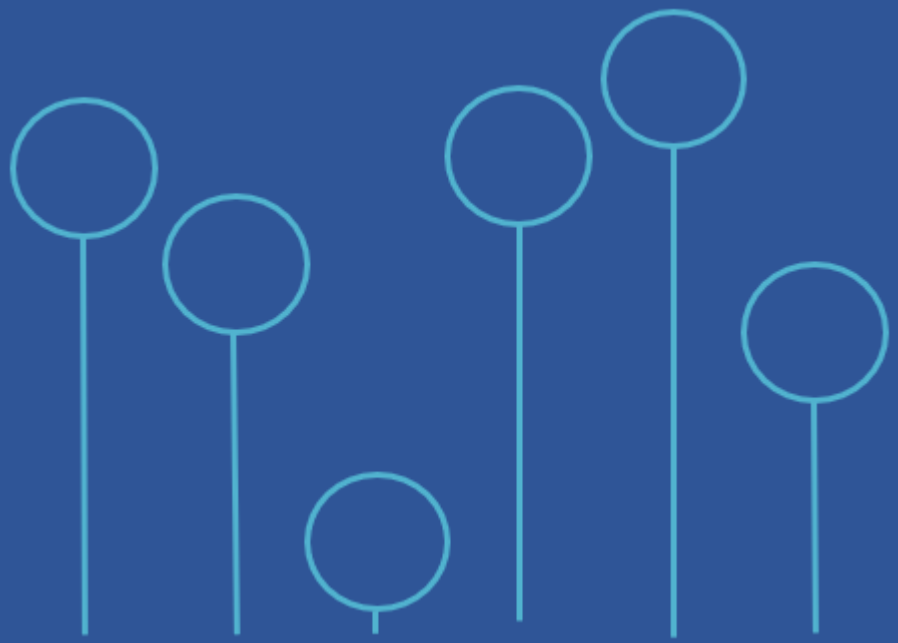
- The impact of a narrower provider definition is ***more limited*** than a narrower service definition.
- The impact of including or excluding geriatrics is likely to be greater for Medicare and Medicaid.

Commercial Primary Care Fee-for-Service Spending as a Percent of Total Spending (2014)	
PCP Taxonomies by Definition	Mean (Range)
Narrower: Family medicine, general internal medicine, general pediatrics, or general practice*	**5.8%** (4.5 - 7.6)
Broader: Includes the above, plus nurse practitioner, physician's assistant, geriatrics, adolescent medicine, or gynecology*	**6.4%** (4.6– 8.6)

**and designated by health insurer as a PCP*

Standardizing the Measurement of Commercial Health Plan Primary Care Spending, 2017. Milbank Memorial Fund.

Key Decision Points



Defining Primary Care:

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- Narrow or expanded set of services, or all?
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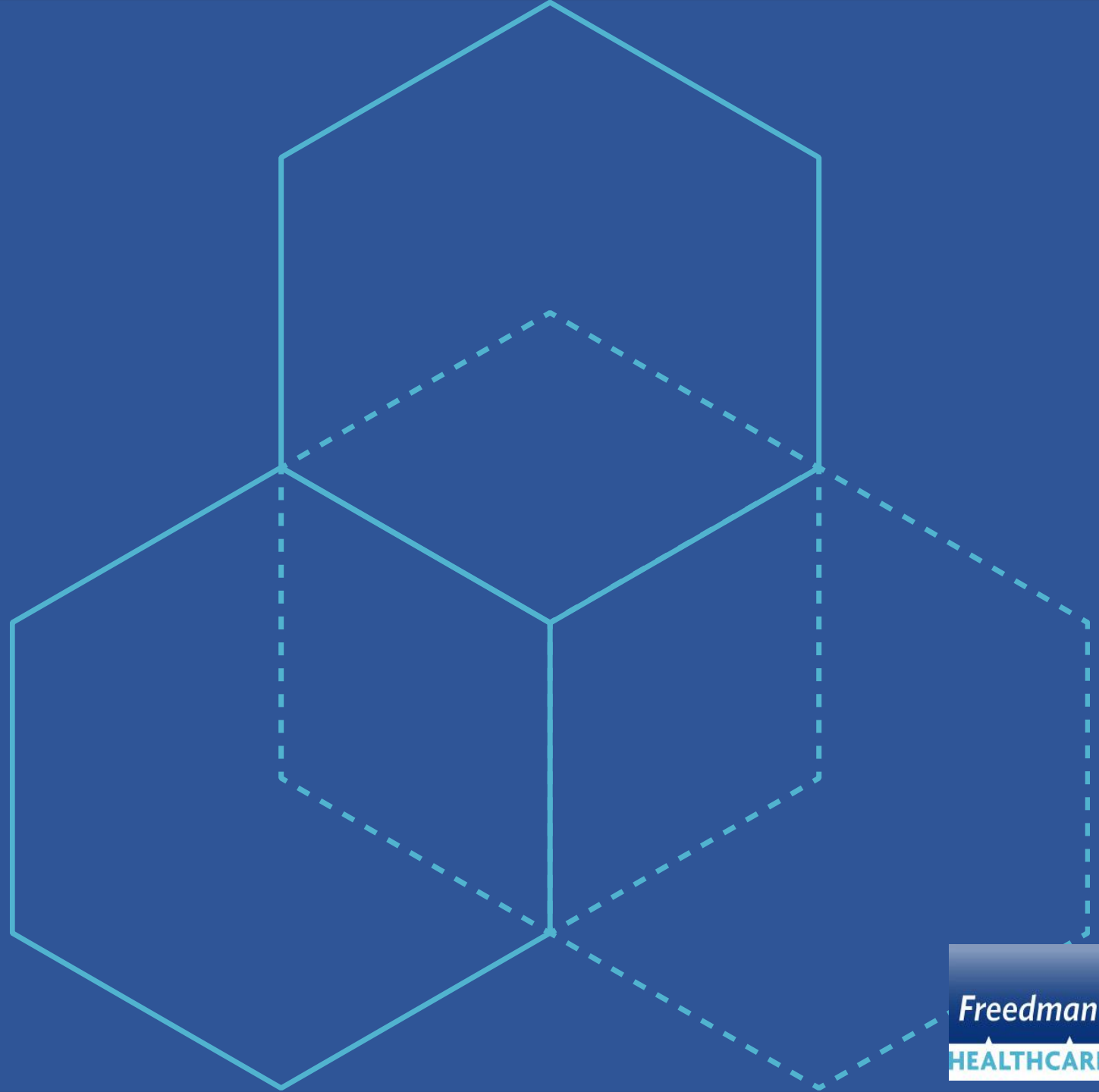
  - Include or exclude OB/GYN services and/or providers?
- Restrict places of service?
- Include non-claims spending?

Next Steps



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Upcoming Activities

Task Force asks

- Review materials and meeting notes
- Targeting release of materials one business week in advance of each meeting

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- Begin outlining report
  - Basic structure
  - Draft based on Task Force meetings

- Data analysis and collection
  - Gather publicly available data
  - Developing details for data collection

Task Force Meeting Dates and Times

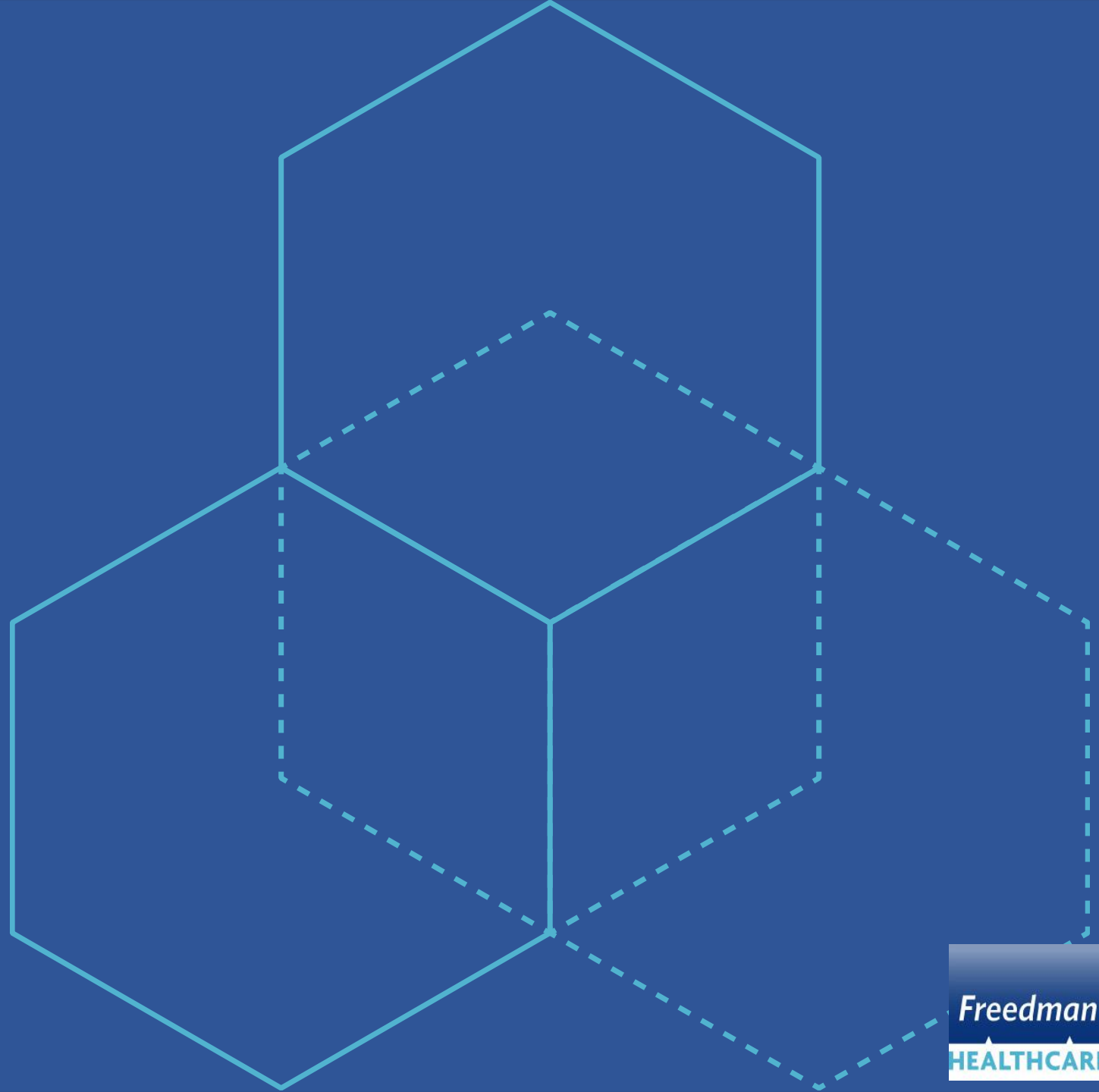
Meeting	Date	Time
1	Friday, 1/19	2:00 – 3:30 PM
2	Wednesday, 1/31	8:00 – 9:30 AM
3	Wednesday, 2/14	8:00 – 9:30 AM
4	Wednesday, 2/28	8:00 – 9:30 AM

Meeting 2: PC Measurement & Benchmarking

Working agenda -

- Recap Meeting 1 - Close Outstanding Items
- Additional Remarks on Primary Care Definition
- Data from Public Sources
- Benchmarking Options
- State Approaches to Spending Targets
- Preview of Meeting 3

Appendix –



Include a Narrow or Broad Set of Providers?

Primary care definitions vary by the types of clinicians included. Taxonomy codes, which are alpha numeric codes representing a provider's specialty, identify the clinicians included.

Approach	Considerations and Trade Offs
Narrow: Typically includes family medicine, general practice, internal medicine, pediatrics, NP/PA, FQHC/RHC	• Narrow definition represents primary care providers that provide the vast majority of primary care services. • Nurses and other care team members rarely bill fee-for-service independently of another primary care provider. Therefore, including them may not be necessary.
Broad: May include additional providers such as clinical nurse specialists, adolescent medicine, and geriatricians	• These providers offer primary care services, often to populations needing more comprehensive primary care. • Including clinical nurse specialists and other members of the care team signals their importance. • Physician subspecialties such as adolescent medicine may function more as specialists than as primary care providers and it's difficult to determine when they are functioning in each capacity.

Include All Places of Service or Restrict?

The discussion of whether to include certain places of service as primary care raises questions about how to balance the need for access and continuity of care.

Approach	Trade Offs
Restrict: These definitions may exclude care provided at retail clinics, schools and urgent care facilities from primary care.	• Tends to focus on the importance of primary care continuity and coordination • May disproportionately undercount care received by those with poorer access
Include All: These definitions do not restrict based on place of service.	• More complete picture of primary care • Might discourage efforts to increase delivery of coordinated, person-centered care

Example: Including All Places of Service or Restrict

Data from Delaware, Maine and Maryland has found most primary care is provided within traditional primary care settings, such as offices and clinics. However, a growing portion of care is being delivered at retail clinics, urgent cares, at home and via telehealth.

Delaware also found Medicaid members were most likely to access care from non-traditional primary care settings such as urgent care.

Frequency of commercial primary care visits in Maryland by place of service, 2021

Place of Service	Percent of Primary Care Visits
Provider Office	82.1%
On-Campus – Outpatient Hospital	6.0%
Urgent Care	5.9%
Telehealth	5.4%
Other	0.6%

Maryland Health Care Commission, Primary Care Investment Models Results, 2023

Include a Narrow or Expanded Set of Services, or All?

Services paid via claims are defined using current procedural terminology (CPT) codes and other procedure codes.

Approach	Considerations and Trade Offs
Narrow: Core primary care services (e.g., office visits, preventive care, vaccine administration)	• Standard services that are clearly primary care and commonly delivered by primary care providers; supports comparability • Lacks a comprehensive view of primary care • New investment likely to be focused on core service delivery
Expanded: Expanded list of primary care services (e.g., minor procedures and screenings)	• Better reflects comprehensiveness of primary care • Not all primary care providers offer some of these services
All: Include all services performed by a primary care provider	• "All services" not often used as the base for primary care targets • Robust provider directory helpful; imperfect taxonomy impact is higher • Broader equals higher baseline; may result in less "new" investment • Less comparability of results

How States Define and Measure Primary Care

Topic	CT[3]	DE[3]	VA	RI[3]	OR[3]	CO[3]	NESCSO
Narrow or Broad Set of Services ***Narrow Ex***: Office visits, preventive care ***Broad Ex:*** All by PCPs or narrow plus minor procedures, BH and/or OB-GYN	Both[6]	Broad	Both	Narrow	Broad	Broad	Both
Narrow or Broad Set of Providers ***Narrow Ex***: FM, GP, IM, Peds, NP/PA ***Broad Ex:*** Nurse, OB-GYN, BH	Both[6]	Narrow	Both	Narrow	Broad	Broad	Both
Behavioral Health	Yes[7]	Yes	Yes[7]	No	Yes	Yes	No
OB/Maternity	Yes[7]	No	Yes[7]	No	Yes	Yes	Yes[7]
Includes Retail Clinics and Urgent Care	No	Yes	Yes[5]	No	No	Yes[4]	Yes[4]
Includes Non-Claims Spending	Yes	Yes	No	Yes	Yes	Yes	Yes
Includes Pharmacy in Denominator	Yes	No	No	Yes	No	No	No
Measures Commercial, Medicaid, Medicare	Yes	Yes	Yes	No	Yes	Yes[2]	Yes

1. Includes Medicare Advantage, not Medicare; Medicaid MCO/ACO-A, not Medicaid.
2. Only includes Medicare Advantage, not Medicare.
3. State has a voluntary target or requirement for increased spending.
4. Does not restrict by Place of Service code.
5. Does not specify retail clinics.
6. Narrow definitions used for target.
7. Included in broad definitions.