NC Primary Care Payment Reform Task Force | Meeting 2 Minutes

Date: January 31, 2024

Time: 8:00 AM

Location: Virtual via Microsoft Teams

Attendees (38) - Task Force Members:

1	**Jay Ludlam** - NC Medicaid	6	**Dr. Mark McNeil** - NC Academy of Family Physicians
2	**Bobby Croom** – NC Department of Insurance	7	**Hugh Tilson** - NC Area Health Education Centers Program
3	**Cody McKinney** - Western NC Community Health Services (NC Community Health Center Association nominee)	8	**Michelle Schmerge** - NC Nurses Association
4	**Dr. Genie Komives** – WellCare of NC (NC Association of Health Plans Medicaid prepaid health plan nominee)	9	**Samuel Watts** - State Health Plan
5	**Dr. Larry Wu** – Blue Cross Blue Shield NC (NC Association of Health Plans - commercial nominee)		

Other Attendees/Guests:

10	**Ben Twilley**	24	**Maggie Sauer** - Office of Rural Health
11	**Brendan Riley** - North Carolina Community Health Center Association	25	**Max Yates**
12	**Casey Harris** – NC Medicaid/Accenture	26	**Michael Ogden –** Healthy Blue
13	**Chris Paterson –** Carolina Complete Health	27	**Nicholle Karim**
14	**Elizabeth Hudgins** - NC Pediatric Society	28	**Niya Nelson** – NC Medicaid/Accenture
15	**Elizabeth Kasper** - NC Medicaid	29	**Pamela Perry –** Carolina Complete Health
16	**Emma Kate Burns** - NC Medical Society	30	**Peter Daniel –** NC Association of Health Plans
17	**Greg Griggs** - NC Academy of Family Physicians staff	31	**Shawn Parker** - NC Academy of Family Physicians staff
18	**Janelle White** – NC Medicaid	32	**Sonya Dunn** - State Health Plan
19	**Julia Lerche** – NC Medicaid	33	**Taylor Griffin -** North Carolina Association of Health Plans
20	**Kelly Vogel**	34	**Troy Hildreth** – WellCare of NC
21	**Kerry Willis** - State Health Plan	35	**Dr. William Lawrence –** Carolina Complete Health
22	**Kristen Dubay** – NC Medicaid		
23	**Lauren Vollmer**		

Facilitators:

36	**Gary Swan –** Freedman Healthcare
37	**Julia Sledzik –** Freedman Healthcare

38	**Mary Jo Condon –** Freedman Healthcare

Meeting Minutes:

Agenda

1. Timeline and Legislative Charge
2. North Carolina's Vision for Primary Care
3. Primary Care Definition – Final Thoughts
4. Non-claims Based Payments
5. Primary Care Measurement & Targets
6. Next Steps

1. Timeline and Legislative Charge

- Timeline Review
  - January 2024
    - ✓ Meeting 1: National Overview & Definitions
      - Friday, 1/19 from 2:00 – 3:00 PM
      - Outcome: Goals for primary care and alignment with making care primary
    - ✓ Meeting 2: PC Measurement & Benchmarking
      - Wednesday, 1/31 from 8:00 – 9:30 AM
      - Outcome: A working definition how to measure primary care investment and benchmarking
    - Data Review
    - Outline Report
  - February 2024
    - Meeting 3: Measurement & Workforce
      - Wednesday, 2/14 from 8:00 – 9:30 AM
      - Outcome: Close conversations on primary care measurement and benchmarking, and review workforce
    - Meeting 4: Recommendations
      - Wednesday, 2/28 from 8:00 – 9:30 AM
      - Outcome: Review past work sessions and close open conversations
    - Draft Report
  - March 2024
    - Finalize Report
  - April 2024
    - Report Delivered by April 1st
- Legislative Charge
  - 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

2. North Carolina's Vision for Primary Care

- Reviewed Barbara Starfield pillars of primary care: First-contact accessible, Continuous, Comprehensive, Coordinated
  - Summary of Task Force comments on pillars from first meeting:
    - Want to increase investment to improve health outcomes and sustain workforce,
    - Want to ensure equitable outcomes for rural and urban communities,
    - Recognize that primary care complements public health but should not replace it,
    - Want to ensure a more equitable distribution of funding.
  - Summary of additional Task Force member reflections
    - Recognition that increasing investment in primary care is the right direction to move the health system in because it is good for patients and the system financially. Reducing costs now will lead to reduced costs down the road.
    - Recognition that Starfield's pillars were published three decades ago, and that the health care landscape has experienced some changes since then. Need to ensure that the goals we identify based on the pillars recognize shifts in advancements of technology and medical care.
    - Discussion on how telemedicine aligns with primary care.
    - Discussion on how increasing investment in primary care helps accomplish the goals of the pillars.

3. Primary Care Definition –Final Thoughts

- Reviewed key decision points for defining primary care.
- Reviewed flowchart to define primary care: provider taxonomy + CMS place of service + HCPCS/CPT primary care services must all be considered when creating a definition.
- Reviewed working definition of primary care:
  - Generally, favor a broader definition of primary care, with certain exclusions in mind.
  - Includes core primary care services and providers, including family practice, internal medicine, pediatrics, and general practice, and extends to a wider range of providers such as nurse practitioners, physician assistants, geriatrics, and gynecologists.
  - Generally favor a broad definition of place of service, covering traditional office visits in clinics as well as unconventional settings like mobile units and home-based care.
  - Propose including behavioral health and OB-GYN providers in our definition of primary care.
    - However, the definition will delineate provider types and services based on the setting, ensuring that care is administered in appropriate primary care settings.
  - Exclude hospital inpatient care, emergency departments, urgent care centers, retail clinics, and other settings that fall outside our pillars of primary care.
  - Summarized Task Force commentary:
    - Affirmation from several Task Force members that the current definition looks correct to them.
    - Discussion on ensuring that services included align with Starfield's 4 pillars.

        - Task Force members will be given the opportunity to review the draft code set.
        - General consensus to not let perfect be the enemy of the good or great.
    - Recognition that place of service restrictions will help provide some guardrails.

4. Non-claims Based Payments

- Overview of key questions related to non-claims primary care spend:
    - What is the current state of non-claims payment arrangements in North Carolina's commercial and Medicaid markets?
    - What data would be needed to identify the percent of non-claims spend directed to primary care?
    - What approach is recommended regarding measurement of non-claims primary care spend?
- Overview of non-claims spend in North Carolina's commercial and Medicaid markets
- Overview of challenges related to non-claims based payments
- Summary of Task Force commentary:
    - Discussion on feasibility of capturing accurate non-claims primary care spend based on currently available data.
    - Recognition that some non-claims payment arrangements are easier to capture than others.
    - Discussion on including recommendations for collecting non-claims primary care spend in the report's proposed approach for data collection, but excluding non-claims primary care spend during this initial baseline data collection period.
    - Discussion on maintaining flexibility for future definitions and data collections to be open to shifts in dynamics and types of providers- want to ensure that there is flexibility for the payers to move.
    - Recognition that timeline does not allow for inclusion of non-claims primary care spend for the 4/1 report.

5. Primary Care Measurement & Targets

- Overview of research showing that higher investment in primary care is associated with better health outcomes and lower costs in the long run.
- Overview of key decision points for setting a target for primary care investment:
    - Set Setting a single target for all payers, or multiple targets by payer type?
    - Establish a single target for all ages or establish separate age groups?
    - Set the target as a percentage of spending, or as a defined amount?
    - Set an absolute, relative, or stairstep target?
    - Are we defining primary care for measuring or investing?
        - *We need to do both.*
- Examples of Single Benchmark versus Benchmarks for each payer type
- Example of commercial primary care spending for adults and children
- Overview of how other states address key target questions
- Discuss recommendations for an approach for target setting based on other state approach:
    - Use a stairstep approach, to set single relative improvement target of 1% per year based on total medical expenditures for all payers and all age groups based on percent of spending.
    - Track spending by age group.

- Summary of Task Force commentary:
    - Discussion on how current NC working definition for primary care aligns with the definitions of the states with robust primary care spending targets.
    - General support for a simplified approach to target setting aligned with precedents set by other states.
    - Discussion on accountability mechanisms available to states if payers do not meet targets, recognition that NC does not have any legislated accountability mechanisms to hold payers accountable to a target at this time.
    - Discussion on tradeoffs of setting a single or separate targets for pediatric and adult populations.
    - Discussion on focusing on baseline data collection and measurement at this time.
    - General support for a relative improvement target to increase primary care spend by 1% per year as a percent of total medical expenditures for all-payers and all-ages. This allows the states to meet plans with different population mixes where they are at without boxing the state in to a defined target moving forward without having the data needed to inform that target.

6. Next Steps

- Upcoming Activities
    - Task Force asks
        - Review materials for meeting 3
    - Freedman Healthcare
        - Draft report
            - Update based on Task Force meetings
        - Share draft code set with Task Force members for review
    - Data analysis and collection
        - Release data collection request
        - Host review and technical assistance sessions
- Working Agenda for Meeting 3
    - Recap Meeting 2 - Close Outstanding Items
    - Workforce overview and definitions
    - Workforce data
    - Preview of Meeting 4