



VIRGINIA TASK FORCE ON
PRIMARY CARE

Presentation to the Joint Commission on Health Care
August 17, 2022



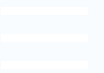
VIRGINIA TASK FORCE ON PRIMARY CARE

- **Call to action** to address urgent needs of primary care and consider new models of allocation & accountability
- Emphasis on **ensuring primary care maintains its proven salutary effects** - higher quality care at lower costs with greater equity across populations
- **Funding** support from Arnold Ventures and the Commonwealth of Virginia
- Launched July 2020, staffed by VCHI
- Supported by both Secretary Carey and Secretary Littel



VIRGINIA TASK FORCE ON PRIMARY CARE

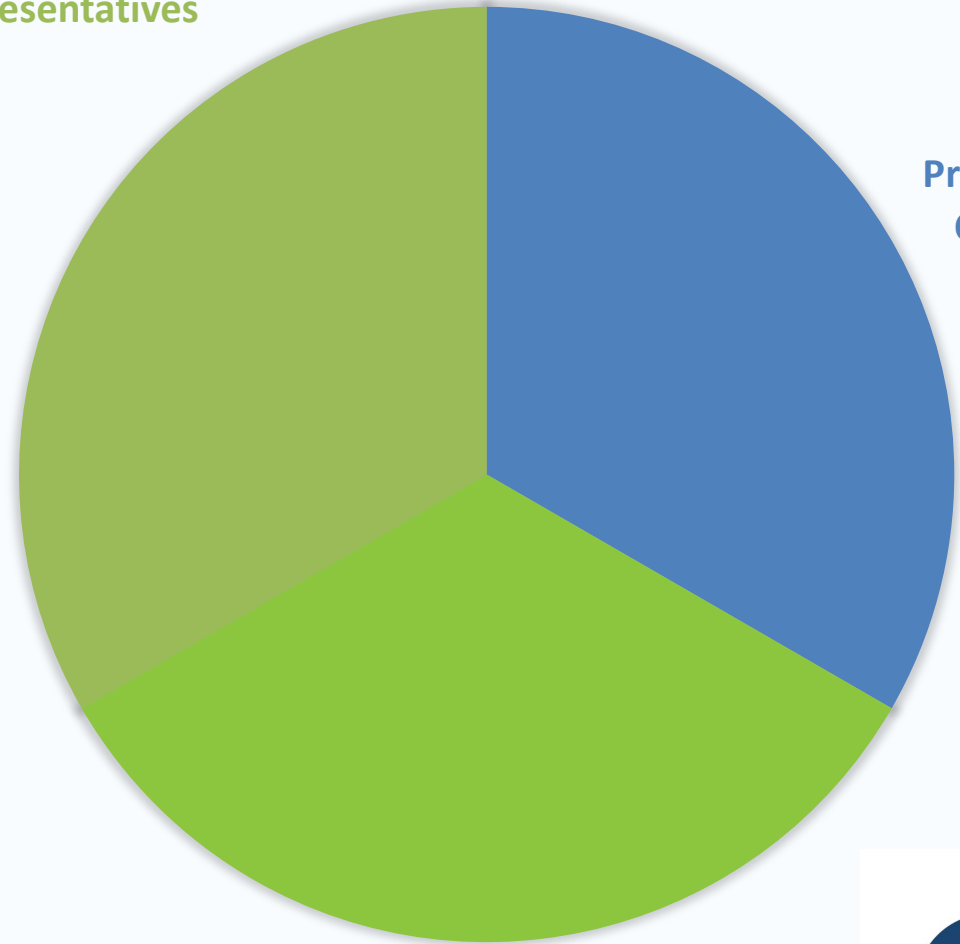
- Build a stakeholder coalition;
- Define payment models to better support primary care and support practice viability;
- Identify and resource the infrastructure needed to support primary care;
- Identify markers of high value care from the perspective of all stakeholders to function as quality metrics; and
- Promote innovations in care delivery.



Task Force Composition

Health Plan
Representatives

Primary Care
Clinicians



Employers, State Gov't, Patient Advocates



Key Accomplishments



VIRGINIA TASK FORCE ON
PRIMARY CARE

- Pandemic Support
- Consensus Building
- Data for Decision-Making
- Legislative Advocacy

Pandemic Support

- One-time distribution of 750,000 pieces of PPE and 500,000 rapid antigen tests to Virginia's primary care clinicians, free clinics, and FQHCs.
- Dissemination of educational information on PPE utilization strategies and a recommended PPE vendor list to all Virginia primary care clinicians.



Consensus Building

- Captured the ideal state of primary care from each stakeholder perspective (Clinician, Health Plan, Employer, and Patient) and garnered consensus around seven essential performance measurement categories
- Developed a plan for reducing measurement burden, while also piloting new, more meaningful primary care performance measures
- Developed a concept model for enhancing primary care infrastructure supports



Data for Decision-Making

- Partnered with VCU to expand the 2022 Virginia Primary Care Practice Survey to include practice interviews focused on the anticipated impacts of Medicaid payment reform
- Prepared a primer on other states' Medicaid primary care payment reforms
- Gathered and reviewed available data on the composition of Virginia's primary care workforce, with a focus on ownership arrangements and the impact these may have on incentive-based contracts
- Developed primary care spend and total cost of care methodologies and produced baseline reports





Primary Care Spend Report

Background

- Virginia developed a four quadrant approach to defining primary care. Both providers and services were given narrow and broad definitions.
- We utilized APCD data from 2018-2020 and engaged Milliman MedInsight to conduct the analysis.
- Most analysis relies on 2019 data, given it enhanced reliability over 2020 (Covid impact limitations).

Spending on Primary Care as a Percentage of Total Cost of Care

OECD Countries: 14 %

United States ALL Payers : 5-7 %

VA Commercial: 3.3 – 7.2 %

VA Medicaid: 1.0- 3.3 %

Primary care in Virginia is significantly under-resourced as a percentage of Total Cost of Care as compared with international recommendations

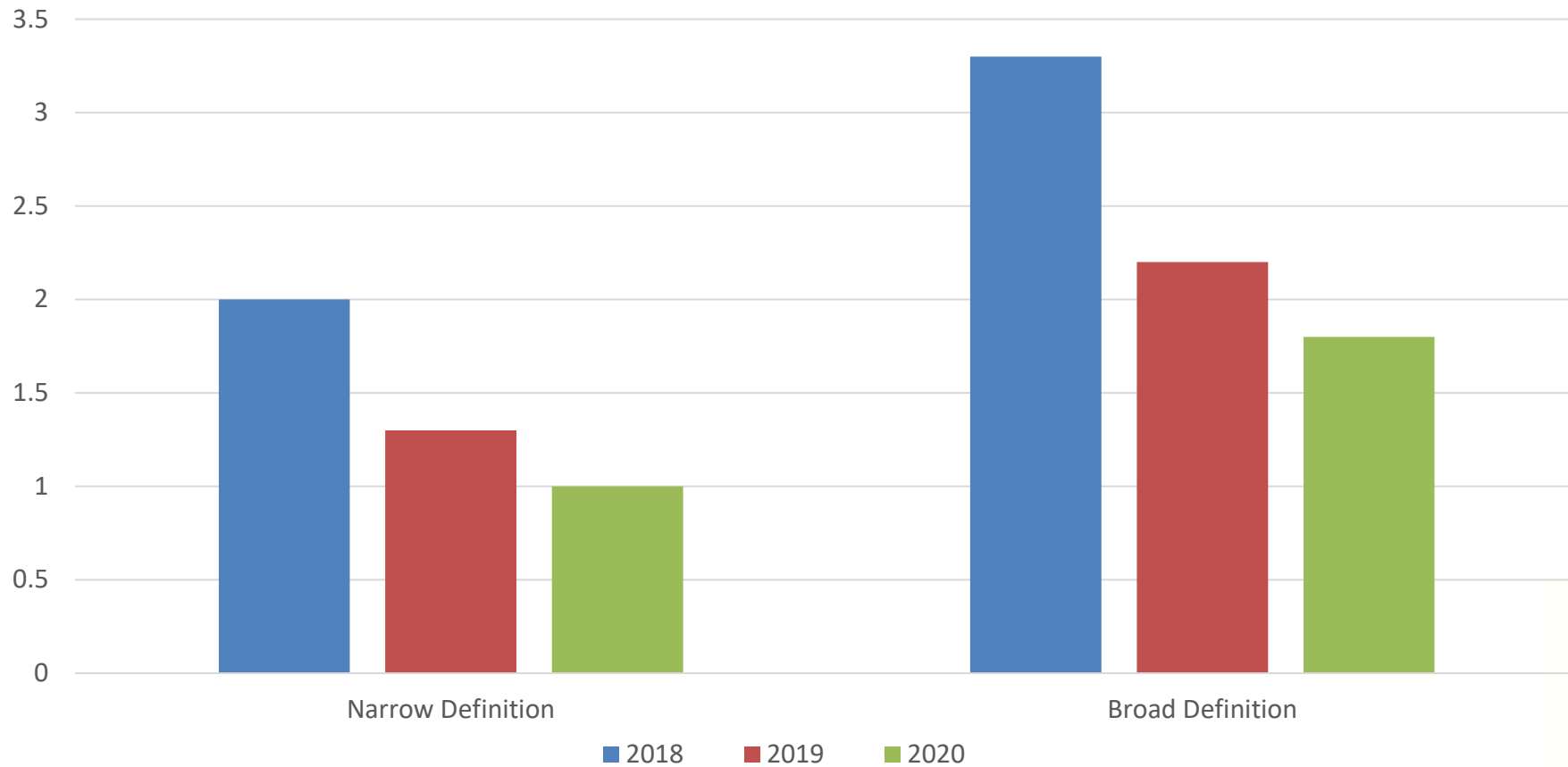
PMPM Primary Care Spend with and without Risk-Adjustment (2019)

	Primary Care Spend PMPM	Risk-Adjusted Primary Care Spend PMPM
Commercial	\$21.49	\$22.98
Medicaid	\$17.31	\$8.57
Medicare	\$43.17	\$36.50
All Payers	\$29.24	\$21.69



Medicaid Primary Care Spend Headed in Wrong Direction

(Percentage of TCoC allocated to Primary Care)



A Small Sample of Findings...

- Even using our broadest set of primary care provider definitions, a considerable portion (44.92% in 2019) of primary care services are being delivered by specialty medical providers. This “primary care leakage” typically results in higher total cost of care.
- Urgent care services still represent a small percentage of Virginia’s PC spend, ranging from 1% (SW region Medicare) to 11% (NW region Medicaid).
- Virtual care (telehealth) increased significantly as a percentage of PC spend in 2020 (from .11% in 2018 to 8.04% in 2020 using narrow definitions and from .04% to 10.44% using broad definitions).

Allocation of PC \$ Varies Significantly by Type of Insurer

Commercial	Medicare	Medicaid
Hypertension (9.2%)	Hypertension (14.9%)	Mental Health (10.2%)
Diabetes (5.7%)	Mental Health (13%)	Intellectual Disability (9.2%)
Mental Health (5.4%)	Diabetes (10.3%)	Asthma (8.2%)
Asthma (4.5%)	Cancer (9.6%)	Unhealthy Newborns (5.2%)
Cancer (3.9%)	Renal Failure (9.5%)	Hypertension (5.2%)





Total Cost of Care Report

Background

- Provides a deep dive into the cost and cost drivers of health care in Virginia.
- Specifically, it looks at cost drivers of major services and of chronic conditions, and segregates the analysis by insurance type and by health planning region.
- Increases in per member per month (PMPM) spending can be attributed to increases in resource use or increases in unit prices.
- Much too much data to cover today...however...

Sample Medicaid Findings

- Facility inpatient expenses increased 31% in 3 years -- from \$98.34 in allowed PMPM in 2018 to \$121.55 in 2019 to \$129.06 in 2020
- Prescription drug spend increased 87% in 3 years -- from \$54.10 in allowed PMPM in 2018 to \$66.04 in 2019 to \$101.35 in 2020
- Of the top cost drivers for Medicaid, 4 of the top 5 are prescription drug related

Sample Medicaid Findings

- The top 5 chronic condition categories with the highest spend out of the total allowed PMPM for Medicaid in 2019 are:

Renal Failure (9.7 %)

Severe Dementia (9.6%)

Cancer (8.0%)

Hypertension (6.8%)

Major psychosis (6.7%)

Legislative Advocacy

Secured in the Virginia biennium budget (FY'23 and FY'24)

1. **Purchase of a Bidirectional Immunization Data Sharing Tool (ImmuTrak) \$350K**
2. **Task Force Continuation \$1.325M**
3. **Increased Payment for Medicaid Primary Care Services \$81.91M**



What's Next: FY'23 Workplan

- Expand PC Spend and TCoC reports (trend analysis, assessment of Covid-19 impact)
- Develop actionable practice level TCoC reports
- Pilot a Virginia Primary Care Scorecard
- Pilot new primary care performance measures and evaluate their potential for national implementation
- Launch a Virginia Clinical Retention Collaborative
- Launch the Virginia Primary Care Innovation Hub
- Assist Virginia Medicaid with payment reform model design and building data infrastructure to support analytics and undergird policy choices.



FY'24 Workplan

- Prepare third PC spend report with possible inclusion of non-claims based data to better reflect comprehensive primary care costs
- Prepare third TCoC report and launch TCoC pilot to provide 500 Virginia primary care practice sites with NPI specific quarterly total cost of care reports
- Report on the feasibility of Virginia utilizing the proposed primary care core measure set in value-based payment contracting
- Launch Smarter Care Virginia: Improving Vaccination Rates initiative
- Report on Virginia's capacity to address the social determinants of health that are important to Medicaid enrollees and the providers that serve them.

