

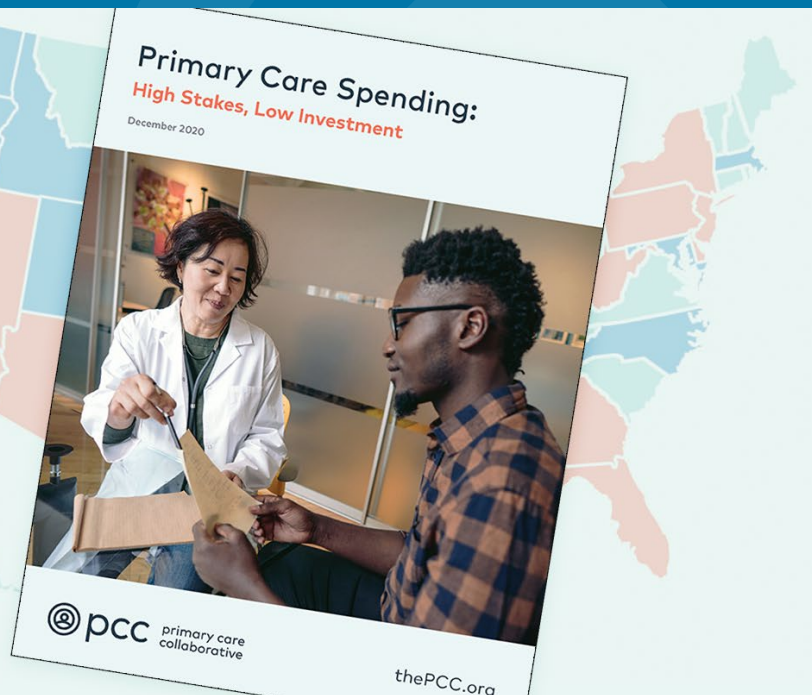


Convening + Uniting + Transforming

Monthly webinar
January 25, 2021
2:00-3:00 p.m. ET

The
STATE OF
PRIMARY
CARE
SPENDING

Findings from the PCC's
New Evidence Report





01 PCC announcements and introductions

02 Presentation of report findings

Ann Kempster, adviser and lead author of report
Primary Care Collaborative

03 Reactions and discussion

Maureen Hensley-Quinn, Senior Program Director of
Emerging Policy Issues
National Academy for State Health Policy

Connie Hwang, MD, MPH, Chief Medical Officer & Director,
Clinical Innovation
Alliance of Community Health Plans

04 Participant Q&A



Where to get PCC's 2020 EVIDENCE REPORT

thepcc.org/resource/evidence2020

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#PCCEvidenceReport

Primary Care Spending: High Stakes, Low Investment

December 2020



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Today's speakers

PANELISTS



**ANN KEMPSKI,
MILR**

Adviser and lead
author of report,
Primary Care
Collaborative



**CONNIE HWANG,
MD, MPH**

Chief Medical Officer
& Director, Clinical
Innovation,
Alliance of Community
Health Plans

**MAUREEN HENSLEY-
QUINN**

Senior Program
Director
of Emerging Policy
Issues,
National Academy
for State Health
Policy

MODERATOR



**ANN GREINER,
MCP**

President & CEO,
Primary Care
Collaborative



2020 Evidence Report

Findings presented by
Ann Kempster, MS
January 25, 2021

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Primary Care Spending: High Stakes, Low Investment

December 2020



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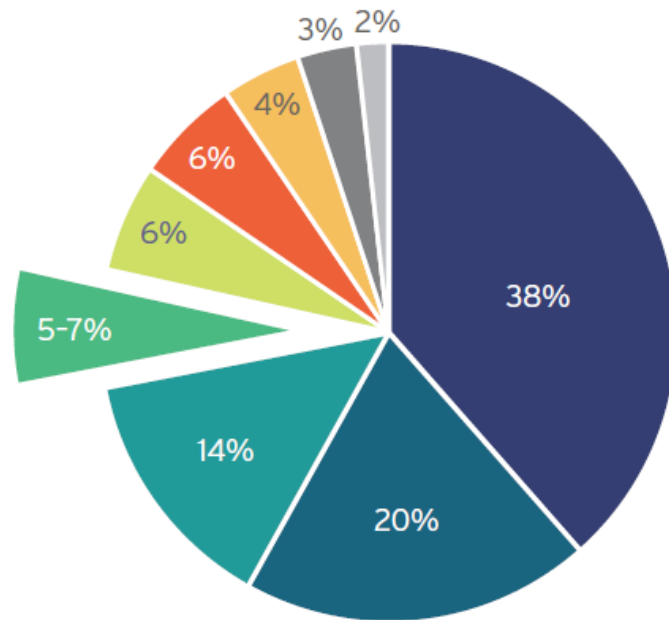
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Why it Matters

Health Care Spending

- Hospital care
- All other physician and professional services
- Prescription drugs and other medical nondurables
- Primary care
- Nursing home care
- Other health, residential, and personal care
- Dental services
- Home health care
- Medical durables



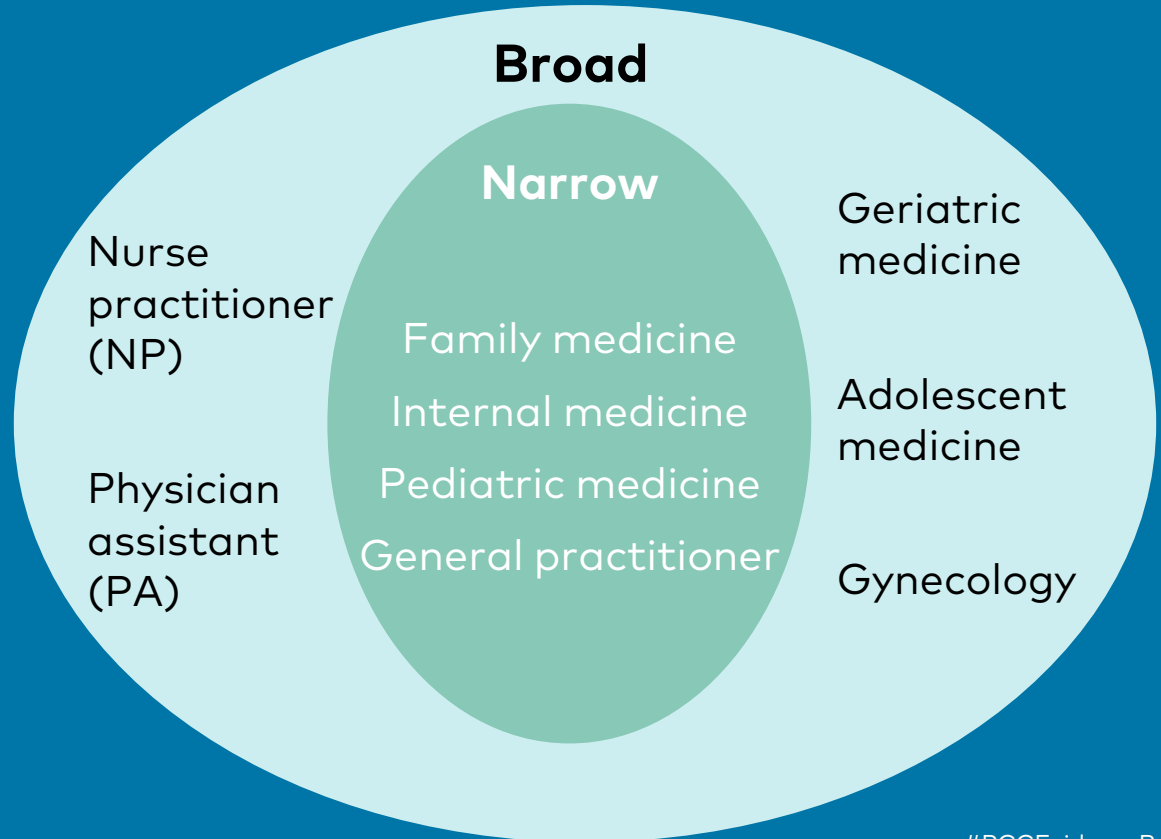


2020 Evidence Report: 4 Components

1. Provide updated national and state estimates of primary care spending percentages
 - Commercial and Medicare Advantage claims data
 - 2017-2019 spending trends
2. Review recent literature on primary care spending and:
 - Utilization
 - Workforce
3. Consider factors, such rising deductibles, affecting demand
4. Update state actions, accomplishments in 2019-2020

Ⓒ How PCC Defined Primary Care

- Services delivered in office, outpatient settings
- Evaluation and management visits
- Preventive visits
- Care transition, coordination services
- Screening, counseling





FINDINGS: U.S. PC Investment *Low and* Declining



PC Spending Declined Among Commercially Insured 2017-2019

PCC finds decline similar to other recent analyses

Definition	2017	2019
Narrow	4.88%	4.67%
Broad	7.8%	7.69%

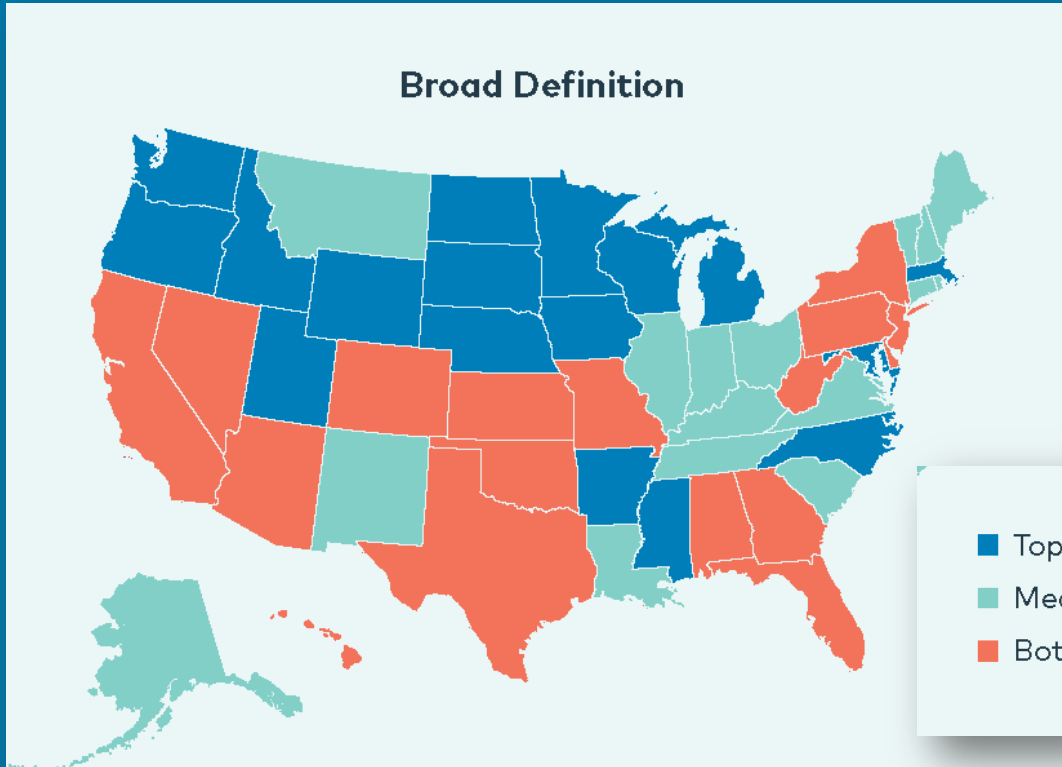
JAMA Internal Medicine 2020 All Payer Decline 2002-2016

- 6.5% to 5.4% decline, narrow definition

JAMA 2019 Commercially Insured Decline 2013-2017

- 4.6% to 4.35% decline, narrow definition
- 8.97% to 8.04% decline, broad definition

👤 Large Variation Across States



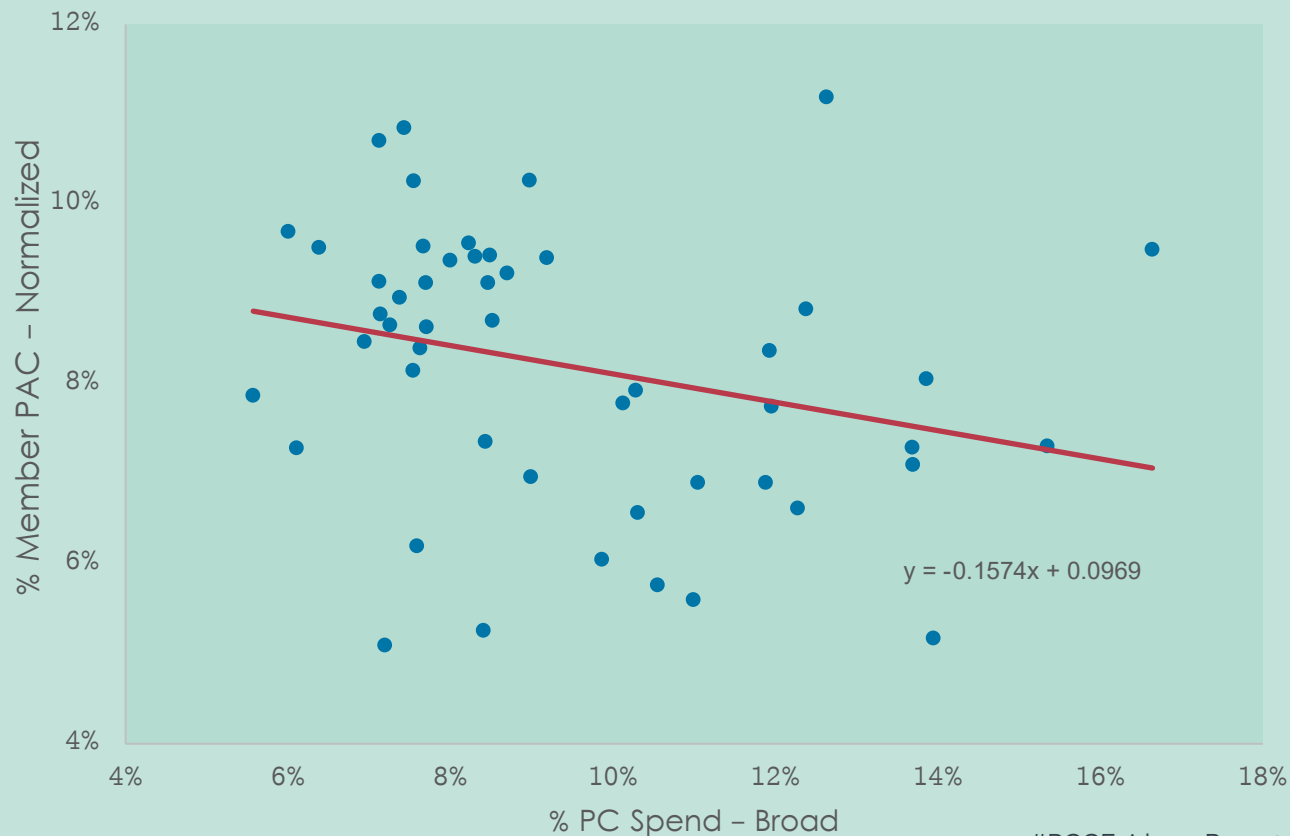
2019 U.S.
Average:
7.69%

- Top-Performing States (10.28%-16.64%)
- Medium-Performing States (7.70%-10.12%)
- Bottom-Performing States (5.57%-7.66%)



Using FAIR
Health
commercial,
MA claims,
similar
association
with
outcomes
found
elsewhere

Higher PC Spending Associated with Fewer Preventable Admissions



② Potential Drivers of PC Spending Decline

- Measurement error
 - Non-claims VB spending
 - Self-pay in retail, other settings
 - Employer-based clinics, Direct PC
- Rising deductibles and cost-sharing
- PC spending outpaced by spending increases in rest of system



State-Level and Payer-Level Findings: Importance of Non-Claims Spending

- Highest-spending states spend 3x as much as lowest-spending
- States with declines outnumber states with increases
- Absence of non-claims spend biases results downward (CA, RI, VT, CO, OR)
- Increasing spend consistent with PCMH efforts (MI, ID, NC)
- A few puzzling outliers in both directions (MS, PA)



Vermont

found PC spending claims - only 8.9%; total 10.2% (2018)



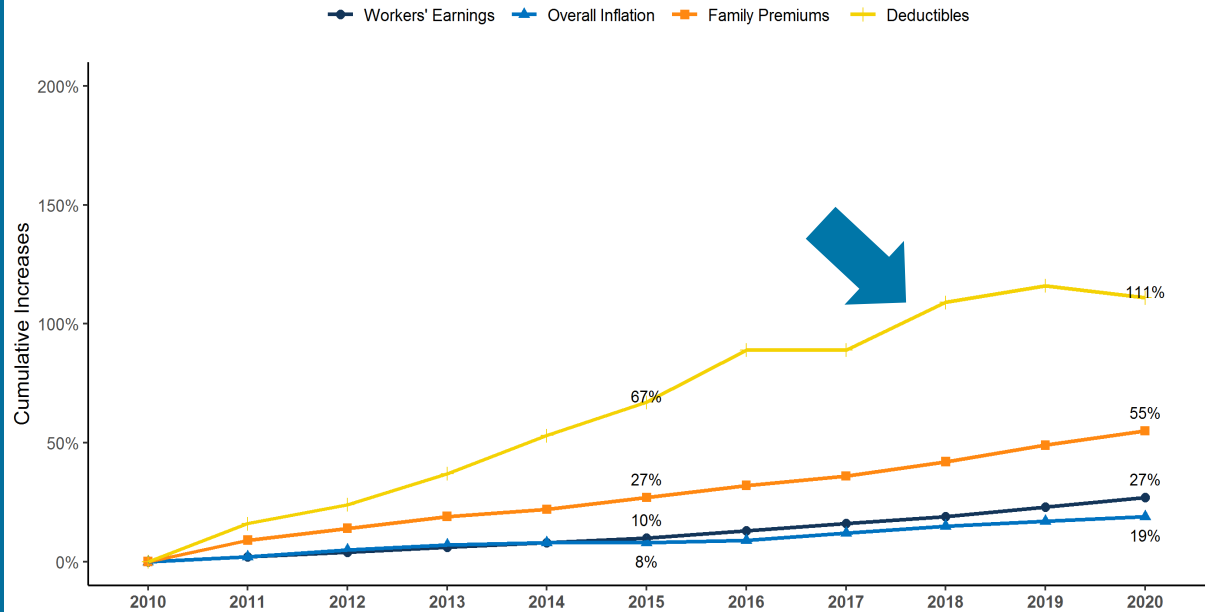
Oregon

found 13% total PC spending, with 47% non-claims; skewed by one plan at 91% (2018)



Declines in PC Spending, Utilization Coincide with Sharp Rise in Deductibles

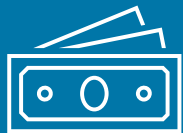
Cumulative Increases in Family Coverage Premiums, General Annual Deductibles, Inflation, and Workers' Earnings, 2010-2020



NOTE: Average general annual deductibles are for single coverage and are among all covered workers. Workers in plans without a general annual deductible for in-network services are assigned a value of zero.

SOURCE: KFF Employer Health Benefits Survey, 2018-2020; Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 2010-2017. Bureau of Labor Statistics, Consumer Price Index, U.S. City Average of Annual Inflation, 2010-2020; Bureau of Labor Statistics, Seasonally Adjusted Data from the Current Employment Statistics Survey, 2010-2020.

Ⓒ In Short, Lack of Progress Found Orienting U.S. Toward Primary Care



Spending Percentage Fell



Utilization Indicators Flat to Negative



Workforce Indicators Mixed



Recent State Progress in Measuring, Setting Target for PC Investment

First-time PC Spending Reports
2019-2020

Targeting PC
Spending in Cost
Benchmarking 2020



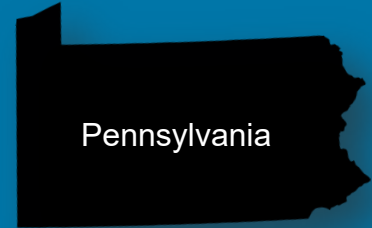
Maine



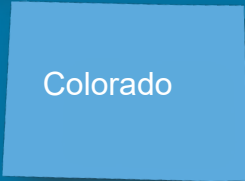
Washington



Vermont



Pennsylvania



Colorado



Delaware



New England states



Connecticut



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CONNIE HWANG, MD, MPH

Chief Medical Officer & Director, Clinical Innovation

Alliance of Community Health Plans



Panel Discussion



Q&A