

Patient-Centered
Primary Care
COLLABORATIVE

STATEMENT ON RISK ADJUSTMENT FUNDING

The Patient-Centered Primary Care Collaborative (PCPCC) appreciates the announcement by the Centers for Medicare and Medicaid Services (CMS) that it will reissue, with additional explanation, the risk adjustment methodology that CMS previously established for transfers related to the 2017 benefit year. The availability and consistency of risk adjustment program funding is imperative to protecting patients by allowing insurers to compete without cherry-picking healthy consumers.

PCPCC and its multistakeholder membership were extremely concerned by the previous suspension of the program and urge continuity in risk adjustment payments. Withholding these funds would have had major implications on healthcare affordability and healthcare access for patients. Lack of clear federal commitment to these payments may have already affected insurance markets, and any additional delay may cause insurers to substantially increase premiums in 2019 to make up for the loss in revenue, adversely affecting patients.

The risk adjustment program protects insurers from unanticipated costs by providing payment support to enroll higher-risk people, such as those with chronic or pre-existing conditions -- without relying on supplemental taxpayer dollars. It helps create a more diverse insurance pool by removing the incentive to only enroll healthier individuals.

Stabilization of the program is key. Payment undermines access for patients through increased costs – further straining patient ability to maintain an ongoing relationship with their primary care provider. Evidence shows that primary care is highly underutilized in our healthcare system, and that greater access to primary care leads to better overall population health and lower total costs. We are pleased that the administration and CMS recognized the urgency of this matter and prioritized stabilization of the market.

Founded in 2006, the PCPCC is a not-for-profit multi-stakeholder membership organization dedicated to advancing an effective and efficient health system built on a strong foundation of primary care and the patient-centered medical home. Representing a broad group of public and private organizations – including payers, healthcare clinicians and other providers, leading corporations and patient and consumer advocacy groups – the PCPCC’s mission is to unify and engage diverse stakeholders in promoting policies and sharing best practices that support growth of high-performing primary care to achieve the “Quadruple Aim”: better care, better health, lower costs, and greater joy for clinicians and staff in delivery of care.