

# PRIMARY CARE SPENDING

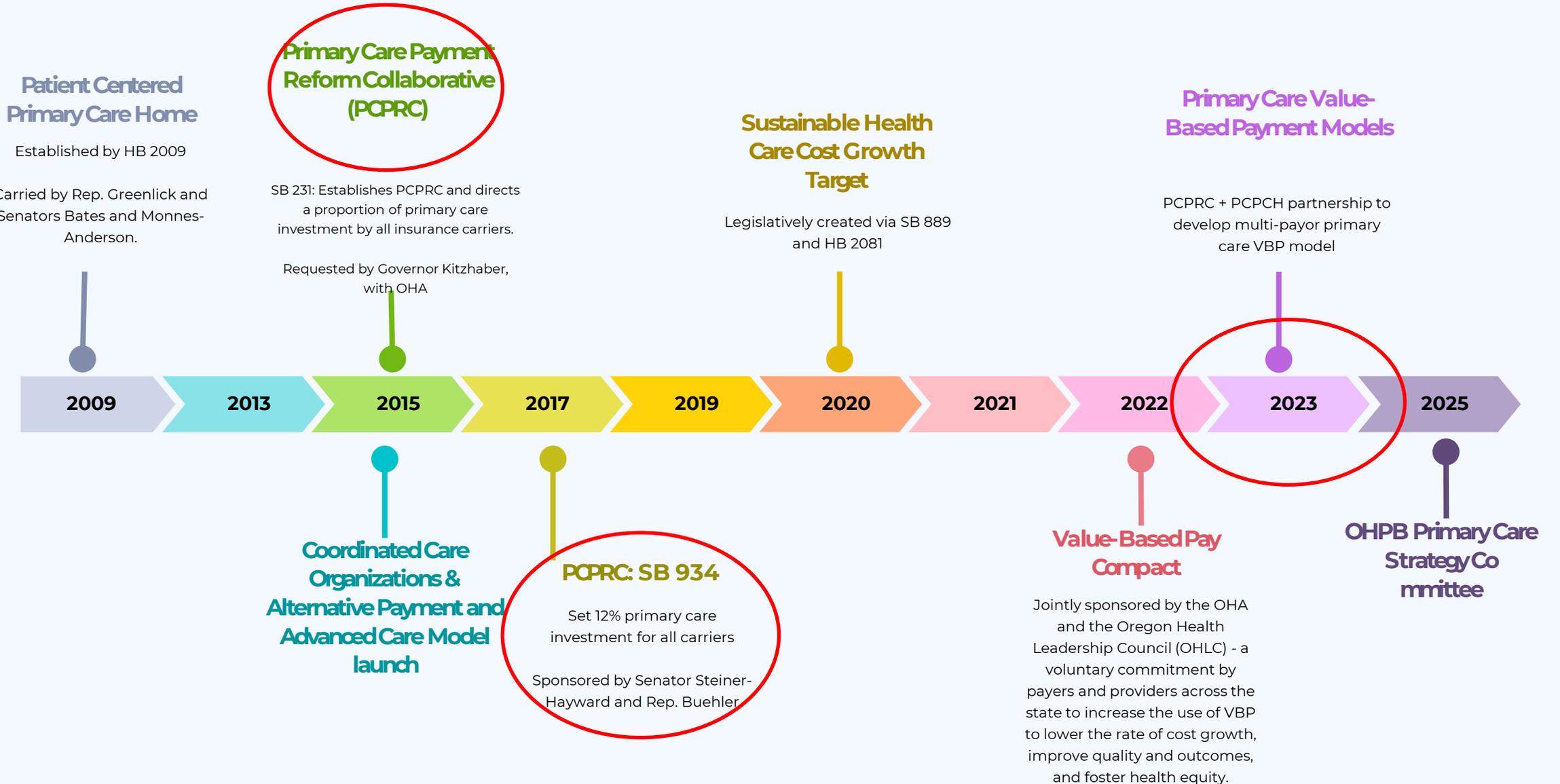
Shared Learnings from the Primary  
Care Investment Network



PRIMARY  
CARE ISN'T  
WORKING

- Patients can't access primary care
  - Oregon's new patient wait times exceed national averages
  - Existing patients wait for appointments
- Clinicians can't work in this system
- Administrators know the system is too complicated
  - Multiple programs aimed at transforming and improving care overlap but don't align

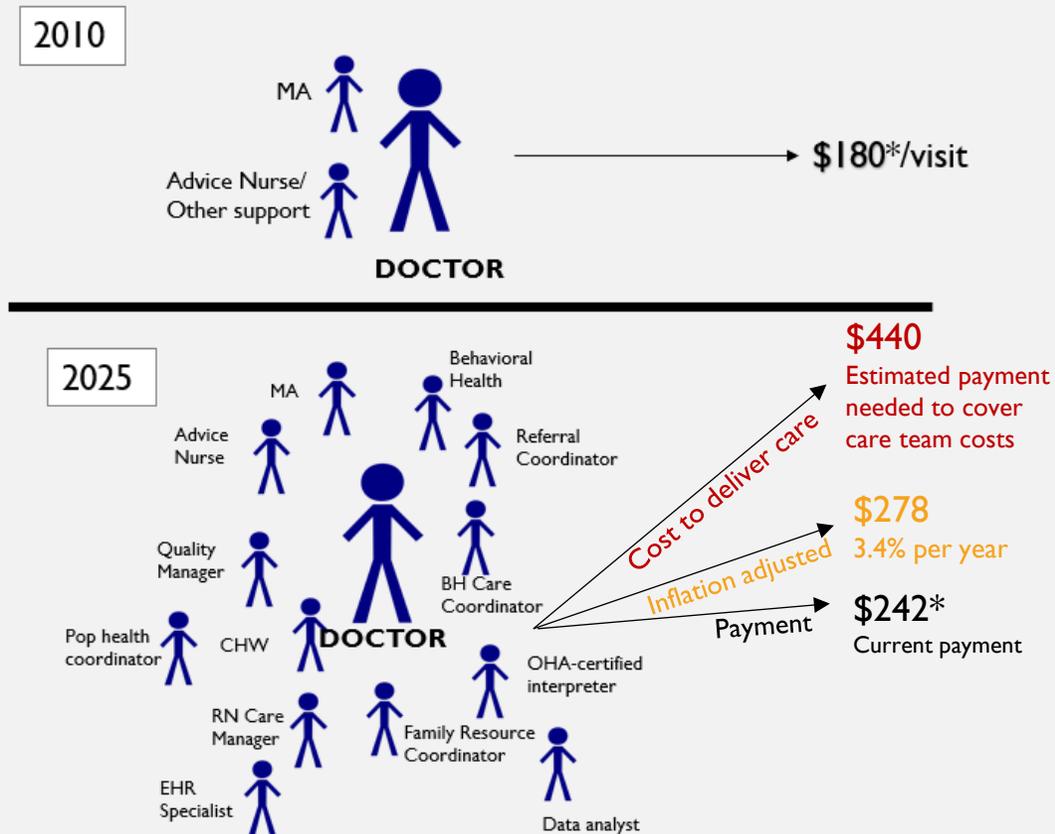
# Oregon Primary Care Initiatives Across the Years



# PAYMENT

- **Primary care payment does not recognize or pay for added services in the PCPCH model of care**
- Payment to primary care falls short of actual costs incurred (inflation, labor costs, supply costs)
- Rate increases to primary care have been stagnant and do not honor increased RVU values for services provided in primary care
- Federal uncertainty adds to concerns about sustainability of the primary care infrastructure and safety net we rely upon.
- Value-based contracts are complex and unpredictable, adding significant administrative burden and costs
  - Clinical staff have additional reporting and administrative tasks detracting time from clinical care and adding costs
  - Incentive payments are not typically received until Q3/Q4, challenging cash flows and investment in the care team

## Sample Pediatric Primary Care Preventive Visit



Graph is for illustrative purposes.

\* Based on average commercial payment for preventive well visit 12-17

# OREGON'S DEFINITION & METHODOLOGY SINCE 2017\*

## **Numerator**

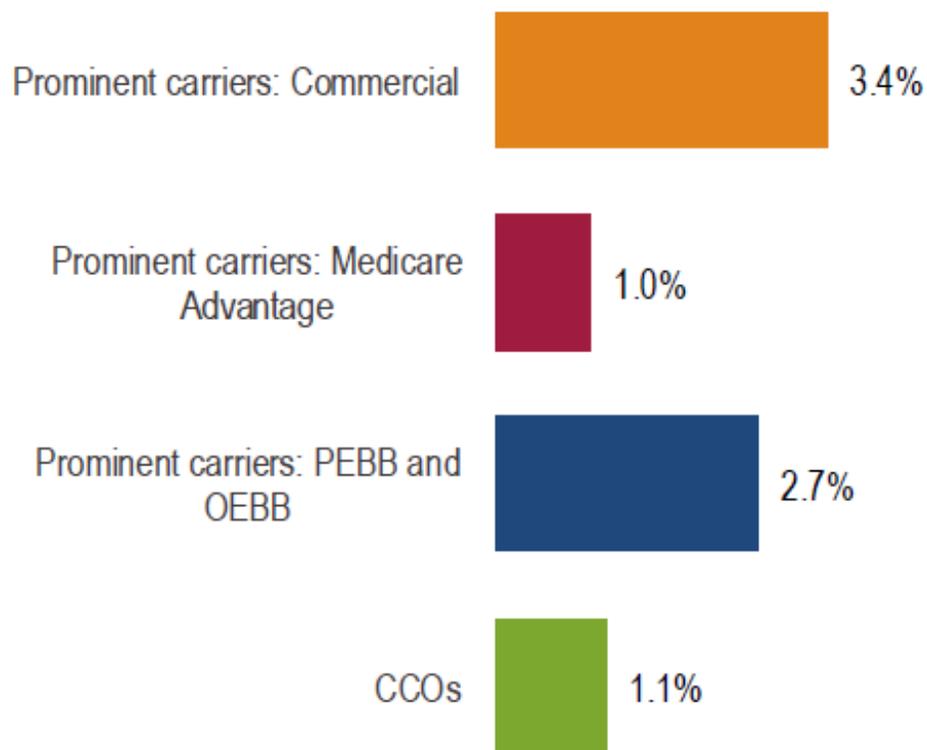
- Specific codes; non-claims data
- Specific licensees (in Oregon, PCPs include MD, DO, NP, PA, ND)
- Specific specialties (family medicine, pediatricians, FMNPs, OB, specialty psychiatry)

## **Denominator**

- Does not include pharmaceuticals
- Supplemental Analysis described the impact of changes between the release of the 2017 report and the 2018 report; up to 3% increase

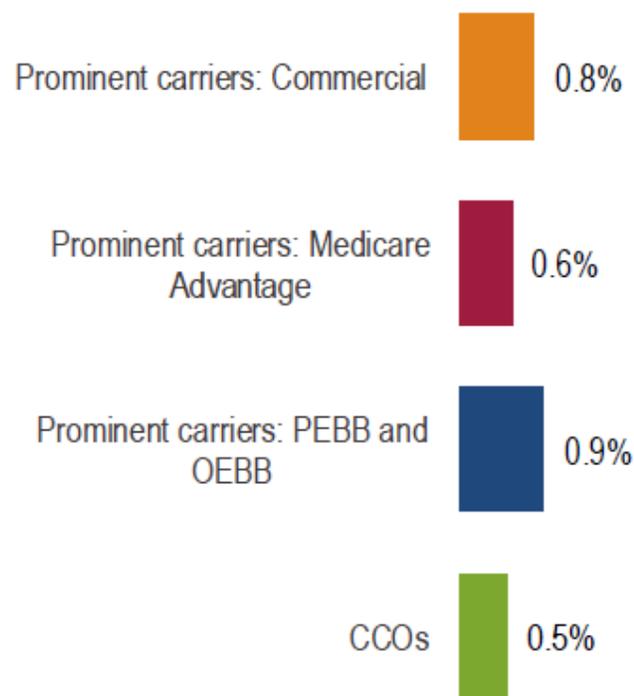
## Change #2: Referencing other data fields when identifying primary care providers

By using both rendering and billing provider fields to identify primary care providers, the percent of primary care spending increased by 1.0 to 3.4 percentage points (weighted average).



## Change #3: Removing J-codes from total medical expenditures

The exclusion of J-codes from the analysis increased the percent of primary care spending by a weighted average of 0.5 to 0.9 percentage points.

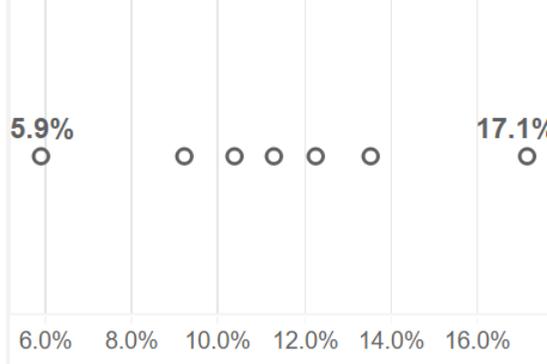
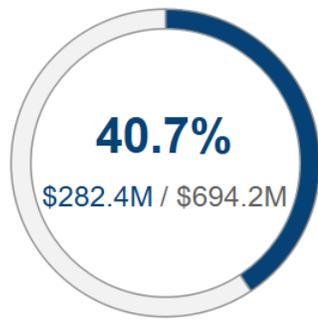


# Oregon Primary Care Spending Dashboard

- Key Takeaways**
- Primary Care Spending
- Non-Claims Spending

Welcome to the Oregon Primary Care Spending Dashboard. This dashboard visualizes APAC claims payment data, non-claims payment data, and enrollment data from health insurance plans operating in Oregon.

## Key Takeaways: Oregon primary care spending in 2023

<p>Single line of business</p>	<p>In 2023, <b>primary care spending</b> by commercial plans averaged 13.3% of total medical spending.</p>	<p>In 2023, total medical spending allocated to primary care by commercial plans ranged from 5.9% to 17.1%.</p>	<p>In 2023, 40.7% of primary care spending by commercial plans was <b>non-claims spending</b>.</p>
<p>Select line of business: Commercial</p>	 <p><b>13.3%</b> \$694.2M / \$5.21B</p>	 <p>5.9% 17.1%</p> <p>6.0% 8.0% 10.0% 12.0% 14.0% 16.0%</p>	 <p><b>40.7%</b> \$282.4M / \$694.2M</p>

<p>All lines of business</p>	<p><b>Primary care spending</b> as a percent of total medical spending by line of business</p>	<p>Range of percent of total medical spending allocated to primary care by line of business</p>	<p><b>Non-claims spending</b> as a percent of total primary care spending by line of business</p>																																			
	<table border="1"> <tr><td>Medicare Advantage</td><td>15.4%</td></tr> <tr><td>Medicaid CCO</td><td>14.9%</td></tr> <tr><td>OEBB</td><td>14.9%</td></tr> <tr><td>Commercial</td><td>13.3%</td></tr> <tr><td>PEBB</td><td>13.0%</td></tr> </table>	Medicare Advantage	15.4%	Medicaid CCO	14.9%	OEBB	14.9%	Commercial	13.3%	PEBB	13.0%	<table border="1"> <tr><td>Medicare Advantage</td><td>3.9%</td><td>34.2%</td></tr> <tr><td>Medicaid CCO</td><td>5.9%</td><td>24.5%</td></tr> <tr><td>Commercial</td><td>5.9%</td><td>17.1%</td></tr> <tr><td>PEBB</td><td>11.1%</td><td>17.2%</td></tr> <tr><td>OEBB</td><td>13.9%</td><td>17.2%</td></tr> </table>	Medicare Advantage	3.9%	34.2%	Medicaid CCO	5.9%	24.5%	Commercial	5.9%	17.1%	PEBB	11.1%	17.2%	OEBB	13.9%	17.2%	<table border="1"> <tr><td>Medicare Advantage</td><td>74.7%</td></tr> <tr><td>Medicaid CCO</td><td>67.9%</td></tr> <tr><td>Commercial</td><td>40.7%</td></tr> <tr><td>OEBB</td><td>36.6%</td></tr> <tr><td>PEBB</td><td>29.2%</td></tr> </table>	Medicare Advantage	74.7%	Medicaid CCO	67.9%	Commercial	40.7%	OEBB	36.6%	PEBB	29.2%
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# DID WE GET THERE?

- Maybe?
- But probably not.

## Ways: Oregon primary care spending

In 2023, **primary care spending** by commercial plans averaged 13.3% of total medical spending.



## DID WE GET THERE?

- Location data isn't in the methodology
- Pharmaceuticals/infusions are not in the denominator
  - Drugs are as much as 20% of total costs
- Including psych and OB
- Methodology change between baseline & first reports
- Data vendor change in 2021
- Non-claims data is hard to analyze (and is a growing share of spending)

...BUT EVEN IF WE DID

- Access is *still* inadequate
- How do we fix it?

## REASONS TO BE HOPEFUL

- Oregon Health Policy Board is instituting a Primary Care Strategy Committee in 2026
- Awareness and energy at OHA to align, simplify
- Interest from other stakeholders
- Concrete proposal (Priorities document shared with advisors to Kotek)
- Opportunity in crisis – Rural Health Transformation Application specifically calls out primary care in multiple ways