# Primary Care Investment and Measurement

Freedman

HEALTHCAR

Maryland Health Care Commission Primary Care Workgroup

## **Utilizing Framing Questions**



## Work of the Primary Care Subgroup

- The Primary Care Subgroup met twice to review examples of how progress toward various primary care operational elements could be measured and discuss possible approaches to measurement, data sources, and rationales
- Workgroup members noted the importance of an evolutionary process that adjusts the measures and data sources to reflect growing availability of clinical and other data
- Members recommended a set of priorities for Measuring Progress Toward Primary Care Goals
- Priorities were based on the potential impact of the operational element, the appropriateness of the measure to answer the question, and the availability of the data
- A few measures were recommended as observational due to their potential for high impact but lack of available data due to coding or other data constraints

## Measuring Primary Care Investment

**Numerator** 



Source: Adapted from Erin Taylor, Michael Bailit, and Deepti Kanneganti, Measuring Non-Claims-Based Primary Care Spending, Milbank Memorial Fund, April 15, 2021

### **Defining Primary Care: Claims-Based Payments**

#### **Claims-Based Payments:**

Patient encounter with an associated CPT code that is submitted as a claim for reimbursement



**Most Common:** Family medicine, general practice, internal medicine, pediatrics, NP/PA, geriatrician, FQHC/RHC

Less Common: Nurse, OB-GYN, behavioral health clinician

Most Common: Office visits, preventive visits, vaccine admin, screenings, care coordination and management Less Common: Procedures, behavioral health, maternity

Most Common: Office, telehealth (home or other), walk-in retail clinic, FQHC/RHC, home Less Common: Worksite, urgent care, school

### **Defining Primary Care: Denominator**

Although stakeholders often focus on the services and providers included in the numerator, decisions regarding the denominator often have even greater impact on the result

### **Retail Pharmacy in the Denominator:**

- States that include pharmacy in the denominator typically do so to align with other definitions of total cost of care currently in use
- Pharmacy spending is typically inflated since it does not deduct rebates, which is estimated at more than 25% of total pharmacy spend
- This may be good; higher denominator equals higher primary care investment target; can also generate push back that is hard to dispute

### **Differing Services Across Payer Types:**

- Payer types (for example, Medicaid, Medicare, Commercial) differ in benefits offered, reimbursement structure, and service utilization
- These differences result in differences in total cost of care and, in turn, primary care investment as a percent of total cost of care
- Standardizing covered services is an important first step to achieving more equitable comparisons

# The End



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