Primary Care Investment Workgroup

DRAFT

JULY 8, 2025

Overview of Data and Findings

Overview

- The 2025 Primary Care Investment Analysis and Recommendations Report (2025 Report) will evaluate primary care spending in the State of Maryland using the AHEAD definition of primary care providers (PCPs) and services

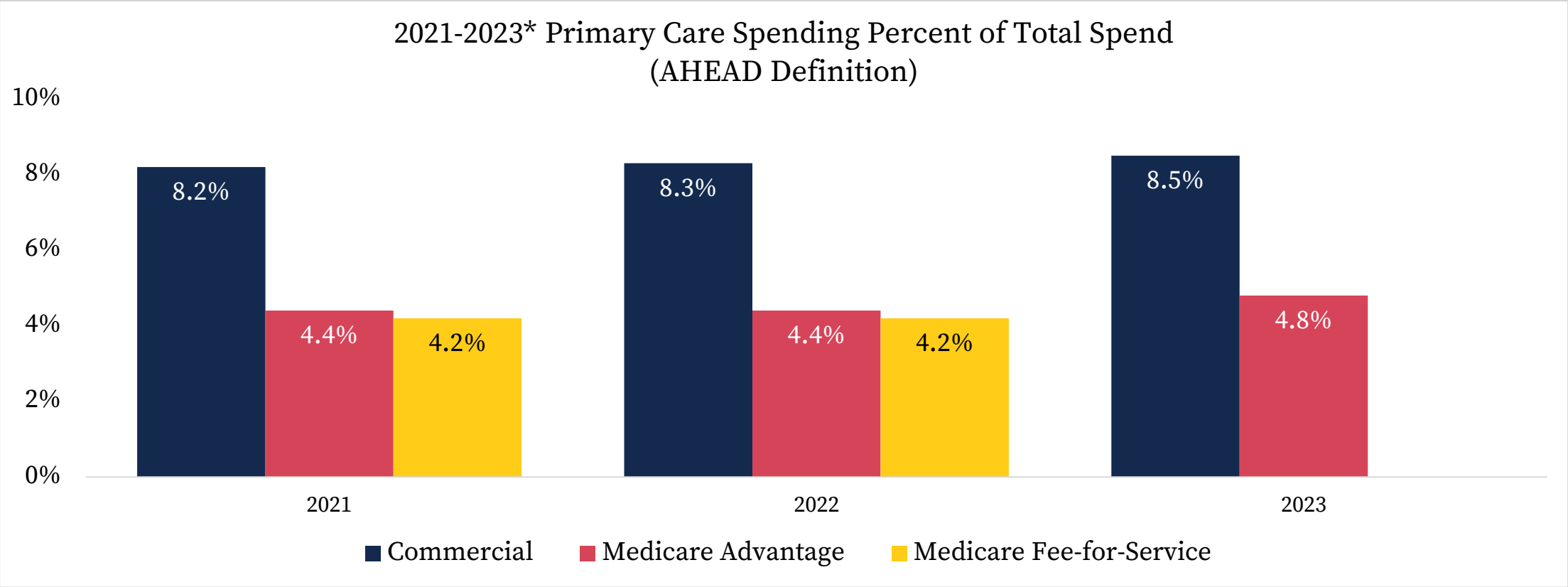
- Findings in the 2025 Report will analyze primary care spending for the years 2021, 2022, and 2023

  - Data includes 12 months of spending for 2021-2023 for commercial and Medicare Advantage coverage

  - Medicare Fee-for-Service data is only available for analysis through year 2022

- The findings summarized in the following slides are preliminary and draft; they may be adjusted in the final 2025 Report

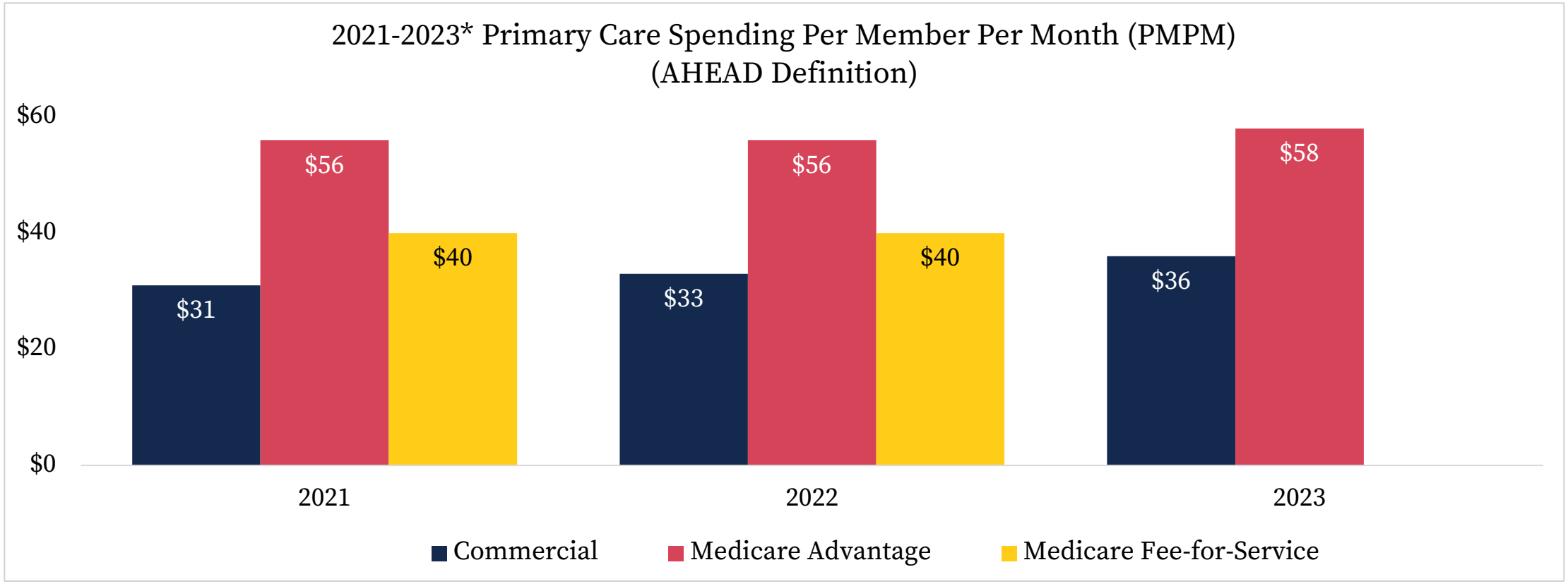
Percent Spend by Payer Type



- Commercial and Medicare Advantage primary care spending increased from 2021 to 2023
- Medicare Fee-for-Service primary care spending was flat from 2021 to 2022

*The most recent data available for Medicare Fee-for-Service is 2022

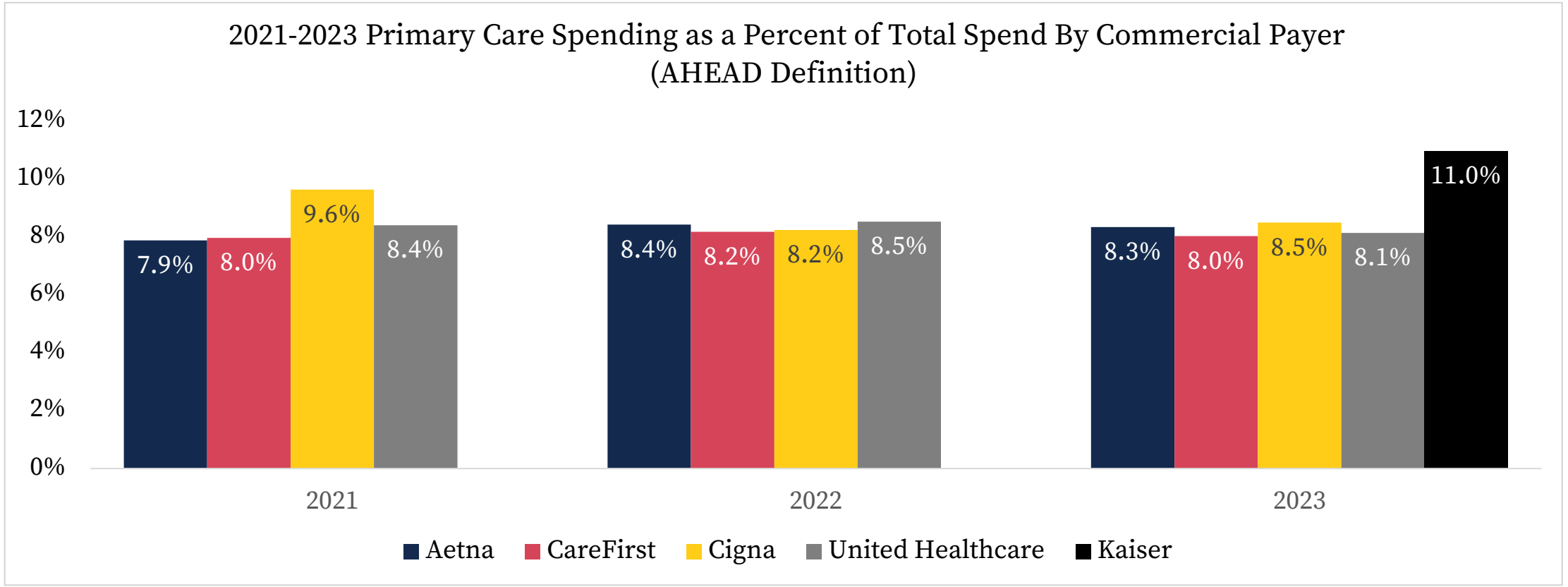
Per Member Spend by Payer Type



- PMPM spending varied considerably by payer type
- PMPM spending was flat year-over-year for Medicare Advantage and Medicare Fee-for-Service
- PMPM spending grew slightly year-over-year for commercial coverage

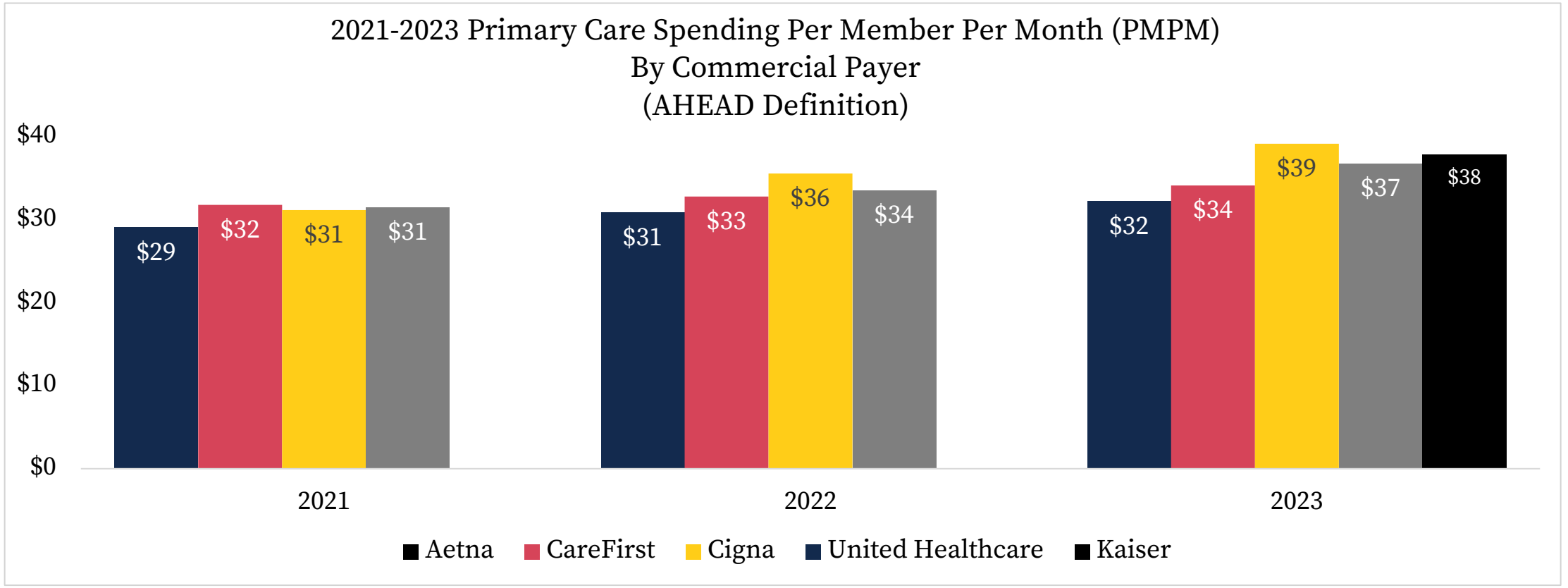
*The most recent data available for Medicare Fee-for-Service is 2022

Percent Spend by Commercial Payer



- Primary care spending is generally consistent across commercial payers, except Kaiser
- Kaiser began submitting fee-for-service equivalents in 2023 and its primary care spending was higher than other payers

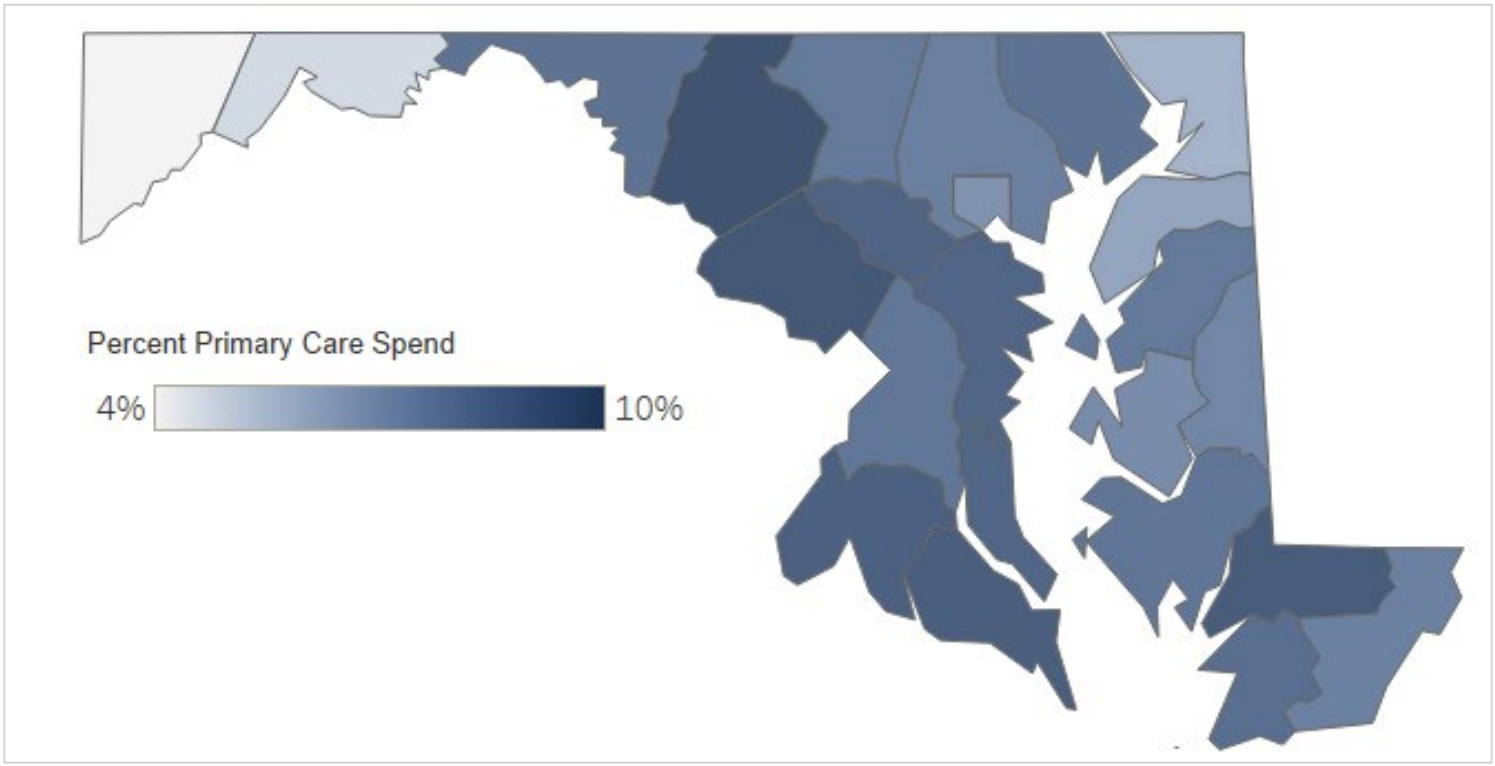
Per Member Spend by Commercial Payer



- Across commercial payers, PMPM spending was relatively consistent in each year
- Between 2021 and 2023, Cigna's PMPM spending changed the most

Commercial Percent Spend by County

2023 Primary Care Spending as a Percent of Total Spend by County
(AHEAD Definition)



- Commercial primary care spending varied by county, ranging from 4.4 percent of total medical expenses in Garrett County to 9.6 percent in Frederick County

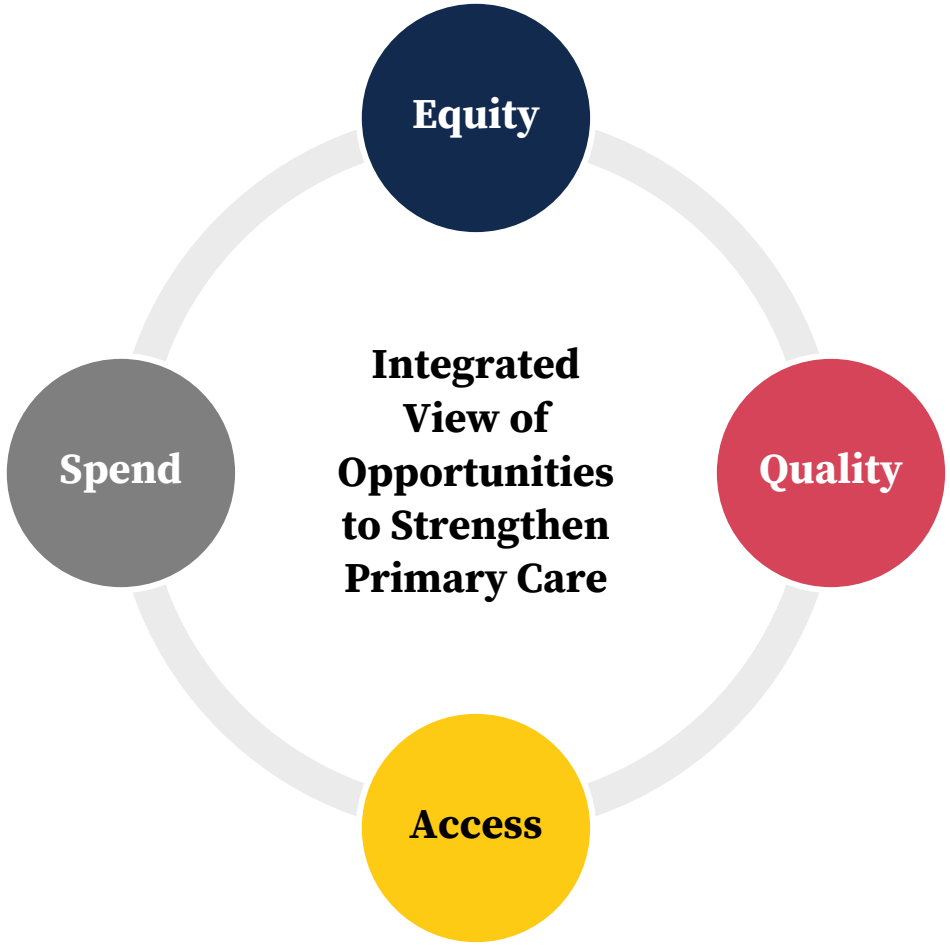
Geographic Primary Care Investment Opportunity Analysis: Overview

High-Level Overview of Primary Care Investment Opportunity Analysis

- The analysis aims to highlight whether there may be greater opportunity for primary care investment in some geographies in Maryland relative to others, based on a composite score of primary care performance
- FHC will develop an index to identify communities with relatively:
  - Lower health care expenditures for primary care
  - Lower access to primary care
  - Poorer health care quality
  - Higher social risk by community
- The analysis will be conducted at the member level; these attributes can be calculated at the zip code level from the Maryland Medical Care Data Base (MCDB)
- The analysis will focus on member level claims data for commercial and Medicare Advantage

Innovative Work

- The Geographic Primary Care Investment Opportunity Analysis is the first state initiative to conduct an integrated review of primary care equity, spend, quality, and access by zip code



- The analysis builds on and is aligned with the EQIP Primary Care Pilot Program, which focuses funding for advanced primary care infrastructure in a set of targeted geographic areas

Metrics of Interest

- The metrics below have been selected as a starting point to evaluate whether communities with lower primary care spending also struggle with primary care access and quality concerns alongside potential higher social risk

Domain	Metric
1. Spend	Lower primary care spending (PMPM or percent total medical expense)
2. Access	Lower current utilization of primary care services
3. Access	Higher ED utilization per 1,000
4. Quality	Worse performance on colorectal cancer screening measure
5. Social Risk	Higher Area Deprivation Index score

Calculation

Domain	Metric	Index Calculation
1. Spend	Lower primary care spending (PMPM or percent total medical expense)	• Calculate zip level value • Calculate statewide average • Compute index value = (zip value / statewide value) x 100
2. Access	Lower current utilization of primary care services	
3. Access	Higher ED utilization per 1,000	
4. Quality	Worse performance on colorectal cancer screening measure	
5. Social Risk	Higher Area Deprivation Index score	

Accounting for Differences in Age and Gender by Zip Code

- The relative amount and proportion of primary care spending, utilization, and ED utilization is influenced by patients' ages and gender; adjusting results provides a more accurate comparison
  - For example, teenagers typically require less primary care than older adults; children younger than five typically require more primary care than teenagers
  - A zip code with a greater proportion of teenagers may appear to underutilize primary care, if age is unaccounted for in the analysis

Recommended Approach

- Apply standard age groupings for commercial comparison: <30, 30-65, >65
- Apply standard gender groupings for Medicare Advantage and commercial comparison: male/female
- Compute an index value for each age/gender grouping

Apply Standard Age/Gender Groupings

- Age groupings for commercial comparison: <30, 30-65, >65
- Gender groupings available in the MHCC APCD for Medicare Advantage and commercial comparison: male, female

Domain	Metric	Index Calculation
1. Spend	Lower primary care spending (PMPM or percent total medical expense)	• Calculate zip code level value **by age and gender subgroups** • Calculate statewide average for the same metric **and by subgroups** • Compute index value = (zip value/statewide value) x 100
2. Access	Lower current utilization of primary care services	
3. Access	Higher ED utilization per 1,000	

Benefits of Addressing Age/Gender Variation

- Supports comparison of similar items
- Guards against recommendations that are not aligned with the community's needs
- Allows granular segmentation and insight
- Facilitates more tailored policy interventions

Incorporating Area Deprivation Index (ADI)

- The University of Wisconsin-Madison's Neighborhood Atlas® calculates an Area Deprivation Index (ADI) to evaluate multiple factors associated with socioeconomic disadvantage at the zip code level:
  - Currently, the available data is from 2022 and includes two variables for each zip code: an intrastate ranking (from 1 to 10) and a national percentile (from 1 to 100)
- Using the national percentile allows for the most nuance and granularity in assessing which Maryland zip codes have socioeconomic factors that could benefit the most from sufficient and appropriate levels of primary care investment
- The ADI results are produced at the census tract level:
  - There are instances where one 5-digit zip code is associated with more than one ADI value
  - These values will be weighted based on census-tract level population estimates
  - The weighted ADI will be provided in the data set, repeating for each subpopulation within the same 5-digit zip code

Composite Score Methodology

Index Calculation

- The composite index score will be calculated based on the weighted average of all index values for each zip code for Metrics 1-5 or zip/age/gender for Metrics 1-3 and index values for each zip code for Metrics 4-5

- Zip codes with a relatively higher composite index score based on lower primary care spending, lower primary care utilization, higher ED utilization, worse performance on colorectal cancer screening, and higher ADI score will be identified as having the greatest potential opportunity to benefit from increased primary care investment

Outputs

- **Summary Data Set:** Will show results of the calculations for each metric, using color to highlight zip codes that are significantly different than the state average; will also show the average score for all metrics by zip code and age/gender groupings, and the range of scores for all metrics by age/gender groupings across zip codes

- **Maps:** The composite index scores for each zip code will be mapped to visually depict the range of scores by Maryland geography

- **Primary Care Investment Report:** The analysis results and visualizations will be incorporated into the Primary Care Investment Analysis and Recommendations Report, potentially informing the final recommendations

- **Future Work:** The analysis is a building block for future study of the factors that contribute to variation in primary care spending by geography alongside variation in health status and outcomes within the State of Maryland

Measure Alignment

- The metrics were selected to align with the priorities and measures for the AHEAD Model including:
  - Increasing investment in primary care
  - Increasing utilization of primary care services over inappropriate ED utilization
  - Improving access to preventive primary care services and screenings
- Selected metrics also align with the PCIW's priorities to ensure:
  - Primary care system is the point of first contact for health services
  - Primary care is comprehensive
  - Primary care is well-coordinated
  - Primary care is anchored in the continuity of the provider and patient relationship

Initial Findings Before Age/Gender Adjustment *(DRAFT)*

Statewide Average						
	Primary Care PMPM	**Primary Care Percent Spend**	**Primary Care Utilization Per 1,000**	**Emergency Department Utilization Per 1,000**	**Colorectal Cancer Screening**	**Median ADI**
	$38	7.5%	3.90	158.49	56.7%	28
Variation Across Zip Codes (Before Age/Gender Adjustment)						
Minimum	$0	0.0%	0.00	0.00	0.0%	2
25th Percentile	$32	6.3%	3.59	121.63	50.3%	23
Median	$36	7.4%	3.88	158.51	55.6%	33
75th Percentile	$39	8.9%	4.24	213.35	60.1%	47
Maximum	$123	100.0%	16.14	2000.00	100.0%	95
Interquartile Range	$7	**2.7%**	**0.64**	91.73	9.8%	24
Average	$36	9.0%	3.93	179.73	55.3%	36
Standard Deviation	$11	8.9%	1.20	137.66	14.2%	19

- Initial findings show little variation in primary care percent spend and utilization
- These initial findings also reinforce need for age/gender adjustment

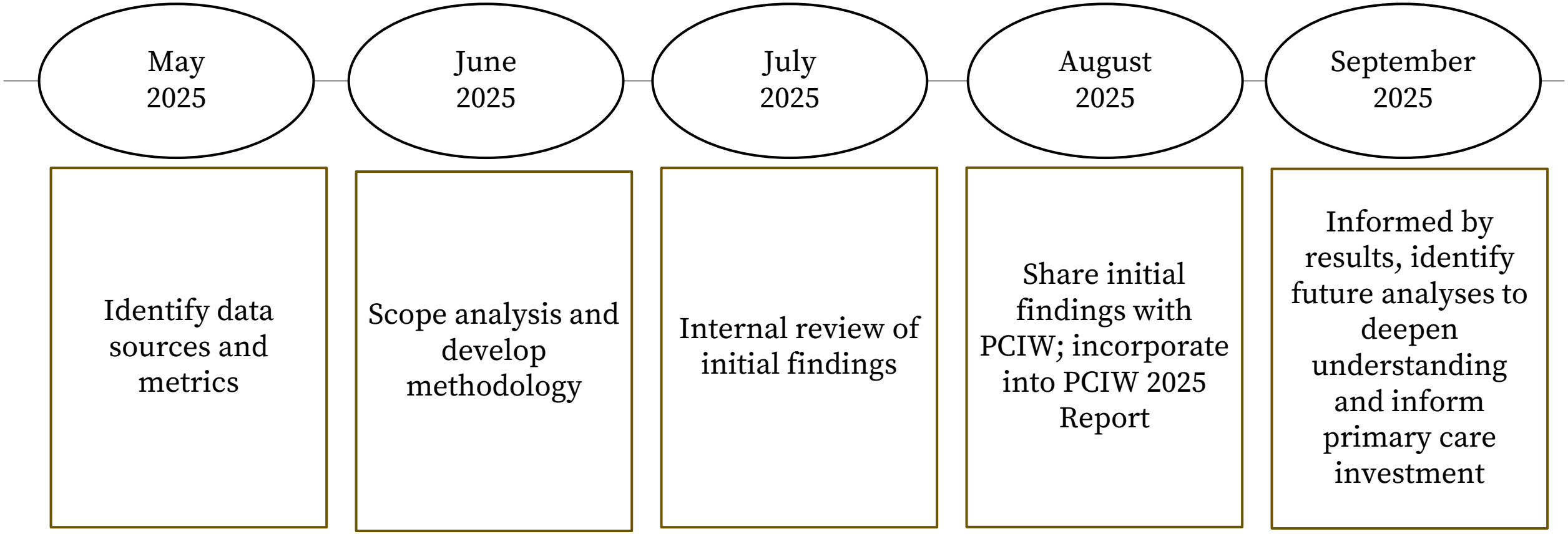
Discussion

- Differences in the composition of age and gender groupings by zip code will have an impact on the metrics of interest when evaluating whether there is opportunity to target primary care investment by geography

  - Does the group agree with FHC's recommended approach to adjust the analysis to account for differences in age/gender by zip code?

- Thoughts on the initial results shared? Anything surprising to you?

Timeline



Next Steps

As a building block for future study of factors that contribute to variation in primary care spending, FHC anticipates that the Primary Care Investment Opportunity Analysis could inform further study to more deeply explore:

- Do zip codes with higher spending on a PMPM basis also have a higher percent spend?
- Do areas with lower primary care spending have higher emergency department (ED) utilization and higher inappropriate ED utilization?
- Incorporating additional variables, is there a relationship between quality and utilization and higher or lower spending?
- Are there additional measures that should be prioritized for future index iterations or for multivariate analysis?

The End

Questions?

Primary Care Investment Initiatives: Updates from the States

APPENDIX

Primary Care Investment Network Technical Assistance Update

- Maryland has joined 14 states in a learning community sponsored by the Primary Care Investment Network, the Milbank Memorial Fund and the Commonwealth Fund
  - The group will meet in Washington, D.C. next month for a full day of in-person collaboration and learning
  - Much of the conversation will focus on demonstrating the impact of increased investment on access, quality, and equity

Pending Legislation of Note: 2025

State	Initiative	Status
Arkansas	Primary Care Improvement Working Group to establish definition of primary care and recommend spending target; identify data collection and measurement systems	Passed
Connecticut	Requires Office of Health Strategy to consider and adjust for any unintended effects or impacts of primary care spending targets on funding for individuals with developmental disabilities when benchmarking a state-operated reinsurance program	Not Moving
New York	The Primary Care Investment Act proposes requiring plans and payors to report annually on the percentage of health care spending allocated to primary care; plans and payers reporting less than 12.5% would need to submit plans to increase spending by 1% annually until meeting or exceeding the target	Not Moving
Oregon	Requires Oregon Health Authority to establish a primary care provider loan repayment program and a centralized online portal for reporting data on health outcome and quality measures	Moving
Washington	Requires health carriers to report primary care expenditures annually	Passed