HEALTH CARE COST TRANSPARENCY BOARD'S

Advisory Committee on Primary Care Meeting

November 28, 2023

Washington State Health Care Authority

Washington State Health Care Authority

Health Care Cost Transparency Board's

Advisory Committee on Primary Care
Meeting Materials Book

November 28, 2023
2 – 3:10 p.m.

(Hybrid attendance options)

Agenda and Presentations

Meeting agenda……...1
Approval of October meeting summary...……2
Public comment……3
Presentation: Primary Care Expenditures and Non-Claims-Based Spending ……..…..4
Presentation and Discussion: Broad vs. Narrow Definitions ……5

Tab 1

Washington State Health Care Authority

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HEALTH CARE COST TRANSPARENCY BOARD'S

Advisory Committee on Primary Care

November 28, 2023
2:00 – 3:10 p.m.
Hybrid Meeting

Meeting Agenda

Committee Members:					
☐	Judy Zerzan-Thul, Chair	☐	Chandra Hicks	☐	Linda Van Hoff
☐	Kristal Albrecht	☐	Meg Jones	☐	Shawn West
☐	Sharon Brown	☐	Gregory Marchand	☐	Staici West
☐	Tony Butruille	☐	Sheryl Morelli	☐	Ginny Weir
☐	Michele Causley	☐	Lan H. Nguyen	☐	Maddy Wiley
☐	Tracy Corgiat	☐	Katina Rue		
☐	David DiGiuseppe	☐	Mandy Stahre		
☐	DC Dugdale	☐	Jonathan Staloff		
☐	Sharon Eloranta	☐	Sarah Stokes		

Time	Agenda Items	Tab	Lead
2:00 - 2:05 (5 min)	Welcome, roll call, and agenda review	1	Dr. Judy Zerzan-Thul, Chair, Medical Director Health Care Authority
2:05 - 2:10 (5 min)	Approval of October meeting summary	2	Stacey Whiteman, Committee Facilitator Health Care Authority
2:10 - 2:20 (10 min)	Public Comment	3	
2:20 - 2:45 (25 min)	Presentation: Primary Care Expenditures and Non-Claims-Based Spending	4	Kahlie Dufresne and Hana Hartman Health Care Authority
2:45 - 3:05 (20 min)	Presentation and discussion: Broad vs. Narrow Definitions (**Committee members will be voting**)	5	Shane Mofford Center for Evidence-based Policy (CEbP)
3:05 - 3:10 (5 min)	Wrap-up and adjournment		Dr. Judy Zerzan-Thul, Chair, Medical Director Health Care Authority
3:10 - 4:00	*Additional time held for runover presentation time and discussion. Utilization of this time is not anticipated.*		

Tab 2

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Health Care Cost Transparency Board's

Advisory Committee on Primary Care meeting summary

October 26, 2023

Virtual meeting held electronically (Zoom) and in person at the Health Care Authority (HCA)
2–4 p.m.

Note: this meeting was video recorded in its entirety. The recording and all materials provided to and considered by the committee is available on the **Advisory Committee on Primary Care's webpage**.

Members present

Judy Zerzan-Thul, Chair
Kristal Albrecht
Tony Butruille
Tracy Corgiat
David DiGiuseppe
Sharon Eloranta
Chandra Hicks
Meg Jones
Lan Nguyen
Mandy Stahre
Jonathan Staloff
Shawn West
Linda Van Hoff
Staici West
Ginny Weir
Maddy Wiley

Members absent

Sharon Brown
Michele Causley
D.C. Dugdale
Gregory Marchand
Sheryl Morelli
Katina Rue
Sarah Stokes

Call to order

Dr. Judy Zerzan-Thul, Committee Chair, called the meeting to order at 2:05 p.m.

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Agenda items

Wecoming remarks

Chair Dr. Judy Zerzan-Thul welcomed committee members and provided an overview of the meeting agenda.

Meeting summary review from the previous meeting

The Members present voted by consensus to adopt the September 2023 meeting summary.

Public comment

Stacey Whiteman, committee facilitator, called for comments from the public. There were no public comments.

Approaches to Primary Care Investment in Rhode Island

Cory King, Acting Health Insurance Commissioner, Rhode Island Office of the Health Insurance Commissioner (OHIC)

Cory King presented an overview of Rhode Island's approach to primary care investment. Topics included rate review; formulating of a primary care expenditure target; accounting for primary care expenditures; monitoring and enforcement; emphasizing non-claims-based expenditures; and lessons learned. One of OHIC's core functions is to approve, modify, or reject premium rate filings. Health care expenditures impact premiums and while rate review is necessary, more action is needed to address systemic factors that drive health care spending. Rhode Island has made efforts to gain transparency in health care spending, mandate investments in primary care, add price growth caps governing inpatient and outpatient facility prices, and mandate value-based payment models. In 2010, OHIC directed commercial insurers to increase primary care spending by one percentage point per year over a five-year period. In 2015, OHIC elected to hold expenditures at 10.7% of total medical spending. The committee's questions and comments in response to the presentation begin at timestamp 39:00.

Code-level Definition Data Analysis

Shane Mofford, Consultant, Center for Evidence-based Policy

An analysis was conducted using the All-Payer Claims Database (APCD) to review code utilization by provider/location types. Adding the location criteria excludes approximately 9.49% of expenditures under the narrow definition and 7.5% of expenditures under the broad definition. The analysis results highlighted four major categories of services and one outlier code: contraceptive codes, domiciliary or rest home care codes, nursing facility/hospice supervision codes, interprofessional electronic health assessment codes, and an assessment and care planning for patient with cognitive impairment code. The list of codes presented under each category can be found under Tab 5 of the meeting materials. Sufficient members were present to allow a quorum. By consensus, the committee voted to approve the following recommendations:

- Include the contraceptive codes.
- Exclude the domiciliary or rest home care codes.
- Exclude four and include seven of the nursing facility/hospice supervision codes.
- Exclude the interprofessional electronic health assessment codes.
- Include the code for assessment and care planning for patient with cognitive impairment.

Reminder: Making Care Primary

Shane Mofford reminded the committee that applications are being accepted from September 4, 2023 through November 30, 2023. This will be the only time for providers to enroll in Making Care Primary.

Adjournment

Meeting adjourned at 3:45 p.m.

Tab 3

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Public Comment

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Tab 4

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Primary Care Expenditures and Non-Claims-Based Spending

A presentation to the Primary Care Advisory Committee

November 28, 2023

Washington State Health Care Authority

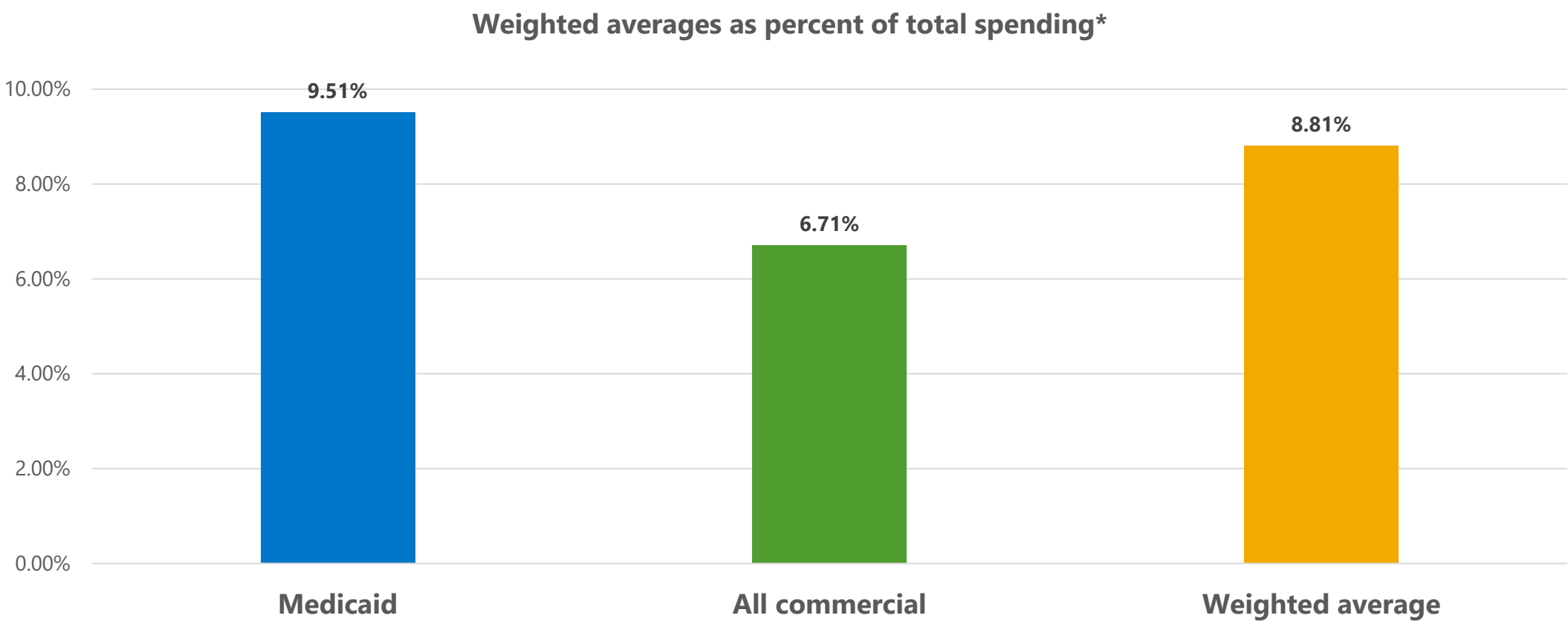
Agenda

- Context
- Update on primary care spending
  - Total primary care spending
    - In 2022
    - Over time
- Claims vs non-claims spending
  - Definitions of non-claims spending
  - Current and future

Context

- The Legislature set a goal of spending 12% of total health care dollars on primary care.
- To achieve this goal, we need a shared definition of primary care and primary care spending.
  - "The committee will begin their work by recommending a definition of primary care and standards for reporting and measuring claims- and non-claims-based spending."

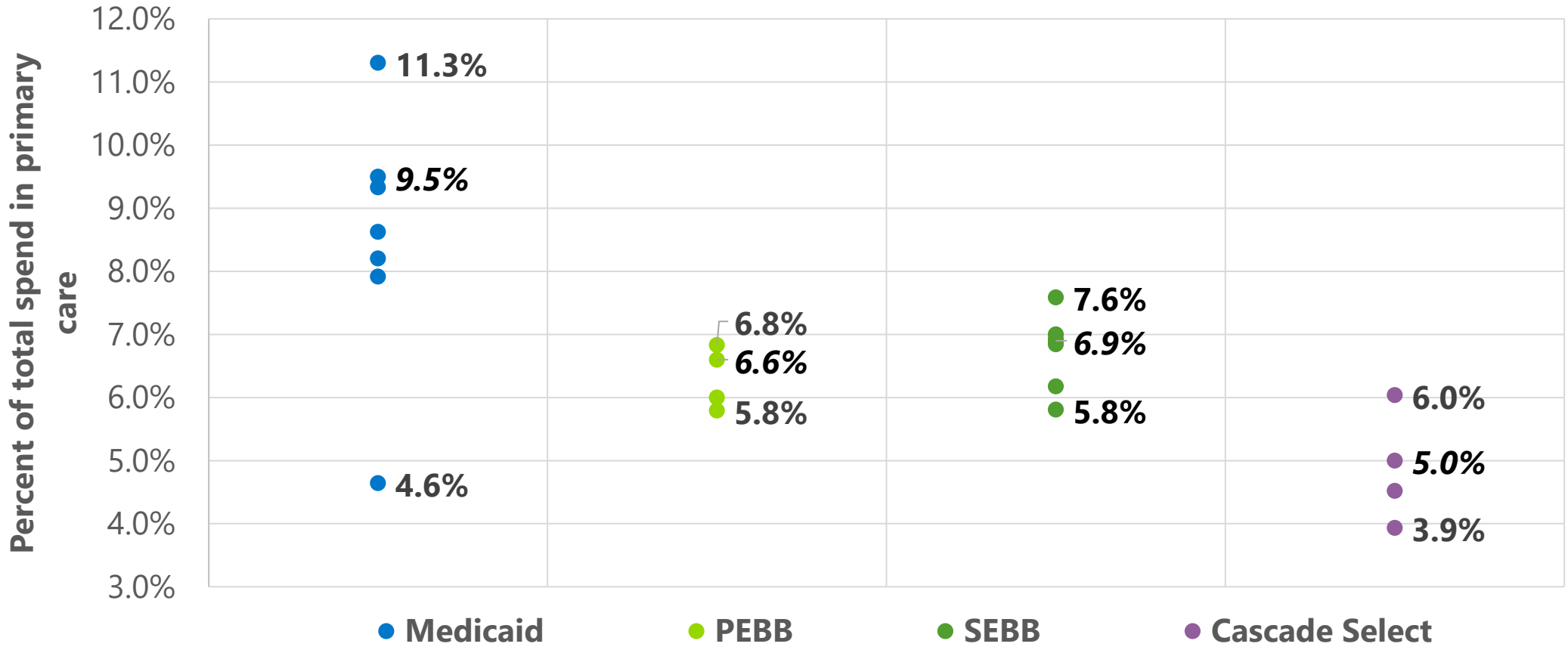
Primary care spend by sector, 2022



*Source: self-reported expenditures, using the narrow definitions of providers and services

Washington State Health Care Authority

Plan-reported primary care spend by coverage type, 2022



*Source: self-reported expenditures, using the narrow definitions of providers and services

Washington State Health Care Authority

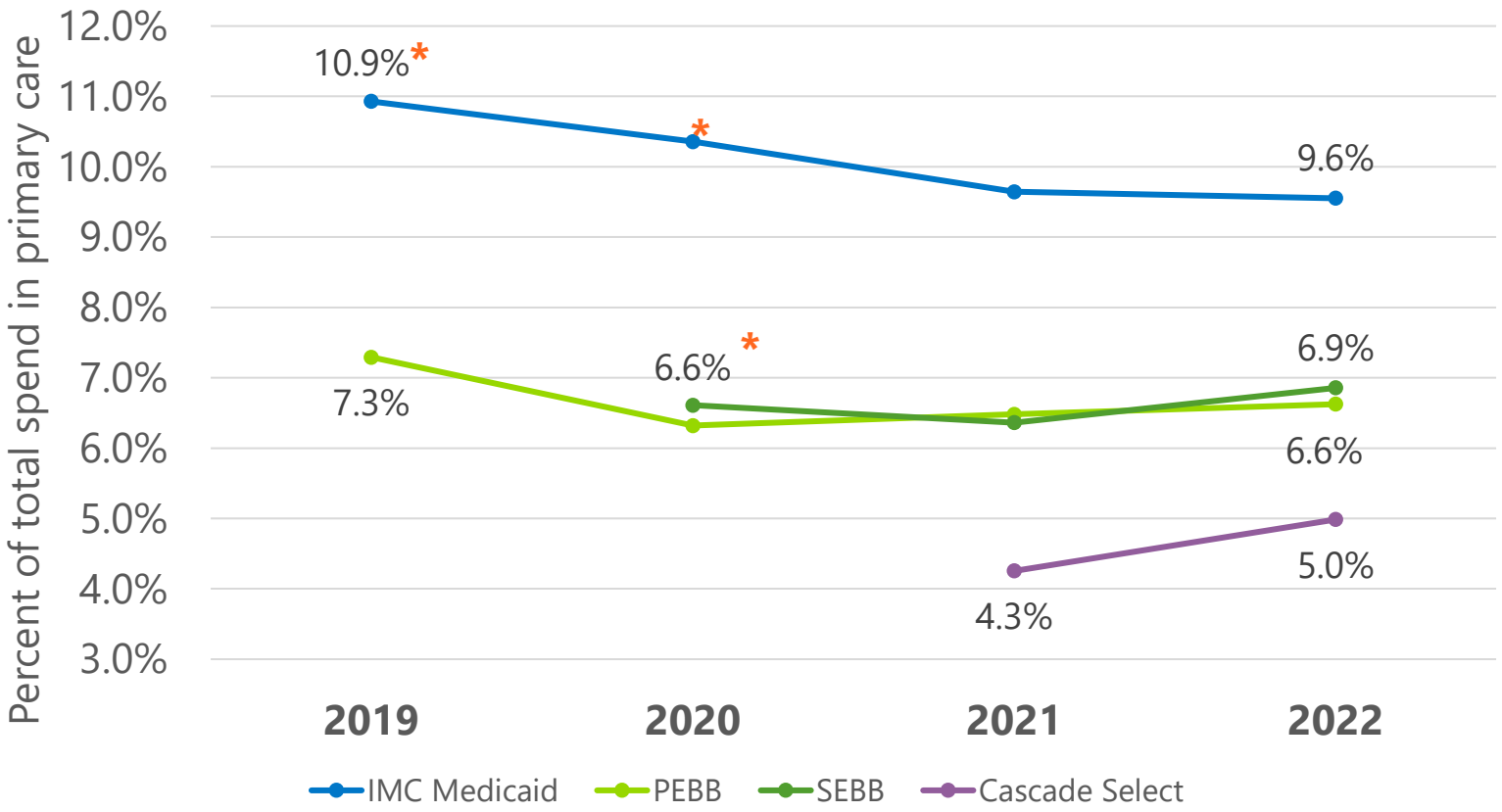
The share of expenditures in primary care has been decreasing over time.

- The downward trend may be a result of:
  - the rising cost of other types of care
  - a decrease in primary care utilization during the pandemic

  or other factors.
- In Medicaid, the sharper downward trend may be related to increased enrollment during the public health emergency.

* Points marked with an orange star are based on incomplete data and should be interpreted with caution.

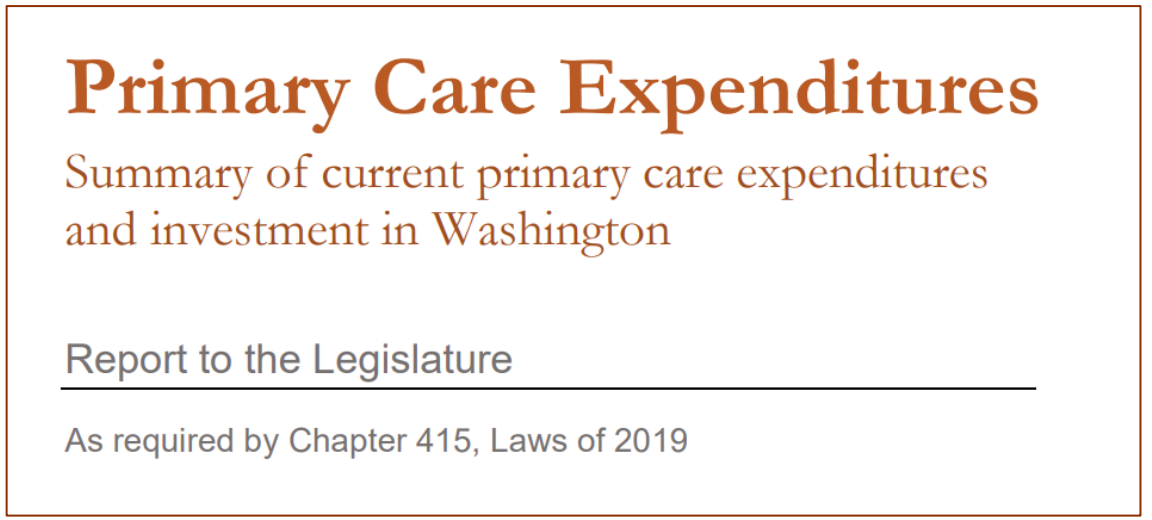
Weighted average primary care expenditures by line of business, 2019-2022



*Source: self-reported expenditures, using the narrow definitions of providers and services

Estimates of PC spend

- The Office of Financial Management (OFM) commissioned a report on primary care spending for 2018. The report was recently updated to include 2019 and 2020.
- HCA has collected self-reported spending data from plans with sufficient enrollment since 2019.
  - Plans generally self-report higher primary care spending than what was found in the APCD, but we can only compare 2019 and 2020 at this time.



Claims-based and non-claims-based spending

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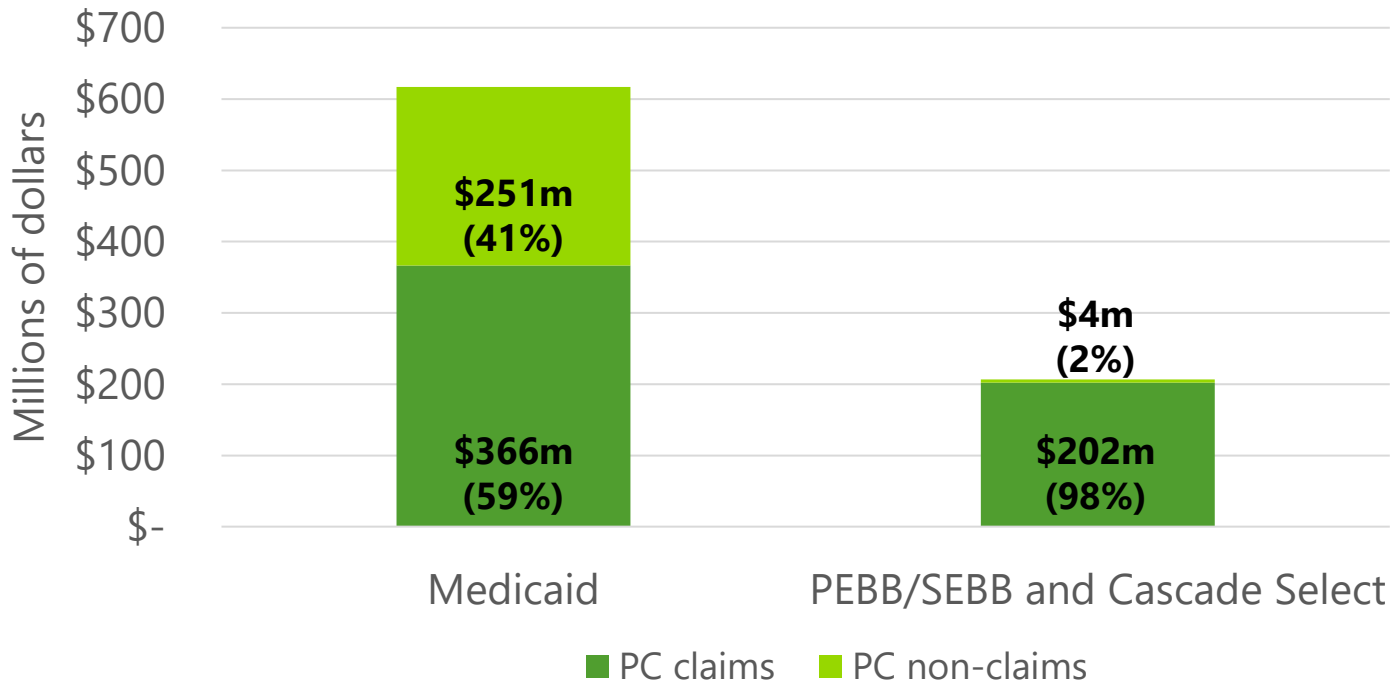
What is non-claims-based spending?

- Claims-based spending is fee for service: a claim is submitted; the insurer pays it.
- Non-claims spending includes expenditures that happen outside of the claims system, such as:
  - Capitated payments (per-member per-month to the attributed provider, or for non-billable services such as care coordination)
  - Health IT and workforce investments
  - Incentives (bonuses) for quality performance
  - Shared savings payments.

Average claims-based and non-claims-based spending in primary care, by sector

- Medicaid: 43-64% claims-based
- HCA Commercial: 96-100% claims-based



*Using the narrow definitions of providers and services. Based on self-reported expenditures.

Definitions of non-claims spending (1)

- Total non-claims-based payments includes all primary-care-related payments for:
  - **Capitated, sub-capitated, or salaried expenditures**: Capitation or salaried arrangements with providers or practices not billed or captured through claims, paying for services that are typically eligible for claims billing.
  - **Per-member per-month payments for non-billable activities:** Capitated or per-member per-month payments for activities not eligible for claims billing.
    - *If you cannot distinguish between capitation payments for billable vs. non-billable services, please include the total capitation payments in the "Capitated, sub-capitated, or salaried expenditures" category and note this caveat.*

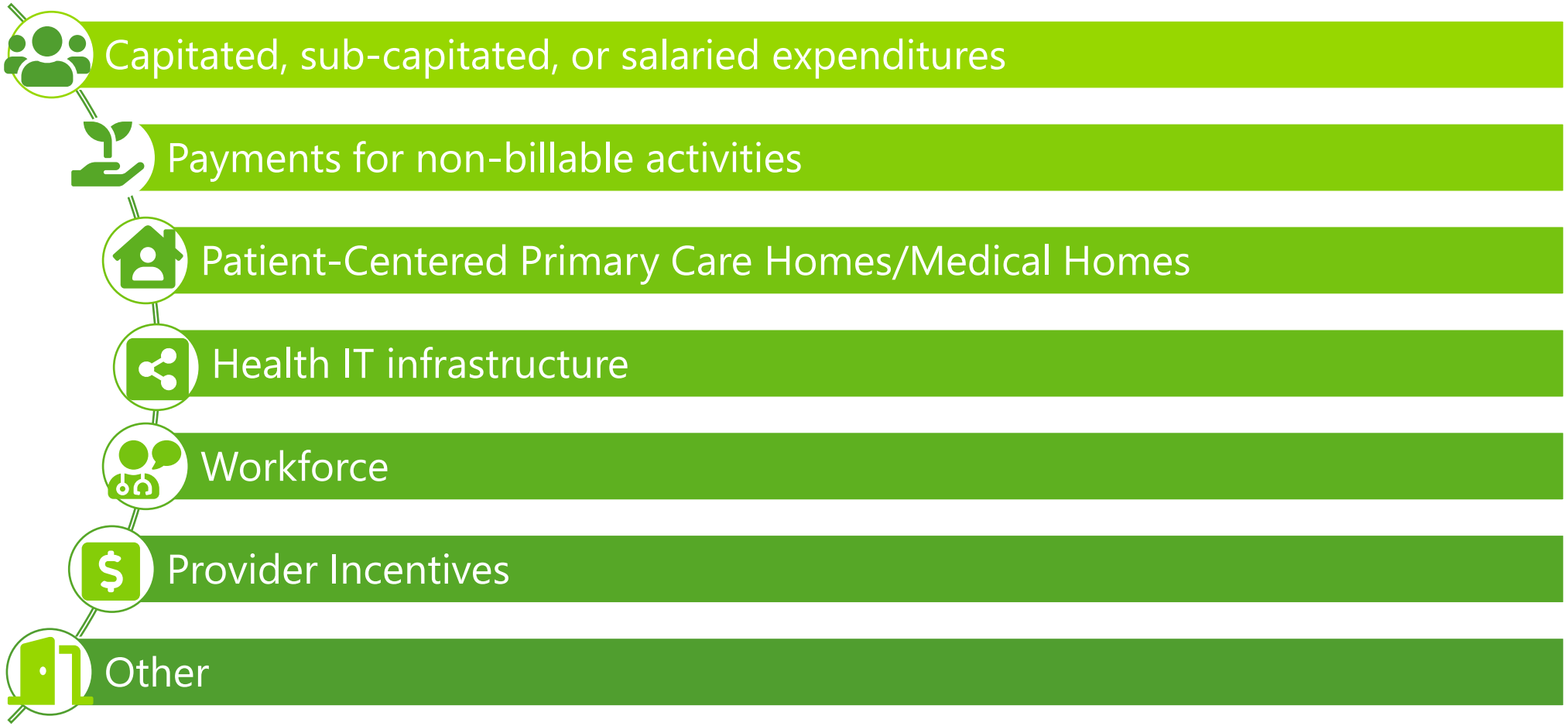
Definitions of non-claims spending (2)

- Total non-claims-based payments includes all primary-care-related payments for:
  - **Patient-Centered Primary Care Homes/Medical Homes:** payments to practices for achieving or maintaining recognition as NCQA Patient-Centered Primary Care Homes (PCPCH), Patient-Centered Medical Homes, or equivalent status, based upon participation in proprietary or other multi-payer medical home or specialty care practice initiatives.
  - **Health IT:** payments that enable or reward advancements in practices' health IT infrastructure.
  - **Workforce**: payments to support workforce or worker development

Definitions of non-claims spending (3)

- Total non-claims-based payments includes all primary-care-related payments for:
  - **Provider Incentives:** Financial incentive payments made to providers or practices in a value-based payment arrangement conditioned on reporting or on the quality of services provided. The incentives should be detailed by the applicable LAN Category.
    - *Please note, this is only the incentive portion of the payment; any payments based on claims should not be included here.*
  - **Other**: Please list any other payments made that are not captured in the above categories and give a brief description.

Definitions of non-claims spending (discussion)



Thank you!

Contact

- **Kahlie Dufresne**, Special Assistant for Health Programs and Policy
  - Kahlie.Dufresne@hca.wa.gov
- **Hana Hartman**, Senior Health Policy Analyst
  - Hana.Hartman@hca.wa.gov

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Calculations methodology

- Unless otherwise noted, all calculations use self-reported numbers, and the narrow definitions of providers and services
- Medicaid weighted averages were calculated using MCO enrollment counts drawn from:
  - For 2019 and 2020: the enrollment counts listed in the EQRO reports for those years.
  - For 2021 and 2022: the Medicaid client eligibility dashboard, using enrollment from June of each year.
- ERB weighted averages exclude Medicare Advantage plans and were calculated using Open Enrollment reports from each year.
- Cascade Care weighted averages use point-in-time counts from March 2021 and 2022.

Tab 5

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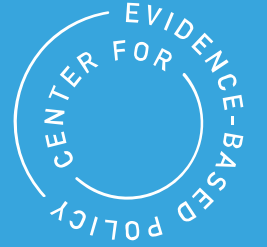
HCCTB Advisory Committee on Primary Care

November 28, 2023

Broad vs. Narrow Definitions (members will be voting)



HCCTB Advisory Committee on Primary Care Charges

- Primary Care Definition
  - Recommend a definition of primary care
  - Recommend measurement methodologies to assess claims-based spending
  - Recommend measurement methodologies to assess non-claims-based spending

- Data Focused to support primary care
  - Report on barriers to access and use of primary care data and how to overcome them
  - Report annual progress needed for primary care expenditures to reach 12 percent of total health care expenditures
  - Track accountability for annual primary care expenditure targets

- Policies to Increase and Sustain Primary Care
  - Recommend methods to incentivize achievement of the 12 percent target
  - Recommend specific practices and methods of reimbursement to achieve and sustain primary care expenditure targets

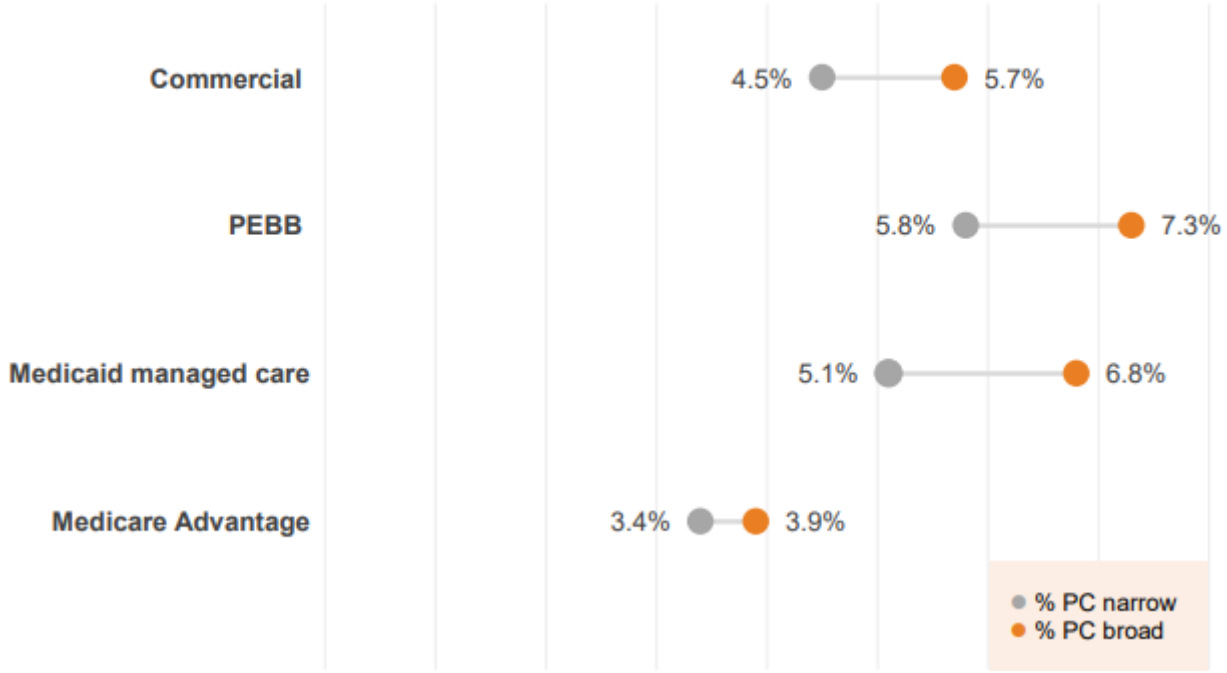
Narrow vs. Broad General Differences

Provider types included in the broad definition that are not included in the narrow definition

- Advanced Practice Midwife
- Advanced Practice Registered Nurse
  - Psychiatric Mental Health
- Counselors
  - Addiction (Substance Use Disorder)
  - Mental Health
- Family Medicine
  - Addiction Medicine
  - Bariatric Medicine
  - Hospice and Palliative Care
- Internal Medicine
  - Addiction Medicine
  - Bariatric Medicine
- Marriage and Family Therapist
- OBGYN
- Physician Assistant
  - Psychiatric Mental Health
- Psychologist
  - Addiction (Substance Use Disorder)
  - Clinical
  - Adult Development and Aging
  - Etc.
- Registered Nurse
- Social Worker
  - Clinical
  - School

Variation In Distance to Target

Figure 3. Primary Care as Percentage of Total Expenditures by Market Sector



Results will change with the updated primary care definition and with inclusion of non-claims-based expenditures.

Source: OFM 2019 Primary Care Expenditures Report
[Report to the Legislature Primary care expenditures As required by Chapter 415, Laws of 2019 December 2019 (wa.gov)]

Key Considerations

- The narrow definition is more closely aligned with definitions used in other states. This includes states that were used as a benchmark when setting the 12% primary care expenditure ratio target in statute.
- The narrow definition will require greater primary care investment to hit the 12% target.
- The broad definition may be more direct in supporting team-based care, but the narrow definition can still be used to support teams-based care due to the increased investment in primary care more broadly.

Discussion and Voting

- What additional considerations or questions do Committee members have?

- When discussion is complete, we will vote.

Making Care Primary Reminder

MCP Provider Application

- On August 14th, CMS issued the provider application for Making Care Primary
- Applications are being accepted from September 4, 2023 through November 30, 2023
- This will be the only time for providers to enroll in Making Care Primary.

The application can be found here:
https://innovation.cms.gov/media/document/mcp-rfa

Thank you for attending the Advisory Committee on Primary Care meeting!

Washington State Health Care Authority