



October, 2022

Implementing Advanced Primary Care

8 Lessons from the Field

Introduction

Robust primary care is essential to the ability to transform health care in the U.S. [Adults who regularly see a primary care physician](#) have 33% lower health care costs and 19% lower odds of dying prematurely than those who see only a specialist. Additionally, every \$1 increase in primary care spending produces \$13 in savings, and if everyone used a primary care provider as the principal source of care, the U.S. could save \$67 billion annually. As part of its pioneering work to define and promote the adoption of advanced primary care, PBGH's California Quality Collaborative's primary care improvement efforts led to almost 50,000 hospital bed days avoided, emergency room utilization sharply reduced and total savings of about \$186 million in California.

Despite these outsized benefits, misaligned financial incentives, chronic under-investment, infrastructure barriers and a lack of integration with other elements of care — including behavioral health — continue to severely constrain primary care's impact on the health of American workers and families.

That's why PBGH is spearheading the development and implementation of ['advanced primary care.'](#) Our approach emphasizes bolstering existing primary care to treat more health needs within the primary care practice and refer to only the highest quality specialists when appropriate, increase patient access, integrate behavioral health screening and management, improve care coordination and expand tools and systems that can support population-based care for patients.

In a recent panel discussion with PBGH members at the PBGH Primary Care Payment Reform Summit, representatives of large employers and public health care purchasers offered observations, insights and lessons based on their experiences implementing advanced primary care.

Eight Key Takeaways for Purchasers

1. Changing payment is crucial.

Care delivery change requires payment change. Capitated payment – with some flexible incentives – will enable practices to meet clinical and health goals. A model predominantly based on fee-for-service or volume-based payment is antithetical to the core tenants of advanced primary care. Purchasers want to pay more and differently for primary care that meets their outcome goals. Arriving at an equitable per-member, per-month number-with incentives for high quality as the core of payment that can support the components of advanced primary care is essential.

Washington State Health Care Authority is developing a blended payment model that will help providers transition from fee-for-service to capitated payment with quality bonuses for the provision of advanced primary care.

2. Update operating systems or find new ones.

Health plan operations are built to pay fee-for-service and are very challenged to pay differently. Legacy claims systems are expensive to upgrade, and since entire enterprises are built around fee-for-service processes like prior authorization, claims audits and billing, changes create operating and business risks many have declined to make. But what works for health plans does not work for primary care or for purchasers seeking to change payment. New mechanisms are necessary even if new partners are required. New market entrants are offering more flexible and responsive options for payment, and many purchasers are contracting directly with providers that reflect their priorities.

Warren “Ren” Brown with Whole Foods shared how there are ways to utilize the current FFS infrastructure to partner with local health system (CIN/ACO) primary care providers/groups to offer advanced primary care levels of service to members. The mechanism to do this is to create a direct-to-employer relationship with providers and then structure reimbursements and create new revenue cycles. This can be done by building a health plan around a (advanced primary) care plan. This allows PCPs to offer more time to patients without doing anything new. In Whole Foods collaborations with providers, they have found PCPs burdened by health plans and employers asking them to do “one more thing.” With the Whole Foods partnership, providers can keep their current business/practice models while maximizing the care our members receive.

3. Align around standardized measures.

While health plans – and some employers - may feel the need to develop their own quality and performance measures, reinventing the wheel is time-consuming, unnecessary and places undue burden on practices, taking time away from patient care for administrative work. Instead, purchasers should align to adopt a set of priority standardized measures by which to assess care and service. Through a multi-stakeholder consensus process, CQC and PBGH have selected a set of evidence-based clinical and outcome measures that collectively signal and reflect the desired outcomes of advanced primary care. Outcome measures also enable shared-risk-based payment models by promoting flexibility in care processes. The common measure set can and will evolve over time but committing to shared use will enable better care and lower administrative costs. Widespread scale of advanced primary care ultimately will depend on the use of standardized measures across payers, employers, public purchasers and providers.

Covered California, the state's health insurance exchange, is rewriting its payer contracts for the 2023 - 2025 plan years to incorporate PBGH's California Quality Collaborative's advanced primary care measures, and also including measures that support quality improvement and health equity. Margareta Brandt, quality improvement manager for Covered California, said the organization is working closely with Medi-Cal and CalPERS to determine where measures alignment can have the greatest impact. The organizations collectively provide coverage to about 40% of Californians.

4. Redefine your investment priorities with payers and partners.

Health plans may be resistant to investing more in primary care because they believe purchasers are not willing to pay for it. The cost benefits of advanced primary care must be emphasized in negotiations with payers. But this does not mean paying more overall. The expectation is that total cost of care remains flat or is reduced over time. The discussion should focus on reallocation of existing health care spend from high-cost tertiary care to high-value primary care. It is important that employers and purchasers make clear to health plans that they're no longer willing to pay for the status quo.

Rob Paczkowski of eBay says health plans have long assumed employers are unwilling to pay more for high-quality primary care. "What we've clearly conveyed to them is that we are willing to pay more for advanced primary care so that quality can be improved, and total cost of care can be better managed. What we're not interested in is continuing to pay more for the same-old, same-old."

5. Hone your message.

Despite studies that have repeatedly shown how strengthening primary care can improve outcomes, reduce costs, enhance the patient and provider experience and improve health equity, those benefits are not always apparent to health plans, organizational leadership or even employees. It is important for internal company champions to develop specific messaging about why embracing advanced primary care is important for specific stakeholders. Beneficiaries, for example, may interpret a requirement that they choose a primary care provider as the imposition of a de facto gatekeeper, which could limit their access to specialist care. Creating a proactive, multi-stage communications strategy that concisely highlights benefits and addresses specific concerns will strengthen buy-in from the outset and improve the likelihood of implementation success. This process should include reaching out to primary care physician organizations to partner to help reinforce and amplify the message.

Julia Logan, chief medical officer of CalPERS, said the plan's 200,000 PPO members will be required to have a dedicated primary care physician. She said that, surprisingly, many members initially balked at the mandate because they assumed it would limit choice. The organization has responded by working with payers, CQC and other California partners to develop common messaging that highlights and reinforces the patient benefits that flow from advanced primary care.

6. Think nationally and act regionally.

Employers should take the lead in their communities and regions when it comes to enlisting like-minded purchasers in support of advanced primary care. This can include national employers with even a modest presence in the community. Because employers contract nationally, they adopt national standards. Because each market is different, there is no “one size fits all” approach when it comes to advanced primary care. In fact, variations can help illuminate best practices. While collective alignment nationally is ideal, potentially through a national network, that kind of infrastructure will benefit from widespread and diverse efforts at the local and regional levels.

Linda Brady, Health Care Policy and Strategy, The Boeing Company, says advanced primary care can't work without achieving critical mass among purchasers. To that end, the company is working to align with other purchasers in multiple markets to build momentum and support around advanced primary care adoption.

7. Identify a trusted authority that can help foster standardization and adoption.

A neutral convener can play an important role in helping achieve consensus around common measures and definitions, and likewise serve as a focal point for payer, purchaser and provider discussions regarding implementation and payment challenges. In Washington, the Washington State Health Care Authority is in the process of developing a certification process for advanced primary care physician practices. In California, the California Quality Collaborative and Integrated Healthcare Association are bringing providers, payers and purchasers together to use common measures and change payment. Regional multistakeholder groups can play a key and needed role in implementing national change.

Michele Ritala, benefits strategic planner for King County, Washington, says the Washington State Health Care Authority has been essential in bringing stakeholders together to help purchasers, plans and providers standardize around measures, define advanced care certification and take the lead in advanced primary care reimbursement models.

8. Just do it.

There is a tendency in health care to focus for too long on discussion and planning without pursuing or engaging in the practical or implementing change. We know enough about what works. It's important to start the process of implementing advanced primary care, regardless of how advanced their planning may be and despite the resistance they encounter. Maintaining pressure, developing momentum and then evolving as the process moves forward is critical to transformational success.

Suzanne Usaj with The Wonderful Company outlined how the company is taking it upon itself to build a practice that specifically meets the needs of its employee population.

In support of these efforts, [several resources](#) are available to help PBGH members achieve high-value equitable primary care for their employees, members and families.