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PCC Policy & Advocacy Committee Meeting

Tuesday, March 18, 2025 | 3:30 – 4:30 PM ET

agenda

I. Welcome & Announcements	Larry McNeely, Primary Care Collaborative
II. Co-Chair Remarks	Brian Outland, ACP Sarah Coombs, NPWF
III. Medicaid Primary Care: Towards a Multi-sector Sign-on Letter	Larry McNeely, Primary Care Collaborative All Participants
IV. Capitol Hill Update	Stephen Voljavec, Office of Rep. Vern Buchanan

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Welcome & Announcements

Larry McNeely | Primary Care Collaborative

Save the Date



SCALING

What Works for Better Health

PCC Conference 2025

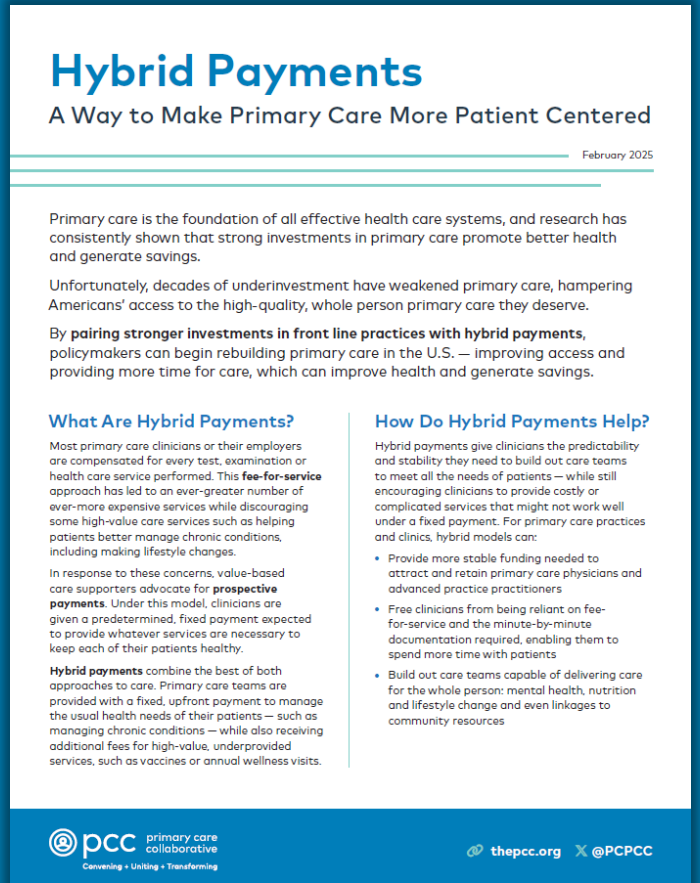
CALENDAR HOLD

June 4-5, 2025
Washington, DC

Chronic Care Issue Brief

- Releasing **February 27** via email, social media and our website
- Explains how primary care plays a major role in **preventing and treating** chronic illness
- Emphasizes the need to treat the whole person – including behavioral and mental health
- Demonstrates how **fee-for-service** has failed primary care and **undermines chronic care**
- Provides policy makers with bipartisan, pragmatic solutions – such as hybrid payment – that can be implemented to address chronic conditions by strengthening primary care

What is Hybrid Payment



Hybrid Payments

A Way to Make Primary Care More Patient Centered

February 2025

Primary care is the foundation of all effective health care systems, and research has consistently shown that strong investments in primary care promote better health and generate savings.

Unfortunately, decades of underinvestment have weakened primary care, hampering Americans' access to the high-quality, whole person primary care they deserve.

By **pairing stronger investments in front line practices with hybrid payments**, policymakers can begin rebuilding primary care in the U.S. — improving access and providing more time for care, which can improve health and generate savings.

What Are Hybrid Payments?

Most primary care clinicians or their employers are compensated for every test, examination or health care service performed. This **fee-for-service** approach has led to an ever-greater number of ever-more expensive services while discouraging some high-value care services such as helping patients better manage chronic conditions, including making lifestyle changes.

In response to these concerns, value-based care supporters advocate for **prospective payments**. Under this model, clinicians are given a predetermined, fixed payment expected to provide whatever services are necessary to keep each of their patients healthy.

Hybrid payments combine the best of both approaches to care. Primary care teams are provided with a fixed, upfront payment to manage the usual health needs of their patients — such as managing chronic conditions — while also receiving additional fees for high-value, underprovided services, such as vaccines or annual wellness visits.

How Do Hybrid Payments Help?

Hybrid payments give clinicians the predictability and stability they need to build out care teams to meet all the needs of patients — while still encouraging clinicians to provide costly or complicated services that might not work well under a fixed payment. For primary care practices and clinics, hybrid models can:

- Provide more stable funding needed to attract and retain primary care physicians and advanced practice practitioners
- Free clinicians from being reliant on fee-for-service and the minute-by-minute documentation required, enabling them to spend more time with patients
- Build out care teams capable of delivering care for the whole person: mental health, nutrition and lifestyle change and even linkages to community resources

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- Pushed back release in light of developments
- One page fact sheet providing a top-level view of **hybrid payment**
- Explains the difference between fee-for-service, prospective payments, and how blending the models through hybrid payments better supports primary care

PCC / BHN Policy Activity

- PCC/BHN Letter of Support for the COMPLETE Care Act
- Letter to HHS Secretary on Chronic Care & Medicare Payment Reform
- PCC Statement: *PCC Urges Congress to Reconsider Budget's Impact on Medicaid*
- The House passed H.R. 919 - the Chronic Disease Flexible Coverage Act

COMPLETE Care Act

Senators Cortez Masto & Cornyn issued a press release reintroducing the COMPLETE Care Act and quoted the PCC & 3 BHN members: American Psychiatric Association, American Psychological Association, Meadows Mental Health Policy Institute

"The COMPLETE Care Act is urgently needed. This bill *enables primary care practices to better manage Medicare patients' chronic physical and behavioral health conditions. This legislation offers primary care clinicians and practices new resources, staff, and support to implement evidence-based models that improve behavioral health," said Ann Greiner, President and CEO of the PCC.*

- *Ann Greiner, PCC President and CEO*

CMMI Developments

Cancelled Models

- Making Care Primary
- Primary Care First
- ESRD Treatment Choices
- Integrated Care for Kids
- Maryland Total Cost of Care
- Vermont
- Medicare $2 Drug List
- Accelerating Clinical Evidence

CMMI Developments

Yet.....

Primary care remains a foundational component of the Center's strategy. The early termination of Primary Care First and Making Care Primary does not signal a retreat from the Center's support of primary care providers, but rather a need to focus on different approaches that are consistent with the CMS Innovation Center's statutory mandate and produce savings.

- *CMS Fact Sheet*

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Co-Chair Remarks

Sarah Coombs | National Partnership For Women & Families

Brian Outland | American College of Physicians

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Medicaid Primary Care: Towards a Multi-sector Sign-on Letter

Larry McNeely | Primary Care Collaborative

All Participants

Key Points

- As organizations committed to strong whole person primary care, we are concerned by Medicaid proposals now under consideration for budget reconciliation legislation.

- By shifting federal support for Medicaid to other priorities, these proposals would undercut **state-led** efforts to more effectively prevent and manage chronic disease.

- **With access to primary care at risk and efforts to address chronic disease at stake, Congress should reject defunding of state Medicaid programs.**

Medicaid's Importance to Addressing Chronic Disease (Pt 1)

- The communities and populations shouldering the highest chronic disease burdens today rely on Medicaid – and the vital primary care it supports
  - 14 million rural Americans whose communities depend on Medicaid funding for access to primary care, behavioral health AND rural hospitals
  - 12 million Medicare beneficiaries either as "dual-eligibles" or in Medicare Savings Programs depend on Medicaid for long-term care, behavioral health or cost-sharing assistance. For these beneficiaries, a cut to Medicaid amounts to a cut to Medicare.
    - Is the largest payer for behavioral health services – services on which x million beneficiaries recovering from substance use and mental health disorders depend

Medicaid's Importance to Addressing Chronic Disease (Pt 2)

- Medicaid also covers those for whom the right care today can yield lifelong improvement. 37 million children, nearly 41% of births in the country, and x million lower-income adults –
  - Medicaid provides comprehensive coverage for child screening and treatment – not available in other coverage (EPDST)
  - Childhood eligibility linked to higher rates of employment, higher earnings, lower rates of disability, decreased likelihood of incarceration, and lower rates of public assistance usage later in life

Primary Care Works

- For these populations, Medicaid primary care has proven capable of delivering impactful, cost-effective care- by partnering with individuals to prevent and manage chronic, physical, and mental conditions and their complications.
  - Independent, community-based primary care practices serving Medicaid patients deliver comparable quality to others, despite payment rates that are often a fraction of other payers.
  - For the Medicaid beneficiaries with the most complex needs, primary care from Federally Qualified Health Centers is associated with lower use of more costly specialty, ED, and hospitalization services compared with other sources of care.

The Problem:

By shifting Medicaid funding to other priorities, the Medicaid reconciliation proposals jeopardize the very Medicaid funding that small or independent primary care practices, FQHCs, independent rural hospitals, and others rely upon to keep their doors open.

The Better Path:

- State Medicaid programs have implemented successful value-based primary care arrangements in Medicaid
    - Red State Example (Enhanced Medicaid reimbursement?)
    - Red State Example (Primary care-behavioral health integration?)
    - Red State Example (Primary care APMs?)
- We stand ready to work with Congress, to identify what's working and identify bipartisan solutions.
- But we urge you to reject proposals that destabilize Medicaid primary care and undercut effective response to chronic illness.

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Capitol Hill Update

Stephen Voljavec | Office of Rep. Vern Buchanan