



**MIDWEST
HEALTH
INITIATIVE**

*Improving Health Care Through
Shared Knowledge and Understanding*

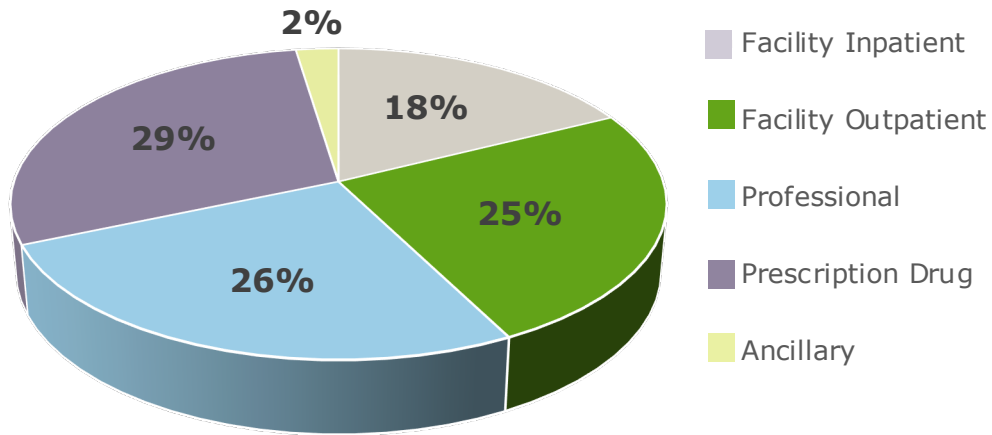
Where the Money Goes:

*A Look at Commercial Health Care Spending
And Investment in Primary Care*

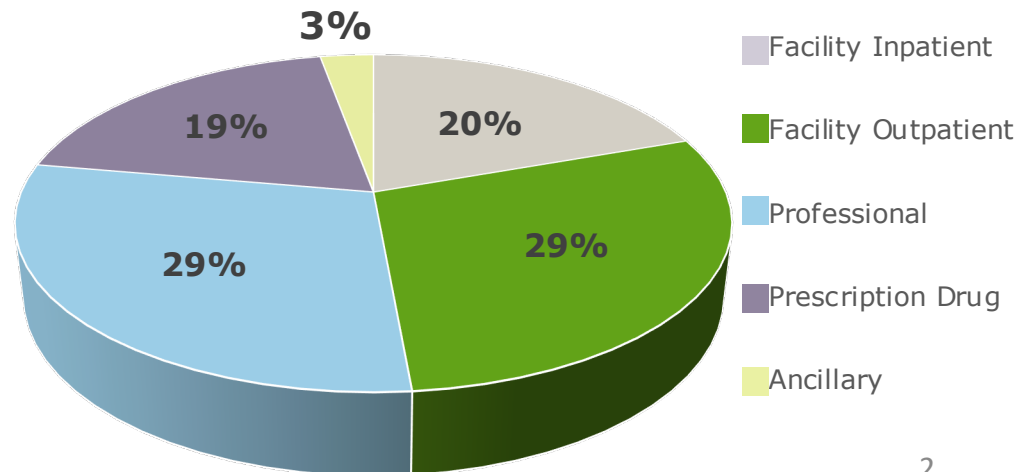
March 31, 2020

Average Spend by Setting 2014 & 2018

Spend By Setting, 2014



Spend By Setting, 2018



Investing in Primary Care

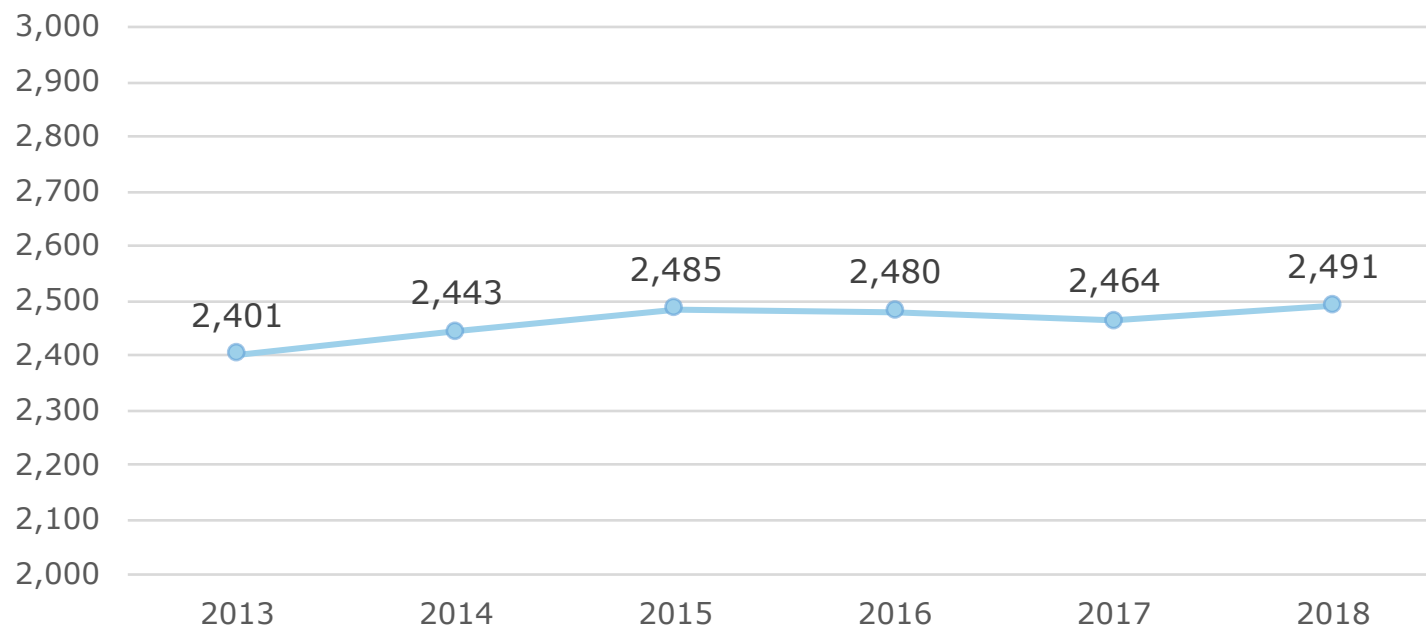
Primary Care cost-effectiveness is well documented. Studies show increased investment in primary care associated in:

- *Fewer emergency room visits*
- *Fewer hospitalizations, such as for conditions that could be managed or treated in doctors' offices*

Does the St. Louis region have enough to meet its needs?

Primary Care Providers in St. Louis MSA

2013-2018



Measurement on Primary Care Investment

Widespread agreement on the importance of increasing primary care investment. But without a measure, we can't manage it.

- Eight states have begun work to measure and increase primary care investment, five during 2019 alone.
- Missouri and Hawaii legislation introduced this year to create such review
- CMS has proposed increasing payments for Evaluation and Management (E&M) Services performed by primary care providers. This would be accomplished by adding new codes to designate E&M Services delivered by primary care providers.

States with Mandates to Measure Primary Care Investment (Date Approved)

Colorado (2019)	Rhode Island (2011)
Delaware (2018)	Vermont (2019)
Maine (2019)	Washington (2019)
Oregon (2017)	West Virginia (2019)

Key Distinction 1:

Who Counts as a PCP?

Narrow Definition:

Only physicians (MDs and DOs) practicing *Family Medicine, General Internal Medicine, General Pediatric Medicine, General Practice, Geriatric Medicine* and *Preventive Medicine*.

Broad Definition:

Clinicians (including nurse practitioners and physician assistants) practicing any of the above specialties.

Some subsequent studies have also counted mental health professionals and social workers within Patient-Centered Medical Homes.

Key Distinction 2:

What Counts at Primary Care Spending?

Narrow Definition:

Only professional fees for primary care MDs and DOs

Broad Definition:

All spending ordered by those clinicians, including *prescription drugs, imaging, inpatient care* and “**non-fee-for-service payments**”, such as shared savings and hold-backs that are not tied to care for an individual patient.

MHI does not have access to non-FFS payments.

Select National Results for Missouri

	Millbank Memorial Fund (Narrow)	Millbank Memorial Fund (Broad)	Patient-Centered Primary Care Collaborative (Narrow)	Patient- Centered Primary-Care Collaborative (Broad)
2013	4.5%	4.7%	n/a	n/a
2014	4.3%	4.4%	n/a	n/a
2011-2016	n/a	n/a	5.6%	10.2%

MHI Results

Professional Fees Only

	Narrow	Broad
2014	5.4%	5.5%
2015	5.7%	5.8%
2016	5.5%	5.6%
2017	5.8%	6.0%
2018	5.7%	6.1%