



Patient-Centered Payment for PRIMARY CARE

Primary care is an essential component of a high-value healthcare system. Primary care practices deliver three important types of services to patients:

- **Wellness Care.** Primary care practices help patients stay healthy by educating them about what they should do to maintain and improve their health and by ensuring that patients have obtained appropriate preventive care services, such as vaccinations and cancer screenings.
- **Chronic Condition Management.** For patients who have one or more chronic diseases or long-term health problems, primary care practices not only prescribe appropriate treatments but also help patients understand how best to manage their condition(s) in a way that minimizes the number and severity of complications and slows the progression of the disease.
- **Non-Emergency Acute Care.** For patients who experience a new symptom or have an injury that does not require emergency care, the primary care practice can either diagnose and treat the problem or arrange for the patient to receive appropriate testing and treatment from other healthcare providers.

Ideally, primary care practices would also provide:

- **Integrated Behavioral Health Services.** Patients who have both behavioral health needs and physical health needs should be able to have them treated and managed in a coordinated way.

Neither the current fee-for-service system nor current value-based payment systems provide payments to primary care practices that are appropriately structured or adequate in size to support and sustain these services. As a result, there is a large and growing shortage of primary care physicians in the country, many primary care physicians are burning out, and most medical students don't want to go into primary care.

In a *patient-centered* payment system, a primary care practice should receive adequate payments for each of these types of services in order to ensure that: (1) each patient can receive high-quality care appropriate for their specific needs, and (2) primary care practices with different types of patients receive sufficient revenues to cover the costs of the services their patients need.

Patient-Centered Primary Care Payment consists of:

- **Monthly Payments for Wellness Care.** Maintaining and improving health is a continuous process that occurs throughout the year, not simply through occasional office visits. This proactive care should be supported by a monthly payment for each patient who enrolls with the primary care practice to receive wellness care. The monthly payment would support wellness care *management*; service-specific fees should continue to be paid for any procedures, tests, or treat-

ments the patient needs as part of their wellness plan, such as immunizations, mammograms, colonoscopies, etc. (In some cases, these procedures, tests, and treatments may be delivered by the primary care practice, but in many cases, a specialty care provider will provide these services.)

- **Monthly Payments for Chronic Condition Management.** If a patient with one or more chronic conditions (such as asthma, diabetes, or hypertension) wants the primary care practice to help manage those conditions, the practice should receive an additional monthly payment for that patient in order to deliver chronic condition management services. Since continuous, proactive care is needed to reduce the severity of symptoms and prevent exacerbations of the condition, a monthly payment is necessary to support this. A higher monthly payment will be needed during the initial month following diagnosis or enrollment in order to develop the most effective treatment plan and to ensure it is effective, and a higher monthly payment will be needed for a patient with a combination of chronic conditions or other characteristics that require significantly more time and assistance. Some patients with a chronic condition will need or want to receive support from a specialty care provider, particularly patients with severe conditions and patients for whom standard treatments are not effective or have problematic side effects. Consequently, the primary care practice should only receive a monthly Chronic Condition Management Payment for a patient who explicitly enrolls with the primary care practice to receive chronic care management.
- **A Fee for Diagnosis and Treatment of a Non-Emergency Acute Event.** Some patients who are receiving good preventive care and chronic disease management will have accidental injuries, acute illnesses, or problematic symptoms that will require additional services from the primary care practice. Since these events will occur unpredictably, and different patients may be more susceptible to these problems than others, the primary care practice should receive an Acute Care Visit Fee when it provides diagnosis and treatment services for a new acute event. The practice should be permitted to deliver services in whatever way is most appropriate in the circumstances, including by telephone, telehealth, or an in-person visit with the physician or other practice staff. The Acute Care Visit Fee would not be paid for care of a patient experiencing an exacerbation of a chronic disease, however, since the cost of that kind of care would already be covered by the monthly payment for chronic condition management.
- **Monthly Payments for Integrated Behavioral Healthcare Services.** Primary care practices that deliver integrated behavioral health services to their patients need to employ or contract with staff who

have training in helping patients with behavioral health needs. In order to support this, the practice should receive an additional monthly payment for each patient who is enrolled to receive wellness care from the practice.

- Fees for Individual Procedures and Tests.** Many primary care practices also perform procedures such as an immunization, injection, or excision and/or perform basic laboratory tests. It is beneficial for patients to be able to receive these procedures and tests from the primary care practice if possible, rather than needing to make a separate trip to another physician or facility. Since only a subset of patients will need these procedures and tests, and since the cost of performing each of them will differ, the primary care practice should receive an additional fee when it performs a procedure or test that is adequate to cover the cost.

In order to assure that each individual patient receives appropriate, high-quality care, a primary care practice should be required to:

- Deliver Evidence-Based Care.** The primary care practice should only bill and be paid for a Monthly Wellness Care Payment, Monthly Integrated Behavioral Healthcare Payment, Monthly Chronic Condition Management Payment, or Acute Care Visit Fee if the practice delivered all appropriate services to the patient during the month or acute care visit that are consistent with applicable, evidence-based Clinical Practice Guidelines (CPGs) or the practice had documented the reasons for deviation from those guidelines in the patient’s clinical record; and
- Monitor Patient Needs and Outcomes.** The practice should only bill for and be paid the monthly payments if it used a Standardized Assessment, Information, and Networking Technology (SAINT) to identify and prioritize any problems the patient is experiencing and to determine whether the practice’s services are

effectively addressing the patient’s needs. For example, [How’s Your Health](#) is a SAINT specifically designed for primary care that is used by many small practices.

The payment *amounts* should be based on the estimated cost for a primary care practice to deliver each category of service, considering the amount of time needed to deliver evidence-based services, the types of personnel who are most appropriate to deliver the services and their compensation levels, and non-personnel costs such as information systems, equipment, and space. The following amounts would likely be needed by most primary care practices to deliver high-quality care:

- a \$7.40 Monthly Wellness Care Management Payment** for each patient enrolled for wellness care.
- a \$4.25 Monthly Integrated Behavioral Healthcare Payment** if the practice offers integrated behavioral healthcare services.
- a \$30.60 Monthly Chronic Condition Management Payment** for each patient with a chronic condition who is enrolled with the practice for chronic condition care.
- a \$141 Acute Visit Fee** for a patient who has a new acute problem (not related to a chronic condition).

For patients with insurance, cost-sharing amounts should be established that enable and encourage patients to use the primary care practice:

- A modest co-payment for acute care visits;**
- No cost-sharing for wellness care; and**
- No cost-sharing for chronic condition management.**

More detail on Patient-Centered Primary Care Payment is available at www.PrimaryCarePayment.org.

