Promoting the use of primary care

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Overview

- Importance of primary care and its risk of underprovision
- Initiatives to promote the use of primary care
  - Medical home programs
    - Implementation design questions and considerations
  - Maintenance of certification efforts
  - Fee schedule changes

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Importance of primary care

- Increasing the use of primary care services and reducing reliance on specialty care can improve the efficiency and coordination of health care delivery without compromising quality.
  - Fisher et al., 2003
  - Starfield and Shi, 2002

- Yet, under current Medicare FFS incentives, primary care services are at risk of being:
  - Undervalued
  - Underprovided

Medical home programs

- Medical home programs
  - General concepts, goals
  - Previous MedPAC work – care coordination programs
- Implementation design questions involve tradeoffs

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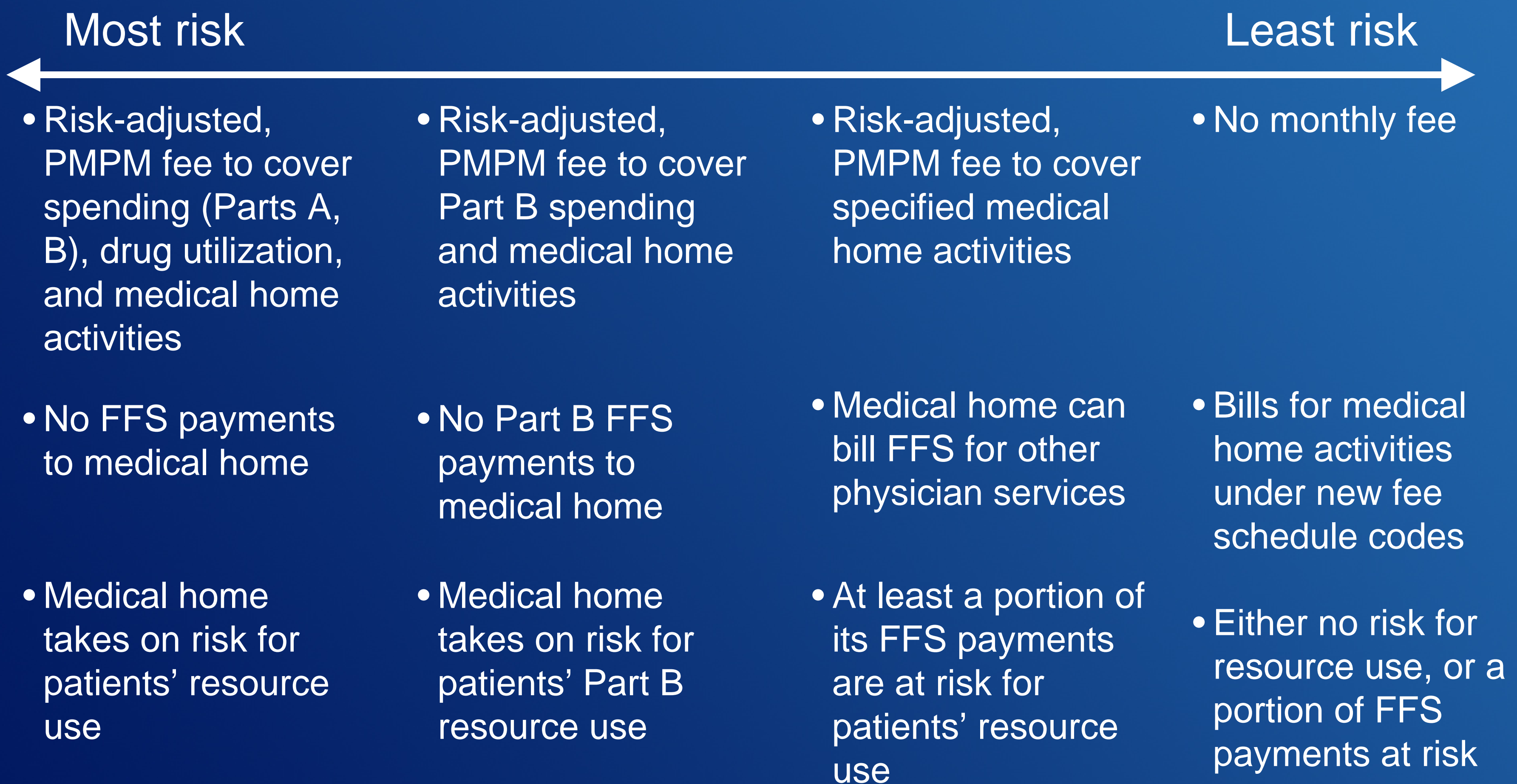
What defines a medical home?

Considerations:

- Services it provides, beyond diagnosis and treatment
  - (e.g., care coordination, patient education, health IT, electronic medical record, patient registry, evidence-based medicine, etc.)
- Practice size
  - (e.g., number of physicians, number of Medicare patients)
- Practice specialty and staffing
  - (e.g., multispecialty, primary care, selected specialties, dedicated care coordinator)
- Responsibility for overall resource use and health outcomes
- Accreditation by an external body

How should Medicare pay for services provided by medical homes? Should medical homes bear risk for resource use and quality?



Can beneficiaries seek care from specialists without a referral from their medical home?

Considerations:

- *Most restrictive:* Referral required from medical home for all specialists
- *Somewhat restrictive:* Referral generally required with an exception for specified specialties
- *Least restrictive:* No referrals required to seek specialty care

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Which beneficiaries could be eligible to participate in a Medicare medical home program?

Considerations:

- Targeted approach - Beneficiaries with:
  - Multiple chronic conditions
  - Specified chronic conditions (e.g., CHF, diabetes)
  - High-cost beneficiaries
- All beneficiaries
- Special circumstances: nursing home residents, snowbirds

Should beneficiary incentives to join medical homes be considered? What role should beneficiaries play in seeking primary care services?

Considerations:

- Reduced monthly Part B premiums for joining medical home
- Tiered cost-sharing for fee schedule services
- Public education efforts to inform beneficiary about the benefits of primary care and medical homes

Components of Maintenance of Certification (MOC) programs

- MOC programs build on existing board certification process
  - Licensure, formal exam every 6-10 years, interim self-tests of medical knowledge
- Specialty boards creating MOC programs under criteria set by ABMS and ACGME
- New component of MOC: Self-evaluation of practice performance
  - Example: ABIM Practice Improvement Modules

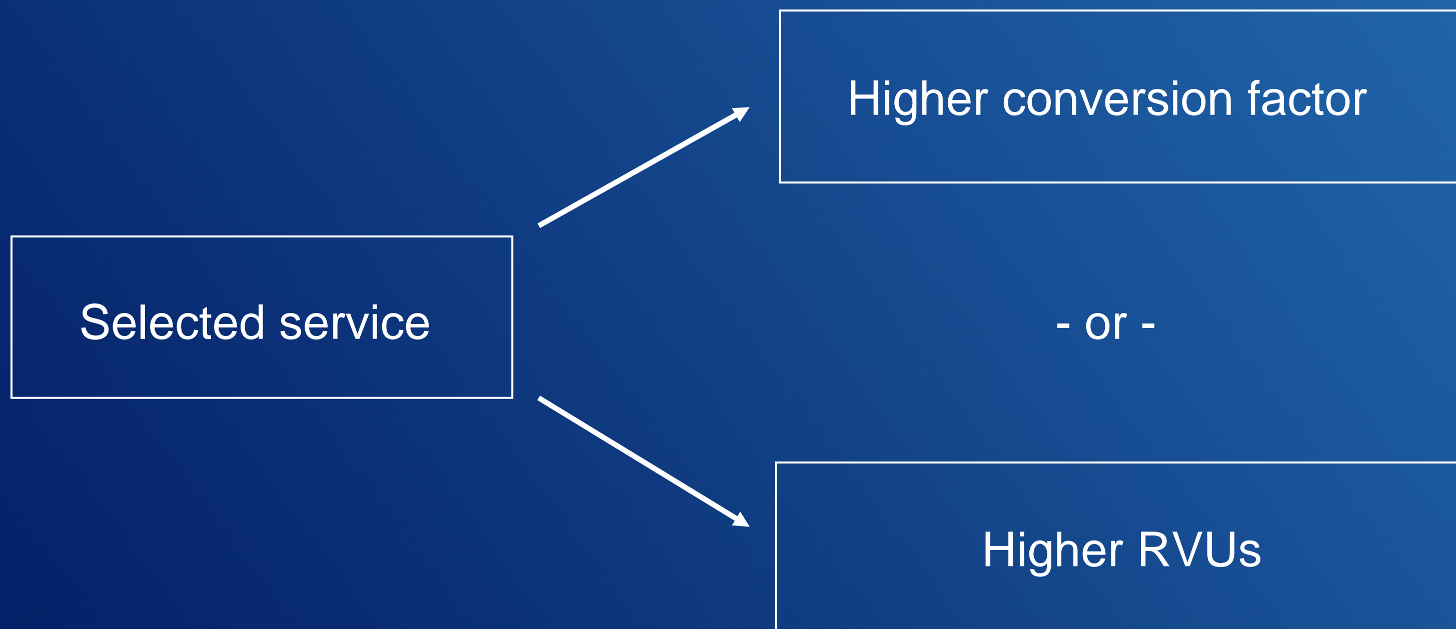
How could Medicare use MOC to promote primary care?

- Could increase payments to physicians completing MOC from primary care specialty boards
  - P4P or across-the-board increases?
  - Budget-neutral by decreasing payments to other physicians?
- Adapt private payers' uses of MOC
- Concern: Weakened MOC criteria over time?
  - Medicare, 3rd party reviews of MOC criteria

Increasing fee schedule payments for primary care

- Fee schedule adjustments
- Policy changes that would indirectly increase payments for primary care
  - improve the five-year review of relative values for physician work
  - improve the accuracy of payments for practice expense
  - automatically adjust relative values for services with rapid growth in spending
- Allow comparative effectiveness information to inform the level of payment

Service-specific fee schedule adjustments



Note: RVU (relative value unit).

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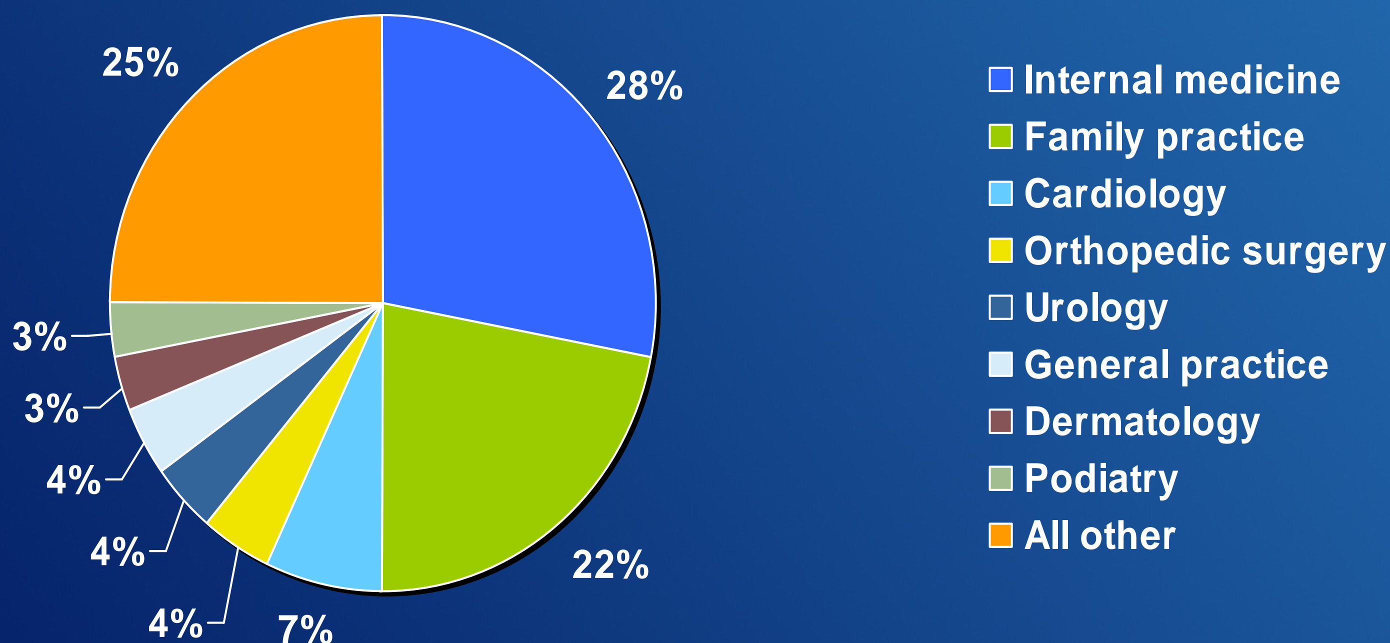
If service-specific only, adjustments not targeted



Source: MedPAC analysis of 2005 claims data for 100 percent of Medicare beneficiaries.

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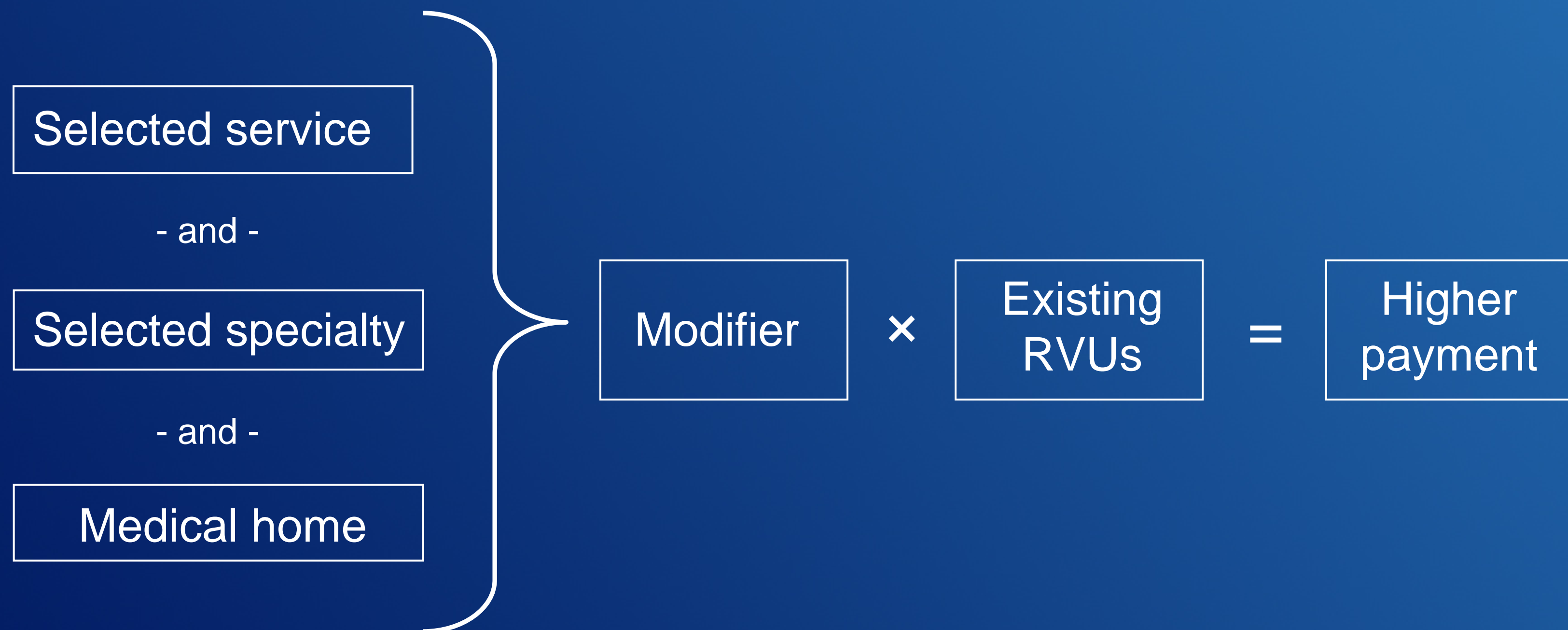
Adjustments that consider service, specialty, and medical home



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