

## Starfield Summit Issue Brief

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### DISCUSSION TOPIC:

- ▶ Disruptive Innovations in Primary Care Payment

#### Why This Is Important (*brief description*):

- ▶ Primary care practices are transforming rapidly to help achieve the nation's Triple Aim, with many disruptive innovations emerging in this process, including primary care practices and health systems that are abandoning Fee for Service and insurance intermediaries in favor of direct payment relationships with employers and patients and radical transformations of their delivery systems. Iora Health, One Medical, Qliance & Direct Primary Care (DPC) are examples of disruptive payment innovation, in which employers and patients pay fixed fees for a range of primary care services and management, and other radical shifts in conventional delivery of primary care. And yet many questions remain: can these innovations sustainably offer lower patient panel sizes, lower overhead costs, higher quality care and longer doctor's visits, and still be expanded to be a feasible model for many Americans?

#### What We Think We Know (*bulleted evidence + seminal references*):

- ▶ Comprehensive Primary Care Payment models, which contract directly with patients & employers and frequently of break from FFS completely, are increasingly common & incredibly diverse in care delivery
- ▶ Examples include Iora Health, One Medical, Qliance & other Direct Primary Care variants.
- ▶ These models permit radically redesigned primary care delivery systems that often incorporate fixed & sometimes risk adjusted fees per patient, smaller panel to provider ratios, data-driven population management, open access, proactive outreach & health coaching
- ▶ Longitudinal evaluations and comparisons with traditional models are challenging and scarce, but many of these groups purport to deliver better quality, better health, greater equity, and lower cost.
- ▶ Anecdotal and descriptive reports suggest that clinical employees in these models may share high levels of provider satisfaction and fulfillment, perhaps higher than in more traditional practices dependent on fee for service payments

Fernandopulle R. August 17, 2015. *Health Affairs Blog*. <http://healthaffairs.org/blog/2015/08/17/breaking-the-fee-for-service-addiction-lets-move-to-a-comprehensive-primary-care-payment-model/>. Accessed March 3, 2016.

Vats S, Ash AS, Ellis RP. *Bending the cost curve? Results from a comprehensive primary care payment pilot*. *Med Care*. 2013;51(11):964-9.

Huff C. *Direct Primary Care: Concierge care for the masses*. *Health Aff (Millwood)*. 2015;34(12):2016-2019.

Wu WN, Bliss G, Bliss EB, Green LA. *Practice profile. A direct primary care medical home: the Qliance experience*. *Health Aff (Millwood)*. 2010;29(5):959-962

## QUESTIONS FOR GROUP DISCUSSION (*PRECONFERENCE*)

### Questions for Group Discussion (*add brief answers post-conference*)

- ▶ The SGR was repealed, MACRA passed, and we are entering where Paying for Measured Value and Alternative Payment Models for population health are added to Fee for Service payment.
- ▶ In this context, what are the key lessons for policymakers and payors from these disruptive payment innovations? And who is accountable for acting on them?
- ▶ What are the barriers to and opportunities for growth in disruptive primary care payment innovations in this environment?
  - How can CMS and other large payors be invested?
  - What further evaluations are needed from the primary care research community?

### Ideas Worthy of Policymaker Attention (*lists ideas for policy preconference, refined ones post-conference*)

### Important Unanswered Questions & Ideas Worthy of Research Community Attention

- ▶ Do Disruptive Innovators using comprehensive primary care payment models outperform traditional models, after appropriate adjustments, in achievement of Triple Aim outcomes such as lower costs, better patient experiences and population health? In specific utilization outcomes such as hospitalizations and emergency room visits?
- ▶ How can the higher order functions of integration, personalization, and prioritization of care be supported?
- ▶ What data sources and information systems are best to guide these evaluations?
- ▶ How do these systems perform relative to traditional systems when measured on Starfield's core features of primary care—e.g., comprehensiveness, coordination, continuity?