

CEO Reflections on an Important Announcement from CMS

Dear PCPCC Members and Supporters,

Primary care was king last week in DC! A public sector trifecta -- HHS Secretary Azar/CMS Administrator Verma/CMMI Administrator Boehler – underscored the foundational role primary care plays in improving population health at an invitation-only announcement following a live [C-SPAN announcement](#). They backed up their messaging with the [release](#) of two major new primary care payment models under an initiative CMS is calling *Primary Cares*. One model targets practices and the other model is focused on organizations.



These new voluntary payment models build on [CPC+](#) with the Secretary recognizing leaders from the prior Administration in his remarks – a welcome nod to bi-partisanship. CPC+ builds upon the tenants of the Patient Centered Medical Home (PCMH). See an [analysis](#) of how closely these models line up.

These new payment models represent a proposed leap forward by moving more rapidly to risk, with the idea that they will dramatically transform the way care is delivered. Under the [Primary Care First](#) model, upside gains for primary care practices could be as high as 50% with downside risk capped at 10%. Under the [Direct Contracting](#) model, risk varies across three different options and at the highest level an entity would accept full risk. Practices and organizations who decide to participate in these models will need to move quickly, as CMS plans to roll them out in January 2020.

The Administration underscored that these new payment models are part of the answer to addressing the chronic underfunding of primary care. As proof of this underinvestment, they cited a new [study](#) in *JAMA of Internal Medicine* which showed that traditional Medicare invests a paltry 2-3% of total spend in primary care. The PCPCC has been a leading voice on measuring primary care investment and will be examining the issue in its 2019 Evidence Report, which will report national averages and include state primary care investment rates for commercial, Medicare, Medicaid/CHIP and uninsured populations. Our report will be released in July.

In advance of the CMS model introductions, the PCPCC Board met with CMMI Administrator Adam Boehler over dinner and primary care leaders from CMMI participated in a PCPCC Policy and Advocacy Committee meeting to share their ideas and to discuss feedback. Executive Members will continue this dialogue with CMMI as they implement the models in the coming months and years. Next on the calendar, will be a meeting on 5/21 between the CMMI team and PCPCC's Policy and

Advocacy Committee to answer questions and delve further into the details. This meeting will be an interactive chance to build upon the additional information CMS is providing in a series of upcoming webinars:

Primary Care First

- Thursday, May 16, 12 p.m. EDT [Register here](#)
- Thursday, May 16, 3 p.m. EDT [Register here](#)

Direct Contracting

- Thursday, May 2, 2019, 3 p.m. EDT [Register here](#)
- Tuesday, May 7, 2019, 3 p.m. EDT [Register here](#)

PCPCC's Board, Executive Members and the broader community of PCPCC Supporters will continue to work with both CMMI and private payers to simultaneously reform primary care delivery and payment. This two-prong approach is critical to elevating primary care so that it can deliver on its promise – evident in high performing health systems and countries around the world – of achieving the quadruple aim. This future is one that patients and primary care clinicians can fully embrace.

Kind Regards,



Ann Greiner

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