



# Second Payer COVID-19 Survey (December 2020)

## Analysis summary

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# Survey purpose

- / **To understand payer policies and strategies that influence primary care practices during the COVID-19 pandemic**
  - Determine how payers strengthen and sustain primary care given the challenges of COVID-19
  - Disseminate insights to inform current and future efforts
- / **To follow up on Milbank's previous Payer COVID-19 survey (first survey) conducted in early 2020**
  - Targeted payers participating in Comprehensive Primary Care Plus (CPC+)
  - Completed by 43 payers

# Survey design

## / **Drafted by Milbank with input from Mathematica**

- Informed by but intended to collect more quantifiable detail than the first survey

## / **26-item survey targeting payer representatives**

- Organizational characteristics (four questions)
- Telehealth in primary care (seven questions)
- Payments to primary care practices (eight questions)
- Other primary care supports (four questions)
- Additional questions (three questions)

## / **Mix of structured and open-ended questions**

## / **Intended to elicit insight about payers' actions broadly, not just those connected to specific programs**

# Executive summary

- / **Most payers reimburse primary care providers for a variety of telehealth services on par with in-person visits.**
  - Payment amount varies based on visit length and patient characteristics
  - Many payers are also encouraging use of telehealth through the following:
    - Member engagement
    - Updates to attribution approaches
    - Adjustments in quality measurement methodologies
- / **Most payers are offering primary care practices the following:**
  - Advanced or accelerated payments
  - Increased opportunity to participate in alternative payment models
  - Modifications to quality reporting requirements
- / **Many payers also support primary care practices in other ways, especially by reducing administrative burden.**

# Executive summary

- / Payers' ability to support primary care practices during the COVID-19 pandemic was influenced by both of the following:**
  - External factors (actions by regulators)
  - Internal factors (organizational characteristics and prior investments)
- / Implementing policies and supports required time and resources and was complicated by the following:**
  - Constant changes
  - The need for quick action
  - Concerns the pandemic's long-term impacts
- / There are signs that payers successfully protected the providers and practices and expanded the use of telehealth.**

A total of 37 payers completed the survey

### Profit status:

- / 25 not-for-profit
- / 11 for-profit
- / 1 did not respond

### Geographic size:

- / 2 national
- / 7 regional
- / 19 state
- / 9 other (see next slide)

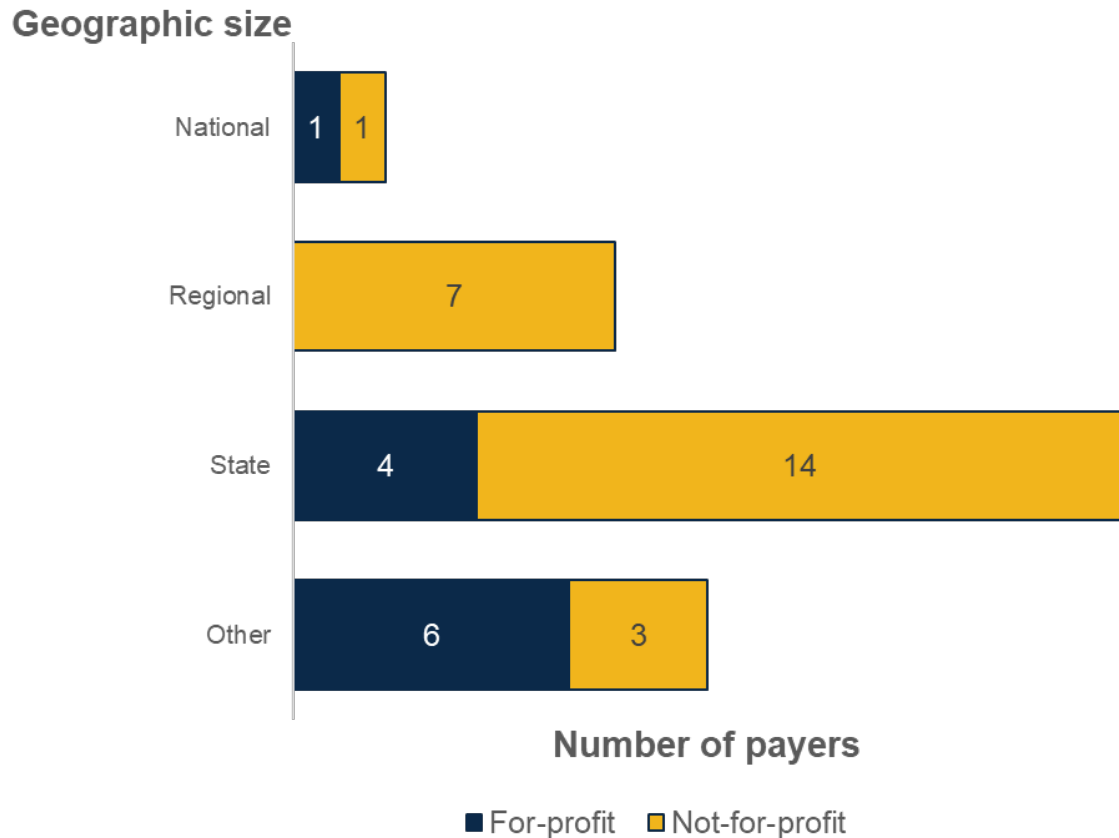
### Involvement in primary care demonstrations:

- / 27 payers only in CPC+
- / 1 payer only in Primary Care First (PCF)
- / 6 payers in both CPC+ and PCF
- / 3 payers were part of neither program

We grouped payers in three types (**CPC+ only**, **PCF**, and **neither**) to protect respondents' anonymity.

*Note:* We also received one response from a regional convener of payers and providers. Because that organization is not a payer itself, we omitted its data from the quantitative analyses, but we did consider its responses to open-ended questions in the qualitative analysis.

# State and regional payers are more often not-for-profit

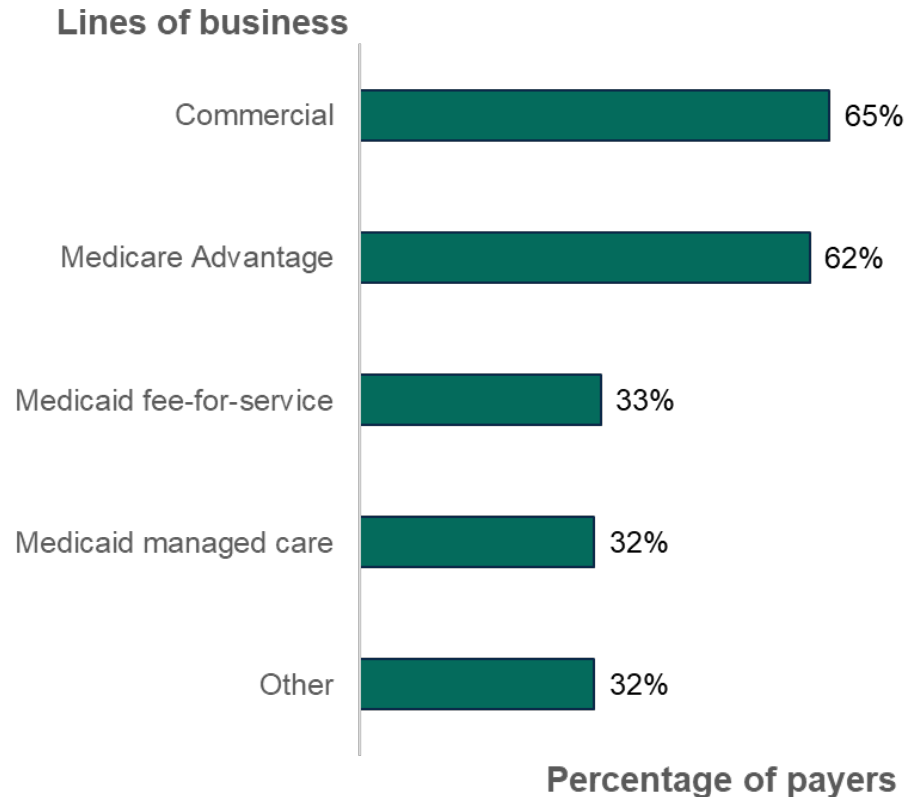


## / Payers that selected Other:

- Cover geographic areas with multiple states (not necessarily whole or contiguous)
- Have geographic areas that vary by market or program (for example, CPC+)
- Reflect a combination of other categories (for example, a state-based payer with some national plans)

Note: One state payer did not respond to the question about profit status.

# Responding payers most often have commercial and Medicare Advantage lines of business



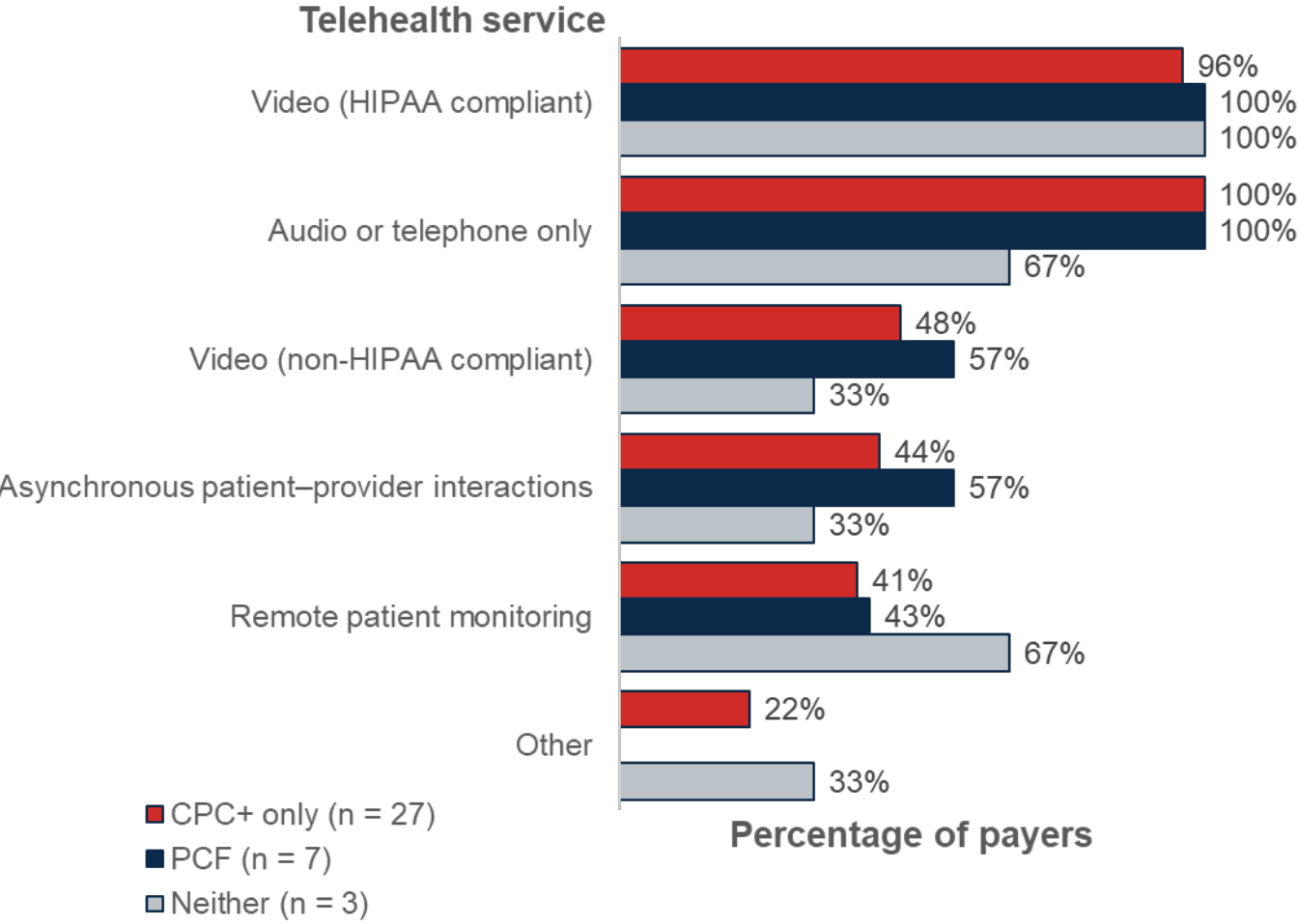
## / **Examples of other lines of business:**

- Affordable Care Act exchange
- Self-funded or administrative services only

## / **Some payers have distinct lines of business for CPC+ or in certain states.**



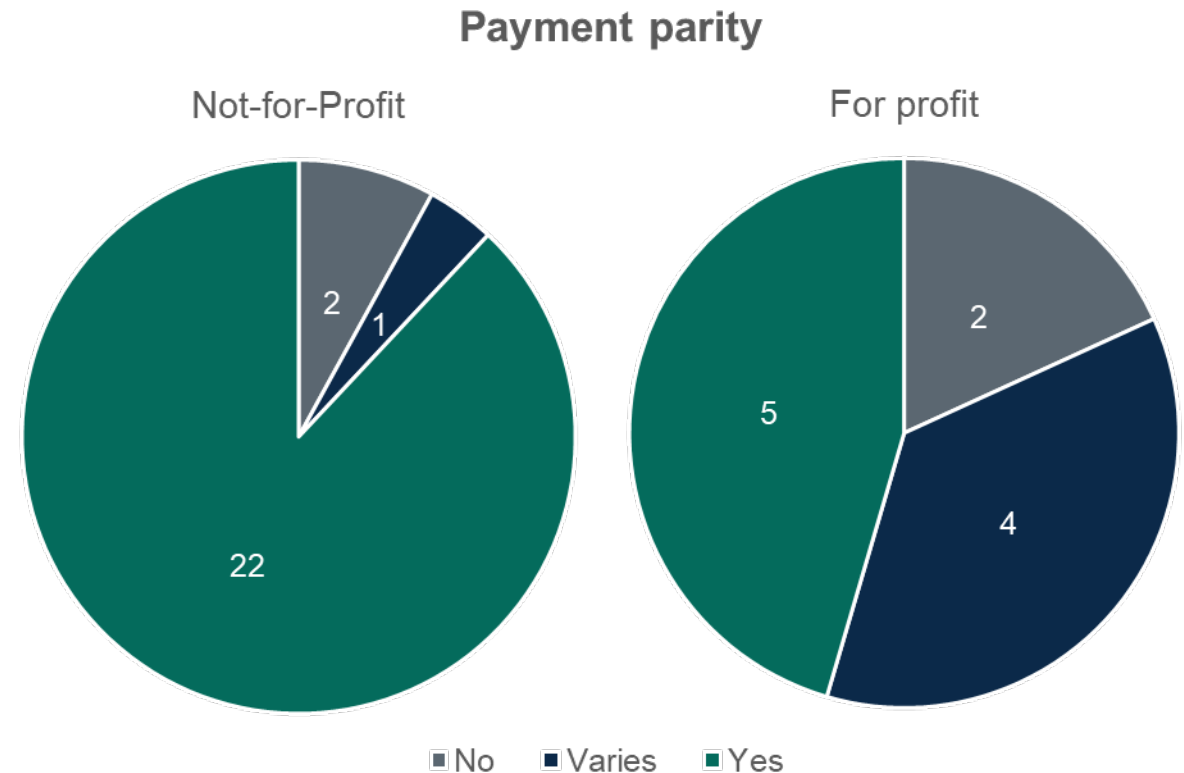
# Payers cover many telehealth services, especially HIPAA-compliant video and audio or telephone



- / **Service coverage is relatively consistent across payer type.**
- / **Not-for-profit payers cover more services than for-profit payers do (see supplemental tables).**
  - Asynchronous interactions: 60 vs. 18 percent
  - Remote patient monitoring: 48 vs. 26 percent
- / **Payers who indicated Other:**
  - Only cover certain services during the pandemic
  - Vary coverage by lines of business or plan
  - Specified types of asynchronous interactions (secure portal messages, not email or fax)

# More not-for-profit than for-profit payers report payment parity

- / **All but five payers reimburse telehealth services on par with in-person care some of or all the time.**
- / **Some payers indicated payment parity varies by the following:**
  - Type of service (paying less for audio-only or services other than behavioral health)
  - Billing code (parity for stand-alone codes but not codes with telehealth modifiers)
  - Time (during the pandemic or not)
  - Lines of business, because of differences in benefit plan policies



Note: One payer did not respond to the question about profit status.

# Comparisons with results of first survey

## / **More payers cover telehealth visits.**

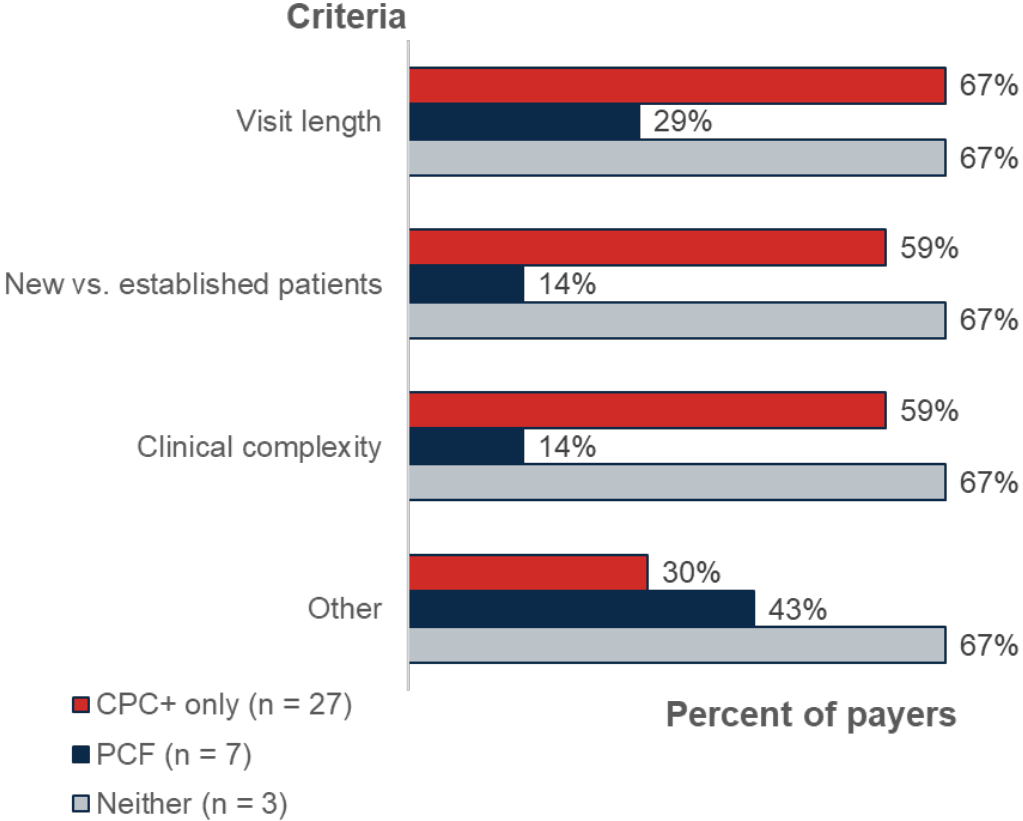
- Video: 90 percent in first survey compared with 95 percent in second
- Telephone/audio: 75 percent in first survey compared with 95 percent in second

## / **Payment parity remains very high.**

- First survey: 90 percent of payers covering video and 75 percent of payers covering telephone
- Second survey: 89 percent of payers, including those who reported parity varies

*A note on limitations:* The second survey was distributed to a larger group of payers, and participation was voluntary, which might bias the findings.

# Visit length is the most common driver of telehealth payment amount



/ **CPC+-only payers were more likely than PCF payers to adjust payment for the following:**

- Visit length
- Patients' newness
- Clinical severity

/ **Other criteria include:**

- Mode of service

Note: Four payers (two current CPC+ and two PCF) did not respond to this question.

# Payers use a variety of mechanisms to support telehealth

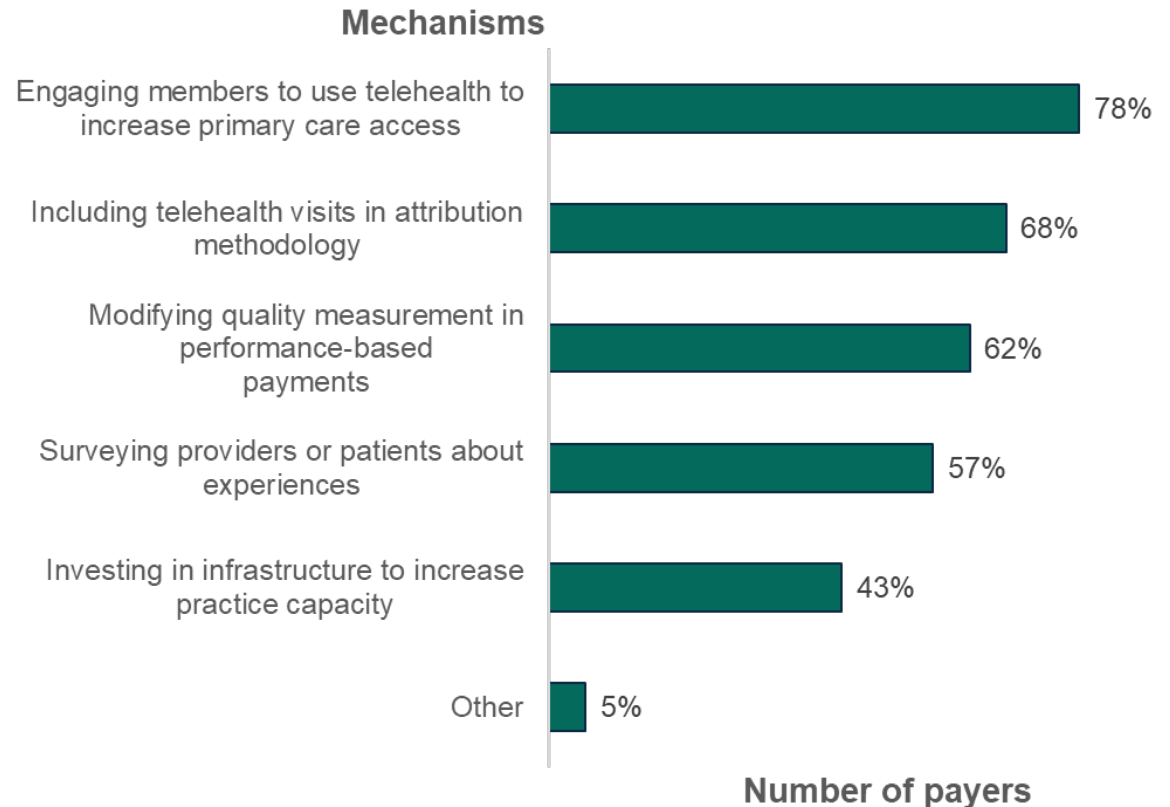
/ **Two-thirds of payers (25) use three or more mechanisms (see supplemental tables).**

/ **More for-profit than not-for-profit payers (see supplemental tables):**

- Invest in infrastructure to increase practice capacity: 73 versus 32 percent
- Modify quality measurement in performance-based payments: 82 versus 56 percent

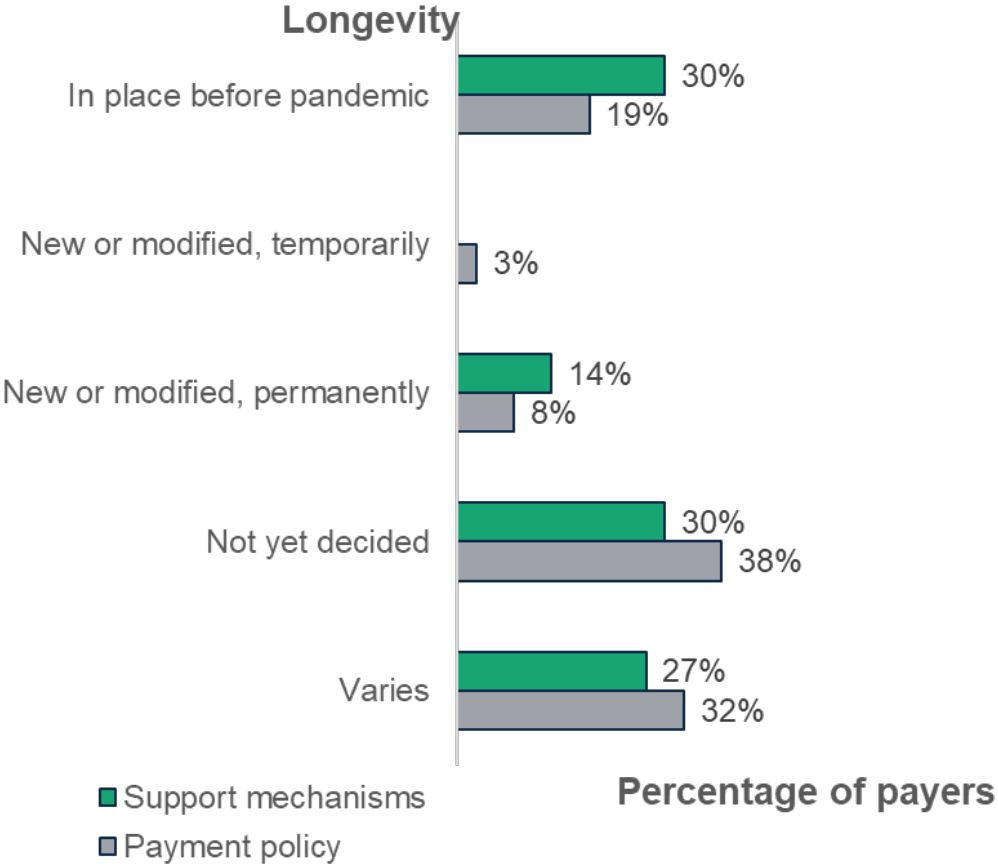
/ **Examples of other mechanisms:**

- Providing a fee-for-service payment for telehealth on top of risk-adjusted partial capitation payments
- Broadband support to expand telehealth in schools



Note: One payer did not respond to this question.

# Telehealth policies and supports often vary across lines of business, and their permanency is unclear



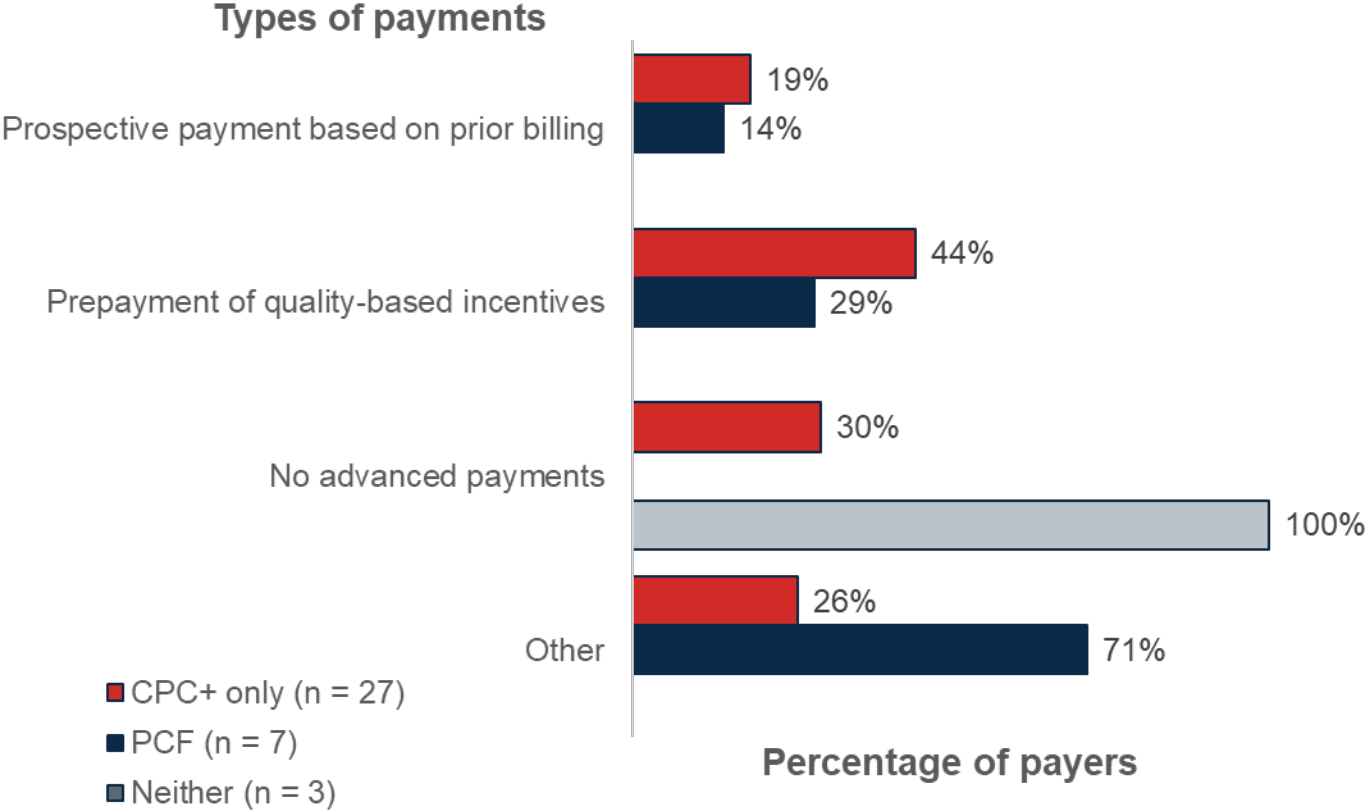
/ **More than half of (21) payers have differences in telehealth payments by lines of business (see supplemental tables).**

- 12 (48 percent) of non-profit payers
- 9 (82 percent) of for-profit payers
- Often caused by expansions in coverage (in self-insured plans, for new types of telehealth) or tied to public health emergencies or regulatory mandates

/ **Examples of how policies or supports vary:**

- Some pre-pandemic investments were accelerated because of COVID-19
- Some supports rely on external (time-limited) funding
- Longevity might be influenced by amount of telehealth uptake

# Most payers offer advanced or accelerated payments to primary care practices



/ **Half of payers (19) offer just one type of advanced or accelerated payment (see supplemental tables).**

/ **Other types of payments offered:**

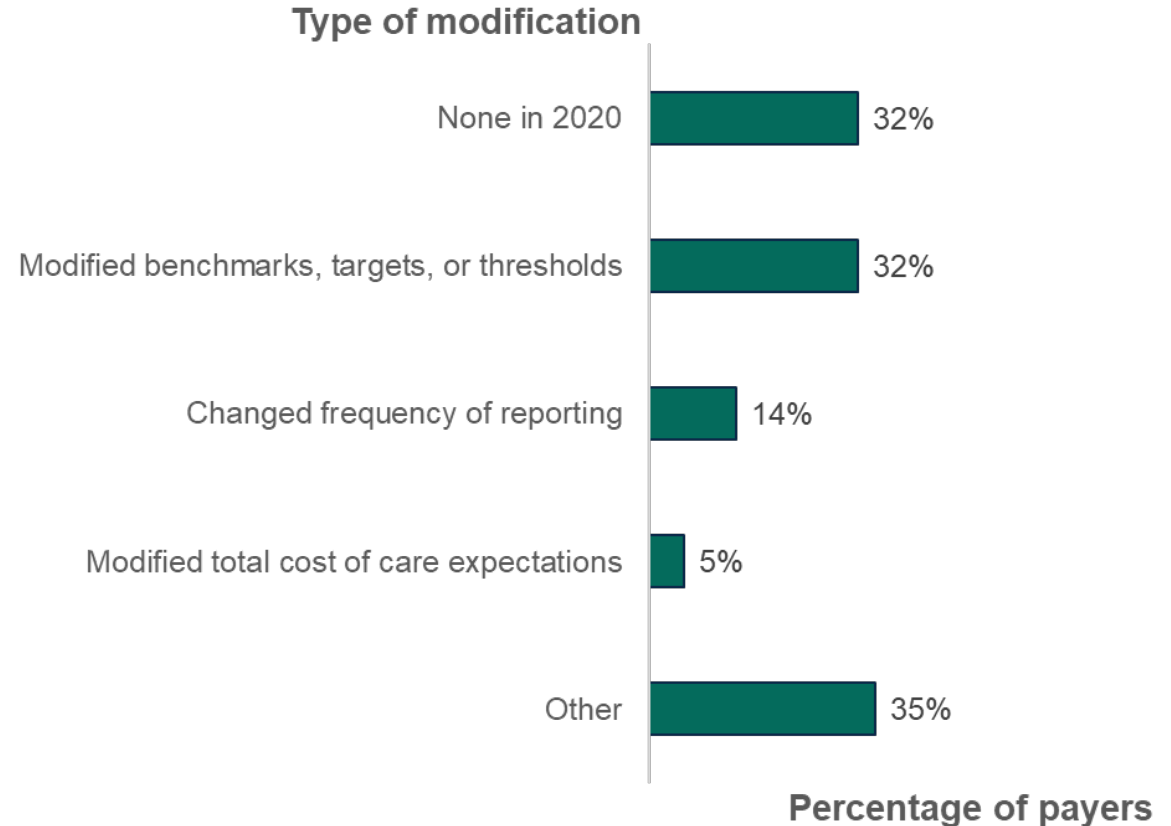
- Prospective payments for certain items (care coordination fees)
- Additional payments to account for COVID-19 difficulties, sometimes targeting certain types of providers (pediatric practices, oral health)
- Loans

Note: One CPC+ payer did not respond to this question.

# Most payers have modified quality reporting requirements

## / Examples of other responses:

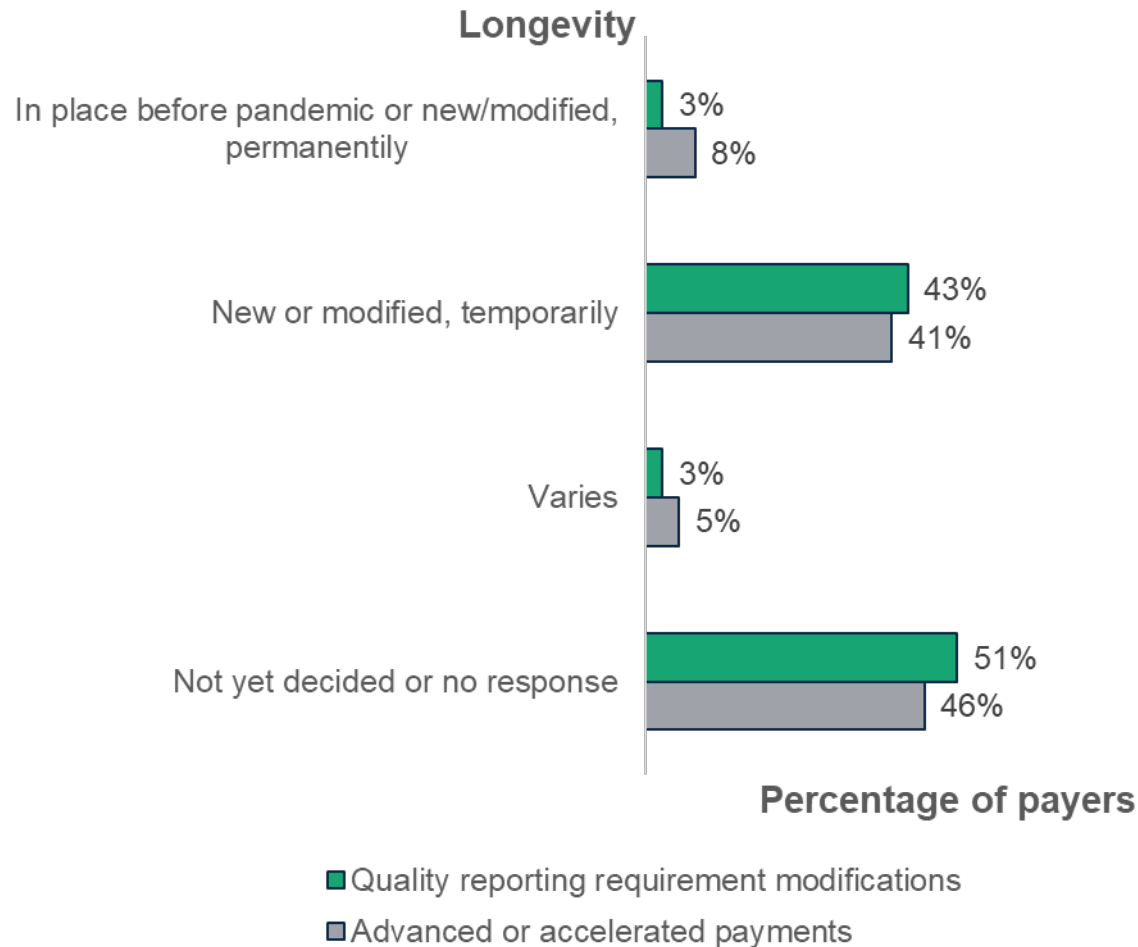
- Waiving quality reporting requirements or ratings in 2020
- Selecting the “better of” impacted quality measures, sometimes based on prior years’ performance
- Considering or planning to update requirements in the future



Note: One payer did not respond to this question.



# Advanced and accelerated payments and quality reporting modifications are likely temporary



/ **There were few differences in policies across lines of business (see supplemental tables).**

- Advanced or accelerated payments: 6 payers (16 percent)
- Quality reporting requirement modifications: 8 payers (22 percent)

/ **Multiple payers noted differences in requirements can be driven by state or federal regulations**

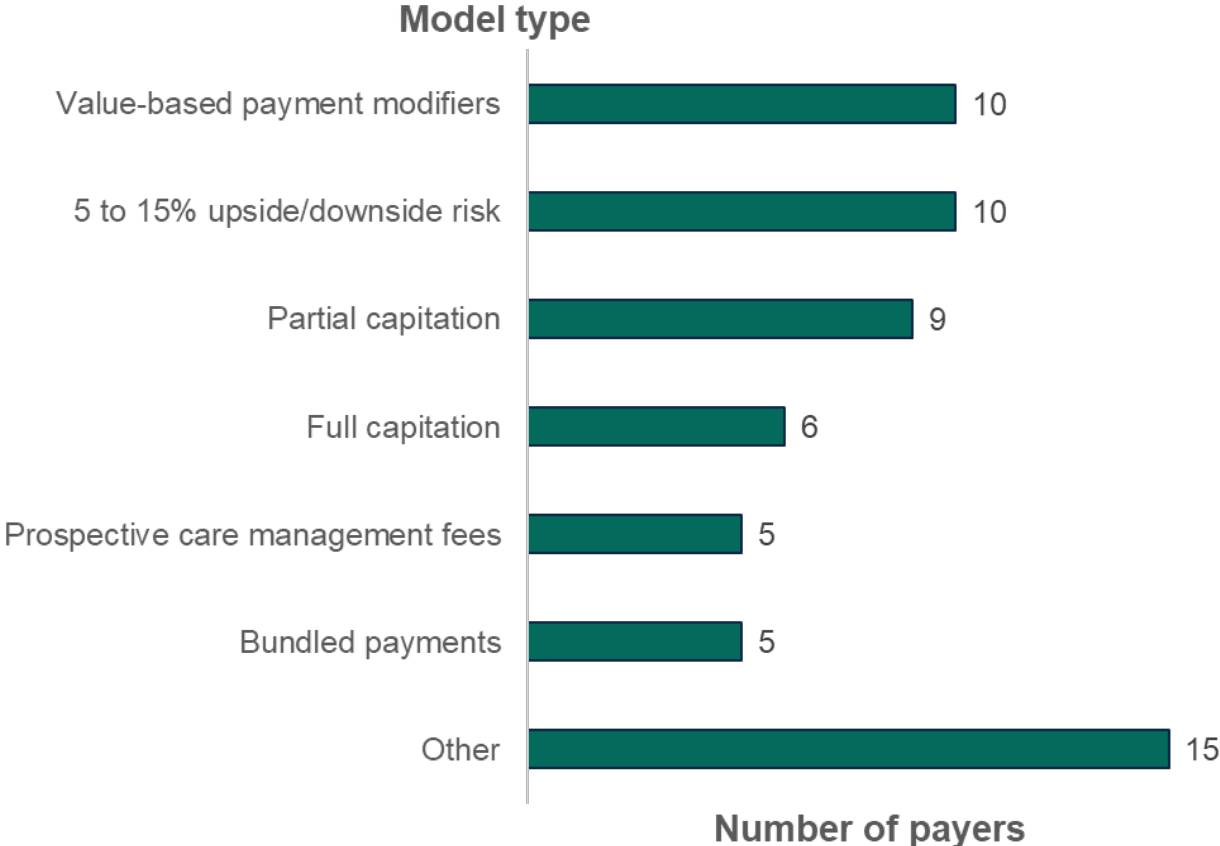
# Most payers are expanding opportunities for primary care providers to participate in alternative payment models

**/ Half of payers (19) offer only one model type (see supplemental tables).**

- Six payers offer three or more.

**/ Examples of other models:**

- Partial capitation and two-sided risk (under development)
- Integrated collaborative care program for behavioral and physical health (pilot)

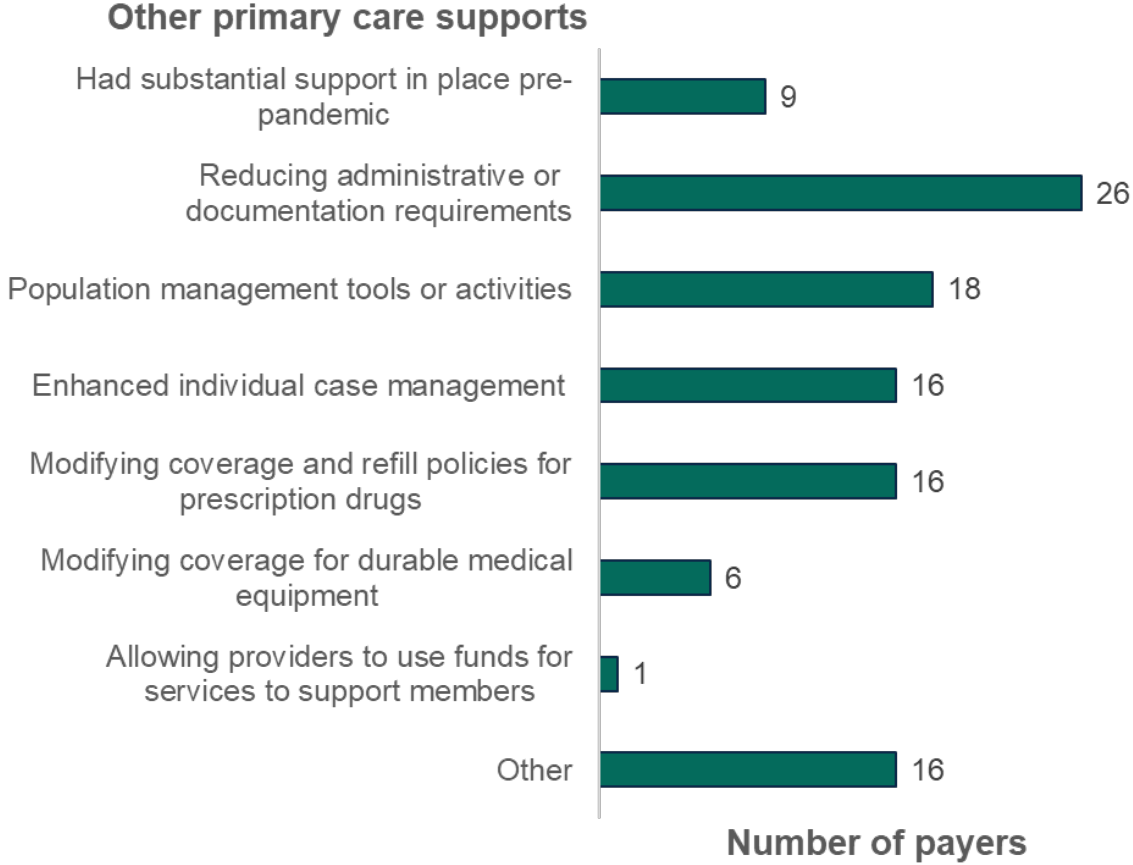


Note: Four payers did not respond to this question.

# Examples of ways payers are expanding access to alternative payment models

- / **Encouraging provider participation (targeted outreach)**
- / **Adjusting program policies (reduced minimum patient threshold)**
- / **Gradually increasing benchmarks and levels of risk**

# Most practices are also offering other primary care supports



## / **Examples of other supports:**

- Waiving prior authorization requirements
- Analytics (COVID-19 predictive modeling)
- Community supports (frontline social services)
- Supplying personal protective equipment

# Factors facilitating policies or supports for primary care practices during the pandemic



Actions of state and federal regulatory agencies



Internal leadership and values



Investment in technology, education, and innovation



Organizational flexibility

# Actions of state and federal regulatory agencies



/ One-third of payers (13) mentioned state and federal policies, mandates, and guidance that provided new options and flexibility, including the following:

- Updates to CMS billing regulations
- State Medicaid policies
- Medicaid 1115 waivers
- Disaster relief State Plan Amendments
- Enhanced federal match
- Governor approvals
- State mandates
- Communication protocols and guidance documents

*“We have been able to leverage waivers and other operational infrastructure to target certain areas in support of providers during the pandemic”*

# Internal leadership and values



/ 8 payers described being committed to supporting primary care and the steps their teams took given that focus.

*“...having internal meetings daily to discuss the outbreak and impact to our market and member population”*

*“[Our organization] values the importance of a strong primary care provider base and is deeply committed to supporting their success in effective, efficient, high-value care”*

*“Organizational commitment to support practices financially...to protect viability of the provider network”*

# Investment in technology, education, and innovation



/ 8 payers leveraged previous investments and internal expertise when addressing challenges introduced by COVID-19, including the following:

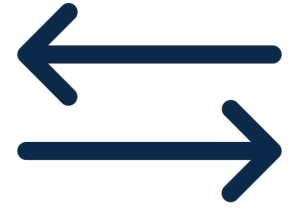
- Policies for telehealth and virtual care
- Mechanisms for provider education
- Value-based contracts and pay-for-performance models
- Being a tech-enabled organization

*“...our organization was already focused on innovative solutions, such as enhancing telehealth services and other quality programs, before the pandemic”*

*“Already set up for telehealth & education on COVID, created provider resources online provider portal”*



# Organizational flexibility



/ 4 payers cited their ability to be quick and nimble in their responses to the pandemic as factors in their success.

*“Enterprise flexibilities based on identified need or at provider request”*

*“Our leadership was quick to act and make changes to ensure the continued success of providers”*

## Other cited influencing factors

- / Feeling an obligation to act
- / Collaborating with other public and private-sector payers
- / Using analytics and dashboards for decision making and monitoring
- / Being health system or provider owned

*“With never experiencing pandemic, we were open to supporting the practices when face to face visits were limited. We have been excited about the potential for telehealth expansion and hope to keep this as an option post pandemic.”*

# Difficulties encountered

8 payers indicated that they encountered no difficulties. The most commonly cited difficulties among the remaining 23 organizations who responded were the following:



Securing required time and resources



Ever-changing environments



Need to respond quickly



Financial and other long-term impacts

# Observed impacts of payers' policies or supports on primary care practices



Protected providers, practices, and network



New or expanded use of telehealth



Provider appreciation

# Ways payers address health equity and disparities in primary care



Programs, initiatives, and task forces



Provider education, training, and tools

Only 18 payers responded to this question, as it and the other two questions in Section 5 were accidentally missing from SurveyMonkey version when the survey was first distributed.

# Implications

- / Payers are employing myriad approaches to support primary care practices during the COVID-19 pandemic.**
  - The long-term impacts on payers and practices is not yet clear.
- / New or modified policies and supports accelerated the adoption of telehealth and alternative payment models.**
  - It could take time for some telehealth services to achieve wide-spread adoption, especially services previously prohibited by regulation (for instance, non-HIPAA compliant video).
- / Whether trends continue could depend on the degree to which policies and supports are sustained after the pandemic.**