Issue Brief
MAY 2024

Milbank Memorial Fund
Using evidence to improve population health

It Takes Two to Tango: Creating an Effective State–Federal Partnership for Primary Care Reform

Lauryn Walker, Shannon Dowler, Barbra Rabson, and Bob Rauner

Policy Points

- Seven ways that the federal government can support states in strengthening primary care
- A federal vision for primary care will help states optimize their role in reform

The US health care system is a complicated maze, difficult to navigate for patients, providers, advocates, and, yes, even the government. Primary care is no exception. In fact, the vague lines between primary care and urgent care, the role of various team members, and the numerous specialties that encompass primary care make it all the more challenging to establish a cohesive and aligned policy strategy. Yet, it is critical to support the underpinning of our health care system.

The Biden-Harris administration published an issue brief in November 2023 outlining the numerous US Department of Health and Human Services (HHS) initiatives that support primary care.[1] Included on the list were several initiatives that demonstrated a commitment to work with states, such as the new payment models being tested by the Center for Medicare and Medicaid Innovation, also known as the CMS Innovation Center. This commitment is commendable. Indeed, building collaborative relationships between the federal government and states is critical to reduce the risk of adding complexities into an already chaotic policy landscape. Promoting alignment also enhances the impact of each individual policy initiative.

To empower states to align with current federal policy, the Virginia Center for Health Innovation, in partnership with Milbank Memorial Fund, developed a **Primary Care State–Federal Alignment Tool** outlining federal primary care initiatives and offering a template for systematically evaluating a state's alignment with each policy.

How the Federal Government Can Support State Primary Care Efforts

Although it is important for states to stay informed of federal policy and identify opportunities to align, the federal government can support states in their efforts to promote

a healthy primary care ecosystem in a number of ways. This brief provides seven recommendations for how the federal government can support states in their primary care reform efforts.

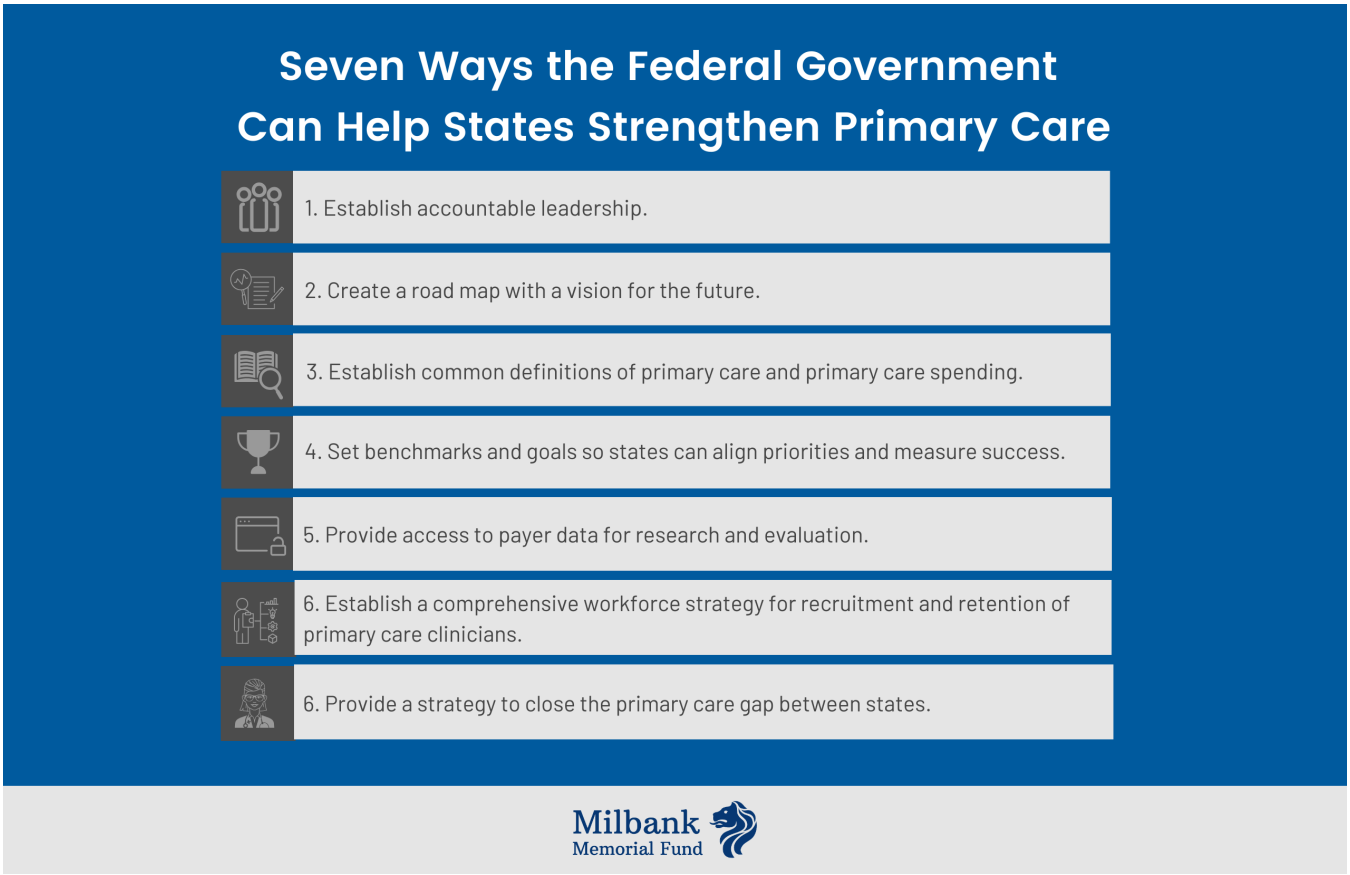
1. **Establish accountable leadership.**

Primary care touches countless centers and agencies across HHS, as demonstrated in the November 2023 issue brief.[1] Providing an inventory of the numerous activities in one source document is extremely useful to states aiming to stay informed on federal initiatives, and continuing to update that document on a regular basis will add significant value. However, it also highlights the lack of accountable federal leadership for primary care as a whole. Who is responsible for ensuring that the administration's initiatives are moving toward a vision of primary care that is "whole-person, integrated, accessible and equitable health care"?[2] If everyone is responsible, no one is. Establishing the person or entity responsible for and empowered to operationalize the vision and implementation of primary care reform would provide states with a shared anchor, one entity to turn to with questions or concerns, and a clearer policy vision.

2. **Create a road map with a vision for the future** rooted in evidence-based principles. A road map would help states understand where the federal government is going, so they can plan for where they may fit in.

While the issue brief and the dozens of initiatives make clear that the administration has been engaged in primary care reform — and the individual policies of the administration have largely been well received by the primary care community — HHS has not yet published a road map with a cohesive strategy or a clear goal for what they are building toward. Without insight into the endgame, states are left with a "throwing spaghetti at the wall" approach to primary care reform, crafting policies that may end up being obsolete or ineffective when the next round of federal initiatives is announced. While state innovation and flexibility can lead to great advancement, without a clear federal trajectory, it can also lead to frustration, confusion, and disparities across states.

For example, the three new CMS Innovation Center models — Making Care Primary, AHEAD, and ACO Primary Care Flex — all provide excellent opportunities for states to improve their primary care systems. However, the models



were announced separately over a period of nine months, and states were unaware that three models were coming out. Instead of making informed decisions about which model might be the best fit for them, states made policy decisions based on knowledge of one model at a time. As a result, some states had to backtrack on policy decisions, restructure practice recruitment strategies, and potentially will end up participating in a model that may not have been the most impactful option for them. This process leads to confusion and innovation fatigue not just among states, but among primary care practices as well. A clearer federal vision for the future and improved communication with states would help alleviate the whiplash states and practices can experience when new federal initiatives are announced and enable states to better align with and effectively implement federal policies. Prospective planning time is especially critical when considering the part-time nature of most state legislatures and the limited resources at state agencies.

3. **Establish common definitions of primary care and primary care spending** so that states can adopt or modify policies based on a common understanding.

Primary care is expansive and encompasses a wide spectrum of specialties, services, and even settings (i.e., urgent care, pharmacy-based clinics, independent practices). Establishing federal definitions for *primary care* and *primary care spending* (the percentage of total health spending dedicated to primary care) will facilitate state policy decision-making by reducing time spent on negotiating definitions. For instance, the Agency for Healthcare Research and Quality (AHRQ) released a report, *Measures for Primary Healthcare Spending*, that calls attention to the many and varied ways in which entities are measuring the dollars spent on primary care.[3] As more states begin to track their current levels of spending and consider potential primary care spend threshold policies, federal definitions would provide states with a default approach and enable comparisons across states and entities.

4. **Set benchmarks and goals so states can align priorities and measure success.**

Although each state has a different culture and set of resources and priorities, it is important for states to benchmark themselves against other states or against an administration target. For example, understanding that the administration aims to have all traditional Medicare beneficiaries in an accountable care organization arrangement by 2030 and Medicaid wait times under 15 days by 2027 allows states to plan and enact strategies toward those goals. Specifically, the federal government could establish benchmarks or targets for the following measures:

- Primary care spend
- Reasonable appointment wait times across payers (new and established patients)
- Number of primary care providers per 100,000 population
- Appropriate panel size for full-time providers in different models of care
- Expectations for technology use and data integration

5. **Provide access to data** so that states may better assess their current situation and opportunities for improvement.

States are missing key pieces of information needed to assess or improve their primary care systems. Although some states have all-payer claims databases, federal employee health plan enrollees and military health plans are not included. Additionally, researchers have raised concerns about the recently proposed research data request and access policies that could reduce access to Medicare and Medicaid data for research and evaluation purposes.[4] These evaluations are critical to states as they assess the value of their primary care initiatives. At the same time, HHS has made great strides in promoting data transparency in rates and service prices and in setting interoperability standards. Improved data integrations across systems not only supports direct patient care but also enables higher-quality program evaluations. Improving data flow across all parties for both direct patient care and research enables states to effectively prioritize resources, remove barriers to integration that cannot be resolved at the state, and promote comprehensive, informed primary care.

6. **Establish a comprehensive workforce strategy** that incorporates support for both the recruitment and retention of clinicians.

The administration has taken a number of actions to offer funding and training opportunities for primary care

providers and related personnel. However, ensuring an adequately sized and trained workforce is only one piece of the puzzle. Historic levels of provider burnout, challenges in retaining rural providers, and physicians leaving the direct care system is resulting in primary care deserts and creating further pressures on the remaining providers. In fact, data suggests that we are now losing more primary care physicians each year than we are gaining.[5] Policies related to administrative burden, such as reducing required prior authorizations, simplifying quality measurement, encouraging alignment across payers, or expanding team-based models, have the potential to alleviate pressure points. Additionally, the administration's appointment of a chief competition officer presents the opportunity to assess the primary care market landscape and identify structures that may be more conducive to a healthier work environment.

7. **Provide a strategy to close the gap between states.**

Several states are well prepared to take advantage of new federal opportunities, whether it be federal grants, enhanced Medicaid federal match and waiver opportunities, or participation in a CMS Innovation Center model. Years of accessing additional federal funds has allowed these states to build robust infrastructure and expertise in grant applications and CMS negotiation, leveraging one opportunity into the next. Other states, however, have fallen further behind, unable to build the infrastructure without federal funds and unable to access federal funds because they do not have the infrastructure to be competitive. Although it is reasonable for the administration to want to fund states with a proven track record, this approach has exacerbated disparities across states over the past decade. By issuing a strategy to support states across the spectrum of delivery system and infrastructure maturity, the administration could help close the infrastructure gap across states, providing state policymakers with feasible options to pursue.

> Although it is reasonable for the administration to want to fund states with a proven track record, this approach has exacerbated disparities across states over the past decade. By issuing a strategy to support states across the spectrum of delivery system and infrastructure maturity, the administration could help close the infrastructure gap across states, providing state policymakers with feasible options to pursue.

Looking Ahead

Health outcomes across the country are worsening — increasing wait times to establish or engage in primary care, disjointed care, declining vaccination and screening rates, clinician burnout, and ultimately dissatisfied, overwhelmed, and lost patients. Addressing the challenges facing primary care requires a strong partnership between all parties, especially state and federal governments. Aligning policies will require proactive planning and communication. Leveraging the strengths of the federal government and each state and jurisdiction to improve primary care will have a profound impact on the health of Americans. As the Biden-Harris administration promotes health equity, reinforces value, and ultimately seeks to improve population health, a strategic focus on improving alignment with states on primary care policy will exponentially improve the administration's ability to effectively implement intended policies.

NOTES

[1] US Department of Health and Human Services. HHS is taking action to strengthen primary care. https://www.hhs.gov/sites/default/files/primary-care-issue-brief.pdf. Published November 7, 2024. Accessed April 24, 2024.

[2] The National Academies of Sciences, Engineering, and Medicine. Implementing high-quality primary care: rebuilding the foundation of health care. https://www.nationalacademies.org/our-work/implementing-high-quality-primary-care. Published 2021. Accessed April 24, 2024.

[3] Agency for Healthcare Research and Quality. Measures for primary healthcare spending. https://effectivehealthcare.ahrq.gov/products/primary-healthcare-spending/protocol#field_report_title_1. Published May 17, 2023. Accessed April 24, 2024.

[4] Academy Health to Chiquita Brooks-LaSure. RE: Research Data Request and Access Policy Changes, Announced February 12, 2024. https://academyhealth.org/sites/default/files/academyhealth_response_to_cms_on_data_access.pdf. Published February 26, 2024. Accessed April 29, 2024.

[5] Huffstetler A, Greiner A, Siddiqi A, et al. Health is primary: charting a path to equity and sustainability. Primary Care Coalition. https://thepcc.org/resource/evidence2023. Published October 2023. Accessed April 24, 2024.

ABOUT THE AUTHORS

Lauryn Walker, PhD, RN, is the chief strategy officer for the Virginia Center for Health Innovation (VCHI), a public-private partnership that aims to improve value in healthcare and leads the Virginia Task Force on Primary Care. Prior to joining VCHI, Lauryn served as the interim chief of population health and senior advisor to the chief actuary and chief strategy officer for North Carolina Medicaid, where she supported efforts aimed at integrating behavioral health and physical health. She also served as the senior economic advisor for Virginia Medicaid, where she led the development of the Division of Health Economics and Economic Policy, which included the Office of Value-Based Purchasing, the Office of Quality and Population Health, and the Office of Data Analytics. She also served as a health fellow for the House minority leader for the US House of Representatives. Lauryn is a registered nurse and member of the Virginia Medical Reserve Corps. She earned her nursing degree and master's in public health from Johns Hopkins University. She received her PhD in health policy and research from Virginia Commonwealth University.

Shannon Dowler, MD, FAAFP, CPE, is immediate past Chief Medical Officer for North Carolina Medicaid and Assistant Secretary for Health Access within the North Carolina Department of Health and Human Services. During the COVID-19 pandemic, she led efforts across DHHS to rapidly modernize and evaluate telehealth and incorporate changes into permanent policy, establishing primary care infrastructure payments and drive health equity with a focus on increasing COVID testing and vaccinations across rural and historically marginalized populations. Currently, she spends her clinical time in the Mecklenburg County Health Department STI Clinic and is an STI subject matter expert consultant for the National Syphilis and Congenital Syphilis Syndemic Federal Task Force, as well as consulting for a variety of primary care focused initiatives. She enjoys teaching English as a Second Language in her rural Appalachian community, is a published author and public speaker.

Barbra Rabson, MPH, has led the Massachusetts Health Quality Partners (MHQP) since 1998. Under her leadership, MHQP has become a national leader in the measurement and public reporting of health care information, with a focus on measuring and improving patients' experiences of care. In the past few years, Barbra has focused the organization's work around four main areas of impact: capturing patient experiences, advancing health equity, enhancing telehealth, and strengthening primary care. Of particular note is her role leading MHQP's most recent work to create a dashboard to monitor the health of primary care in Massachusetts. She is a member of the Milbank Advisory Committee for the Health of US Primary Care Scorecard, the Massachusetts Executive Office of Health and Human Services Quality Measure Alignment Task Force and Quality Subcommittee, the Massachusetts Health Equity Data Standards Technical Advisory Committee, and the Betsey Lehman Center Measurement and Transparency Task Force. She also serves on the boards of the American Board of Family Medicine and the Massachusetts Health Policy Forum. She received her master's degree in public health from Yale University and her undergraduate degree from Brandeis University.

Bob Rauner, MD, MPH, FAAFP, is president of Partnership for a Healthy Nebraska, which focuses on health policy and reducing health disparities in Nebraska. Over the past 12 years, he also started two primary care–led accountable care organizations. He served as chief medical officer for OneHealth Nebraska ACO until February 2024. He also serves on the board of directors of Lincoln Public Schools and the advisory board of the Center for Professionalism and Value in Health Care. Bob received his undergraduate degree in philosophy at Creighton University, his medical degree at the University of Nebraska Medical Center, and his Master of Public Health degree at the Johns Hopkins School of Public Health.

About the Milbank Memorial Fund

The Milbank Memorial Fund is an endowed operating foundation that works to improve the health of populations and health equity by collaborating with leaders and decision makers and connecting them with experience and sound evidence. Founded in 1905, the Fund engages in nonpartisan analysis, collaboration, and communication on significant issues in health policy. It does this work by publishing high-quality, evidence-based reports, books, and *The Milbank Quarterly*, a peer-reviewed journal of population health and health policy; convening state health policy decision makers on issues they identify as important to population health; and building communities of health policymakers to enhance their effectiveness.

Milbank Memorial Fund
645 Madison Avenue
New York, NY 10022
www.milbank.org

Milbank Memorial Fund

Using evidence to improve population health