

January 26, 2021

Sue Birch, Director
Judy Zerzan-Thul, MD, Chief Medical Officer
Washington State Health Care Authority
626 8th Avenue SE
Olympia, WA 98501

Sent Via Electronic Mail

Dear Director Birch and Dr. Zerzan-Thul,

We write this letter, in partnership with the Purchaser Business Group on Health (formerly the Pacific Business Group on Health) and the undersigned organizations to express our support for efforts you are taking to transform the delivery of primary care in Washington state by engaging health plans, as well as health care providers in the development of a multi-payer model.¹ As business and union trust leaders that support the health and well-being of their workforces of approximately 350,000 in Washington state, the important role of primary care in a high-quality, efficiently delivered health care ecosystem is affirmed.

We understand that primary care has been historically under-resourced and that the fee-for-service payment mechanism does not provide reimbursement for many of the primary care services described below. We recognize that new financial incentives are required to change the current model to realize the aspirations we hold for primary care. **We ask providers and health plans in Washington state to work together with those of us paying for healthcare services to generate new payment models that increase the proportion of health care spending on primary care, and to do so in a way that is aligned and reduces unnecessary administrative complexity on patients, purchasers, and providers.**

Population-level payments in the form of per member per month amounts (care management fees in addition to fee-for-service or primary care capitation in lieu of fee-for-service) have demonstrated a return-on-investment in other settings.

The kind of primary care purchasers want from their investment in the healthcare system includes:

- **Convenient and flexible care options that allow individuals to easily access the right care in the right setting when it is needed.** This requires primary care providers to offer multiple modes of care (telephonic, video, as well as asynchronous modes including email, electronic messaging, etc.) and extended hours of availability. After-hours access is essential to avoiding the unnecessary use of costlier points of access, such as the emergency room.
- **Team-based care that holistically support the needs of individuals.** This requires a recognition that behavioral and social needs greatly influence health status, and primary care plays a central role in assessing and connecting individuals to the services required to address these needs. We do not believe it is necessary that all resources be physically present at each practice location for primary care to play an important assessment and coordination function.
- **Care is continuous over time to support individuals with ongoing healthcare conditions, and coordinated across multiple settings as needed to support individuals with complex conditions requiring care outside of the primary care setting.** This requires providers to invest in systems that support optimal patient support at the point of care while also providing population level insights that allow providers to proactively identify patients with gaps in their care plan. This also requires that primary care be connected outside of its own care setting to other providers (regardless of organizational affiliation) that also provide services to their patients.

¹ Multi-Payer Transformational Model (<https://www.hca.wa.gov/about-hca/multi-payer-primary-care-transformation-model>).

- **Care is culturally sensitive and is organized to address the needs of individuals, as well as populations.** This requires improved competencies around language access and cultural humility, and infrastructure that supports equitable primary care access, communication and delivery.

We further request that any new prospective payment models be implemented by health plans and providers with the following considerations in mind.

- The payment approach and amount should be fully transparent to employers and union trusts that fund health care services on behalf of our plan participants.
- Payment models should be consistent across all payers/payer types in both the method of payment and performance measurement approach, such that it minimizes the administrative burden on providers, and supports a seamless experience for purchasers and their employees.
- Primary care providers eligible to receive new prospective payments must be carefully vetted to ensure they are willing to make the changes necessary to provide more coordinated, continuous, and comprehensive care. The level of prospective payment should be commensurate with their ability to deliver care that is truly differentiated through demonstrated differences in health care outcomes, as well as the experience of the patient.
- Primary care providers that receive prospective payments through new models must be held accountable for outcomes and measures of quality that are important to us as purchasers and to our plan participants as patients.
- Health plans and other key stakeholders that hold more complete information about the patients for whom primary care providers are held accountable must commit to providing a way for information to be shared in a real time, secure fashion to ensure optimal care at the individual patient and population levels.
- New prospective payment models will require that a members' primary care provider be determined before payments can be made. The majority of the plans in Washington state are PPOs that allow plan participants open access to a broad network of providers. We ask that new mechanisms used to identify an individual's primary care provider for prospective payment purposes be open and transparent such that we, as primary funders of health care services, can understand how our payments are applied, and individuals can understand which providers are accountable for their care.
- Understanding the health status and needs of individuals and populations is essential to building a primary care payment model that scales to the needs of the patient, just as patient care models must scale from keeping the healthy well to improving the health of those with complex chronic conditions.

We understand that purchasers have the ability to support the transformational efforts of providers and health plans, and agree to consider doing so in the following ways:

- Emphasize the importance of having a primary care provider and using that provider as the first point of contact for all new health care events and as a continuous source of coordination across the health care ecosystem.
- Support and/or advocate for mechanisms that provide our plan participants with a clear understanding of both provider quality and capabilities.
- Ask plan participants to identify their primary care provider of choice, voluntarily, with added incentives, or as a condition of coverage.
- Ensure there are no unnecessary financial obstacles that preclude the use of primary care as described above.
 - Support differentiated copays (lower primary care vs. specialty care).

- Support implementation of the expanded definition of preventive services that allow specific services to be accessed before the deductible limit has been met in qualified high deductible plans.
- Support differentials in primary care benefit designs that steer plan participants to high performing providers in instances when there is evidence of a clear difference in the outcomes of care for specific primary care providers.
- Support and advocate for new payment models that meet the parameters described in this letter.

The kind of transformational primary care we describe and support in this letter is fundamental to the success of broader accountable care models that require all providers and health plans to work collectively to achieve the triple aim aspirations for health care – a better experience of care, healthier individuals and populations, and a lower per capita cost of care. **We collectively support the efforts to transform primary care with the understanding that it is the foundation upon which future success is built.**

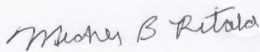
Respectfully,



Nancy Giunto, Executive Director
Washington Health Alliance



Elizabeth Mitchell, President & CEO
Purchaser Business Group on Health



Michele Ritala, Benefits Strategic Planner
King County



Laura Kate Zaichkin, Director of Health Plan
Performance and Strategy
SEIU 775 Benefits Group



Carol Wilmes, Director of Member
Pooling Programs
Association of Washington Cities



Pam MacEwan, Chief Executive Officer
Washington Health Benefit Exchange



Mikale Orren, Health and Welfare
Program Manager
Puget Sound Energy

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Washington State Hospital Association
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