

**Support HB18-1365: Making Health Care More Affordable  
Paying for Value and Investing in Primary Care Infrastructure**  
*Representatives Ginal and Sias; Senators Priola and Moreno*

### What is the Problem?

Everyone knows healthcare costs are out of control. Primary care is essential to a lower cost, high performing health care system. **Yet while primary care visits comprise 53% of all appointments, we only invest 5-8% of our health care dollars in primary care.** This underinvestment is stifling the opportunity for primary care to meet the needs of patients and reduce overall costs.

While Colorado practices have transformed to provide better care through models like Patient-Centered Medical Homes (PCMH) or CPC+, investments are inadequate to sustain the momentum. It takes staff time and infrastructure to sustain these practices, which in turn keep people healthy and out of the ER.

Finally, we must accelerate our progress on payment reform to lower overall costs. The shift from fee-for-service to value-based payment has moved at an almost glacial pace. Some 90% of payments to primary care are still fee-for-service.

### How Does Primary Care Address These Problems?

Extensive evidence shows care delivered in advanced primary care models can improve quality, reduce unnecessary ER visits, and reduce overall costs. Nearly 250 practices around Colorado are certified Patient-Centered Medical Homes, and 770,000 Medicaid patients have a medical home.

### What Can We Do?

To reduce costs, expand primary care capacity and access to quality care, Colorado should:

- **Measure Primary Care Investments:** Establish primary care spending as a key system measure, to regularly assess our progress.
- **Increase Payment for Value, Not Fee-For-Service:** Evaluate our progress on payment reform, by tracking and increasing the share of payments that are value-based rather than FFS.
- **Collaborate to Advance Payment Reform:** Convene providers, insurers, employers and consumers to align payment models and quality metrics so that the appropriate resources are in place to sustain care coordination, integrated behavioral health, extended care hours, and telehealth.

Rhode Island provides a strong example of this approach. The state measured and increased its primary care spending from 5.7% in 2008 to 9.1% in 2012. Over this same period, total healthcare expenditures fell 14%. Based on this success, Oregon followed suit with its own legislation to measure and determine how to increase primary care investment.

#### **For More Information:**

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**Supporters**

*American Academy of Pediatrics, Colorado Chapter*

*American College of Physicians, Colorado Chapter*

*Center for Health Progress*

*Colorado Academy of Family Physicians*

*Colorado Behavioral Healthcare Council*

*Colorado Center on Law and Policy*

*Colorado Chapter American College of Emergency Physicians*

*Colorado Community Health Network*

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