Primary Care Payment Reform Collaborative Meeting

February 12, 2026

Agenda

- Housekeeping & Announcements
- Approve Annual Recommendations Report
- Federal and State Updates
- 2026 Priorities
- Public comment

Meeting Goals & Requested Feedback

GOALS

- Review and vote on Annual Recommendations Report
- Overview of state bills related to primary care
- Discuss priorities for 2026

FEEDBACK

- Vote to approve final report
- What bills should we be tracking?
- What are your priorities for 2026?

* * Incorporate equity into discussion and recommendations * *

Housekeeping & Announcements

Housekeeping & Announcements

- Meeting minutes
  - Dec and Jan meeting minutes will be posted soon, approved at March meeting
- Meeting schedule for 2026 posted – 2nd Thurs, 10 am – 12 pm
  - Register HERE
- Membership status
  - DOI will email members regarding current term prior to March meeting
- Updating Standard Operating Procedures & Rules of Order
  - Division will circulate revised version prior to March meeting

WELCOME

Christina Mulkey, DNP, APRN, AGNP-C

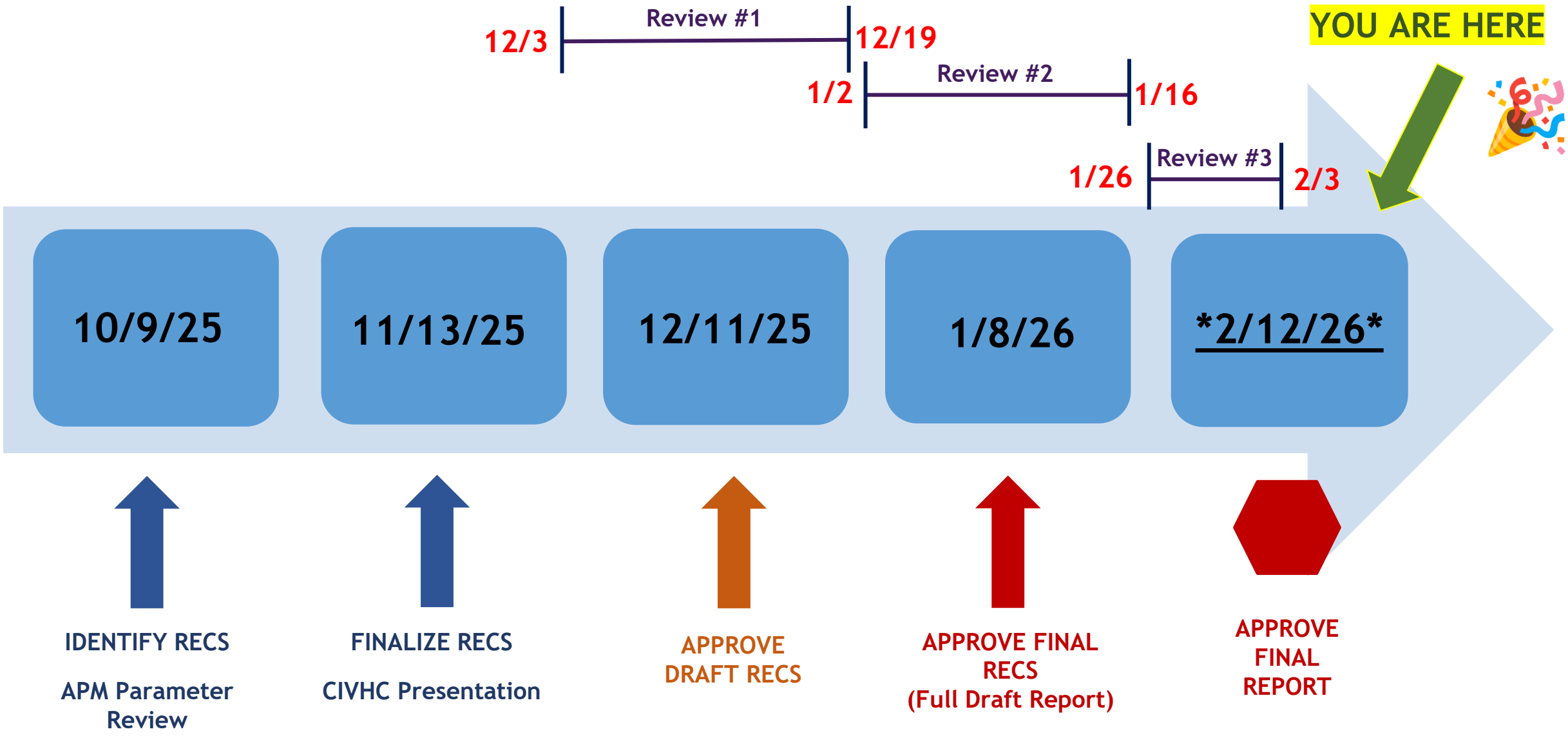
Practice Owner/Adult Gerontology Primary Care Nurse Practitioner
Geriatric & Family Medicine Associates

Risha Gidwani, DrPH, MA, BA

Visiting Associate Professor
Medicine-Health Care Policy Research
University of Colorado, School of Medicine

Report Recommendation Topics

Recommendations Report



Organizational Structure

Executive Summary	• Unique moment; two-part report
PCPRC Background	• Statutory charges • Operations (report process/voting, membership)
Introduction	• Current landscape
Part 1 & Part 2	• Payment • Comprehensive Primary Care Strategy
Conclusions	• Summation • Next steps

Introduction and Key Context

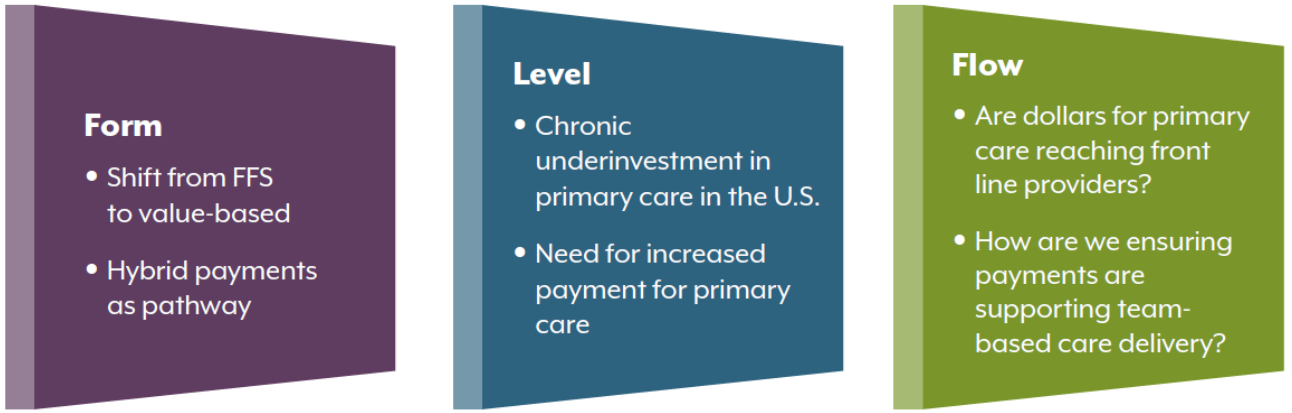
- Federal and state policy changes
  - Insurance eligibility – Medicaid, Medicare, Marketplace
  - Access to care – preventive and reproductive care, HSAs (DPC)
  - Provider fee in Colorado
  - Restrictions on immigrant work visas
  - Student loan caps
  - Federal data sources
  - Health system funding
- Investing in Primary Care
  - Urgency of moment
  - Two-part report: Payment and Comprehensive Primary Care Strategy

Update on Primary Care and APM Spending

- Total PC spending
  - Graph by line of business
- Value-based payment model spending
  - % of total medical and primary care expenditures
- Prospective spending
  - % of total medical and primary care expenditures
- Improving data quality
  - Clear definitions
  - Challenge with trends over time
  - Move to Expanded Framework
- Future priorities
  - Age bands – flow of resources to patient populations by age
  - Self-insured lives

Form of Payment

- Shift from FFS
  - Increase investment primarily through APMs
  - Payments must meet realities of current landscape
- Form of payment important in reducing administrative burden
- APMs must be intentionally structured and aligned across payers



Definitions:
- Team-based care
- Whole-person care and whole-family care
- Prospective payment

Form of Payment - Subsections

- Prospective Payments
  - Payments must be adequate, flexible and prospective
  - Considerations in total cost of care contracts (claw-backs)
  - Variation in form of payments structural as well as discretionary
- Payer alignment
  - Aligned parameters (Reg 4-2-96)
  - Advance Primary Care Management (APCM) and integrated behavioral health codes
  - Health First Colorado ACC 3.0
- Rural providers
  - Unique access and affordability challenges
  - Payer mix (implications of HR1)
  - Strategies to increase APM participation
  - Workforce – RHC and CHW
- Pediatric providers
  - Challenges with APMs
  - Reliance on Medicaid (implications of HR1)
  - Vaccines
- Safety net providers [definitions]
  - Key point of access in US and Colorado
  - Financial strain (implications of HR1)

Flow of Payment - Recommendations

Prospective Payments

- The Collaborative continues to advocate for prospective payment models that allow for flexibility in care delivery and provide revenue stability for providers.
- The Collaborative will continue to work with CIVHC and payers to better understand the scope and use of prospective payments in Colorado.

Payer Alignment

- The Collaborative reaffirms that multi-payer alignment is crucial to the success of APMs, and Colorado should continue to build on prior and ongoing work of payers and providers to advance high-quality, value-based care.
- The Collaborative supports the continued development and refinement of the aligned APM parameters established by the DOI through Insurance Regulation 4-2-96.
- The Collaborative would like to pursue opportunities to engage large self-funded employers in voluntary discussions regarding primary care investment, integration, and value-based payments to improve collaboration between public and private health care sectors that will ultimately benefit patients and health care delivery in the state.

Flow of Payment - Recommendations

Rural Providers

- The Collaborative recommends that payers consider the unique needs of rural providers, including Rural Health Clinics and Federally Qualified Health Centers in rural areas, in the design and implementation of APMs. Examples of such needs include:
  - Factors such as hospital closures and long travel distances may limit options for provider collaboration, and smaller patient panels in rural areas may make it challenging for providers to meet minimum attribution thresholds to participate in APMs.
  - Metrics used in rural APMs should account for the characteristics of rural patients, who have higher rates of chronic diseases, and rural care delivery, which often prioritizes comprehensiveness.
- The Collaborative encourages rural providers and payers to explore the formation of clinically integrated networks (CINs) in rural areas, which could support provider participation in APMs.
- The Collaborative strongly advocates for federal and state funding for rural primary care workforce education and training. This includes sustained funding for Colorado's Regional Health Connector Program and support for Community Health Workers as part of APM payment structures.
- The Collaborative recognizes the importance of analyzing primary care and APM spending data across different regions in Colorado to better understand geographic variances and identify potential gaps and will work with CIVHC to determine how this might be accomplished using current reporting mechanisms.

Flow of Payment - Recommendations

Pediatric Providers

- The Collaborative recommends that payers consider the unique needs of pediatric practices in the design and implementation of APMs. Examples of such needs include:
  - Payments must be structured to support preventive care, a hallmark of pediatric care that is ill-suited for models geared toward chronic care (such as shared savings);
  - Quality measures such as immunizations may be hard to meet in the face of increased vaccine hesitancy, and the confusion caused by federal changes in vaccine recommendations, which is further eroding trust in vaccines;
  - Pediatric APMs should include age ranges in their design; for example, PMPMs should be higher in the first three years of life to support the frequency of visits during this time; and
  - Current risk stratification methods, based on HCC, are not well suited for pediatric practices.
- The Collaborative is interested in exploring opportunities to partner with CDPHE and other stakeholders around vaccine education.
- The Collaborative encourages all payers, when possible, to align with strategies included in HCPF's ACC Phase III care delivery model that are designed to support pediatric practices, including:
  - Access stabilization payments, which support practices in delivering care and maintaining access for patients, families, and communities; and
  - Integrated behavioral health payments, which include a combination of FFS and PMPM payments.
- The Collaborative recognizes the importance of having primary care and APM spending data for different age bands to better understand the level of investment in pediatric care and will continue to work with CIVHC and payers to be able to stratify data that is currently collected by age.

Flow of Payment - Recommendations

Safety Net Providers

- The Collaborative recommends that payers consider the unique needs of safety-net providers in the design and implementation of APMs. Examples of such needs include:
  - CHCs and other safety net providers report substantial administrative burden in dealing with differing quality measures across payers and APMs. Quality measures and contracting approaches should be harmonized whenever possible;
  - Patient churn and loss of coverage pose special challenges for safety-net providers. If a patient loses coverage and is no longer attributed to a clinic, it limits the clinic's access to timely information and therefore its capacity to effectively manage the patient's care;
  - Community health centers are required by federal law to provide care for uninsured patients, yet any improved care or reduced costs for those patients aren't counted under value-based contracts and therefore don't result in shared savings.

- The Collaborative encourages government and payer investment in data infrastructure and staffing that will allow CHCs and other safety-net providers to identify, track, and efficiently manage the care of high-risk, high-cost patients.

Level of Payment - Subsections

- National data
  - Milbank Scorecard
  - Declines across all payer types
  - Less than half of PCPs receiving any revenue through value-based payments
- Colorado data
  - APCD data and methodology
  - Commercial spending ~8% of total medical spending
  - Decreases across all lines of business between 2023 and 2024

Level of Payment - Recommendations

- In a time of constricting resources, investment in primary care must remain a central priority for Colorado. Primary care plays a crucial role in health care access and affordability. As the one area of the health system where investment produces better health outcomes at a sustainable cost, it can and must play a fundamental role as the state navigates an increasingly challenging health care landscape.
- While tracking primary care investment is important, spending levels alone do not indicate success. Measures of access, utilization, and patient outcomes should be used alongside spending data to assess whether payment reforms are improving care delivery and population health.
- To better understand the level of investment needed to adequately resource, support, and sustain primary care, the Collaborative is interested in data and resources that can answer key questions, including (but not limited to):
  - What is the current level of financial stability/instability for primary care practices in the state?
  - How much are administrative burdens adding to the cost of running a practice and impeding patient access to care?

Flow of Payment - Subsections

- Continued interest in monitoring consolidation, market dynamics
  - Impacts on quality and cost of care (6th Annual Report)
  - Specific implications for patients, providers, and payers (6th Annual Report)
  - This year focusing on direct primary care (DPC) and soft consolidation trends, including ACOs and CINs
  - Need for research/data to better understand flow of payments to primary care providers

- Direct Primary Care [table, map]
  - Description of DPC
  - Data on DPC practices, participation
  - Inclusion in HR 1
  - Questions for continued exploration:
    - Access, affordability, quality of care, workforce

- Soft Consolidation [definitions]
  - Description of soft consolidation
  - Data on ACO /CIN participation
  - Benefits and challenges of ACOs/CINs
  - Implications for primary care payments
  - Areas of interest:
    - Prospective payments, data exchange, additional system disruptors

Flow of Payment - Recommendations

Direct Primary Care

- The Collaborative recommends continued monitoring of the DPC landscape, both nationally and in Colorado, to better understand not only the qualities and characteristics of practices and providers but also the reasons people and clinicians are turning to DPC.
- The Collaborative is interested in exploring strategies for payers to incorporate some of the principles of the DPC models into APMs, which ideally can maintain incentives for access and still drive population health changes.

Soft Consolidation

- Ensuring primary care investment reaches providers on the front lines is a shared responsibility across payers, providers, systems, and policymakers. Collaboration will be essential to achieving sustainable improvements.
- The Collaborative recommends establishing relationships and/or partnerships with ACO and CIN leaders who design the incentives and value-based payment models for their employed PCPs. Partnering with these leaders will facilitate greater alignment across payment approaches.
- To better inform recommendations and strategies for increasing investment in primary care, the Collaborative will continue to seek data from researchers, other states, payers, providers, health systems, and employers to better understand the following questions:
  - Where are patients getting primary care, and what is driving them to those sources?
  - How many providers in Colorado are independent versus system-owned or affiliated?
  - How much money in health systems is actually flowing to primary care providers on the front lines?

Comprehensive Primary Care Strategy

- Vision and goals
  - Primary care as a common good, instrumental in creating health communities
  - Strategy should create clear, shared understanding of current state of PC and support collective movement towards advanced primary care
  - Related to payment, should meaningfully involve all payers and support accountability to multi-payer alignment
  - Establish key goals regarding status state's PC system, and metrics to assess progress towards goals
  - Example goals
- Potential Partners
  - Diverse set of partners
- State Primary Care Scorecard
  - Data sources – state and national
  - Potential domains
    - Access and utilization
    - Financing and payment
    - Training and workforce
    - Performance and health outcomes
    - Practice readiness
    - Equity

Appendices

- Previous Report Recommendations
- Consolidation Trends in Health Care and Primary Care

Federal & State Updates

Federal Updates

- 2026 ACA Marketplace Open Enrollment - National
  - CMS - 1.28.26 Update

	2026	2025	Net Change
Total	22,973,219	24,166,491	(1,193,272)
New Consumers	3,382,189	3,938,907	(556,718)
Returning Consumers	19,591,030	20,227,584	(636,554)

Source: HMA's Take on 2026 ACA Marketplace Open Enrollment Snapshot

  - 2026 plan selections decreased by 5% from 2025
  - Enrollment pattern varied substantially across states
  - Data do not include effectuated or paid enrollment

State Updates

- 2026 ACA Marketplace Open Enrollment – Colorado
  - Connect for Health – 1.22.26 Update
    - Enrollment dipped 2% for plan year 2026
    - 277,228 Coloradans enrolled; 69% of customers receiving financial help to lower monthly premiums
    - Colorado Premium Assistance (CPA) program helped reduce monthly costs for many
  - Enrollment declined across several populations
    - New customers dropped by approximately 24% compared to last year
    - Customers ages 55 and older declined by 6%
    - Customers in rural communities decreased by 5%
  - Does not include final effectuation (payment of first premium)
    - 83% increase in number of people canceling plans compared to last year

Federal Updates

- Federal funding package signed Feb 3 to end partial shutdown
  - $1.3 trillion dollar package that provides full-year funding for federal government through end of year
  - 5 appropriation bills, split off funding bill for Dept of Homeland Security (DHS)
  - Includes $116.6 billion in discretionary funding for HHS
  - Finalizes extensions of the Medicare telehealth program and Acute Hospital at Home waiver
  - Introduces reforms for PBMs
    - Prevents PBMs from tying compensation in Part D to the list price of drugs
    - Boost price transparency for employers in their PBM contracts
  - Require Medicare Advantage plans to provide accurate provider lists to address “ghost networks”

Federal Updates

- Notice of Benefit and Payment Parameters Proposed Rule
  - Payment rule issued annually to adopt policies for exchange plans, risk adjustment program, and other ACA operational issues
  - Reversal of Biden-area policies as well as new policies
  - Expected to decrease market enrollment by 2 million people for 2027
  - HHS estimates overall 1.8% decrease in premiums (disputed)
  - Proposed changes “ambitious” in scope and scale; topics include:
    - Expanded access to catastrophic plans – allow individual over age 30 to enroll based solely on income
    - Elimination of standardized plans in federally facilitated marketplaces
    - Change rules related to defrayal of state-mandated benefits
    - Allow non-network plans (that do not rely on a contracted set of providers) to receive certification to be offered on exchanges if demonstrate a sufficient choice of providers available that accept benefit amount as payment in full
    - Reducing minimum percentage of Essential Community Providers from 35% to 25%

Federal Updates

- Calendar Year (CY) 2027 Advance Notice of Methodological Changes for Medicare Advantage (MA) Capitation Rates and MA and Part D Payment Policies
  - Released annually, proposes routine and technical updates to ensure MA and Part D payment accuracy
  - If finalized, projected to result in 0.09% increase in MA payments in CY 2027
  - Includes actions to address coding differentials between MA and Original Medicare, adjustments to risk adjustment models for MA and Part D models
    - Exclude diagnosis information from unlinked Chart Review Records (diagnosis information not associated with a specific beneficiary encounter)
    - Separate accounting for MA prescription drug plan and standalone prescription drug plan costs

Federal Updates

- CMS – ACO Announcement
  - As of Jan 2026, 14.3 million Medicare beneficiaries estimated to receive care coordinated by ACOs, up from 13.7 million in 2025 (4.4% increase)
  - Medicare Shared Savings Program (MSSP)
    - 134 applications approved for 2026 Performance Year, bringing total number of participants to 511 (up from 476 in 2025)
  - ACO REACH Model
    - 74 ACOs IN 2026 (125,909 providers and organizations, providing care to an estimated 1.7 million people) with Traditional Medicare
    - 28% decline in number of ACOs; 22% decline in number of providers; 32% decline in number of enrollees
- Primary Care Collaborative – PC Participation in ACOs Webinar
  - Webinar on Feb 24 at 11 am MT; register HERE
  - Explore potential strategies to improve primary care's participation in ACOs
  - Discuss approaches in MSSP, new LEAD model, and other pathways

State Updates

- Public health funding cuts
  - Colorado one of four states expected to lose federal public health and transportation funding
  - Centers for Disease Control (CDC) and US Dept of Transportation cancelling grants totaling over $1.5 billion due to concerns of “waste and mismanagement”
  - CDPHE expected to lose more than $22 million already award, $4 million in future funding
    - Expected to impact HIV program funding, access to PrEP
  - Colorado has joined lawsuit, asking for temporary restraining order
- 2026 Legislative Session
  - Started on Jan 14, 2026

State Updates

- Senate Bills
  - SB26-041: Consumer Protections Medical Care Entities
    - Modifies reporting requirements for health care entities involved in certain types of transactions, and requires providers to disclose specific information to patients
  - SB26-032: Promoting Immunization Access
    - Amends existing law and adds new provisions related to immunization access
  - SB26-008: Mental Health Access
    - Create an enterprise to impose a fee to fund mental health services and creating a program to facilitate access to mental health services for adults
  - SB26-006: Parity for Non-Opioid Pain Management Drugs
    - Requires parity for the use of non-opioid pain management drugs
  - SB26-017: Out-of-Network Health Insurance Dispute Resolution
    - Changes to out-of-network health-care services dispute resolution processes for health insurance carriers

State Updates

- House Bills
  - HB26-1002: Provider Participation in Health Insurance
    - Requires health insurance carriers to take steps to verify participation in, and to make updates to, their provider networks
  - HB26-1096: Colorado Medicaid Access to Primary Care Services
    - Would allow Colorado Medicaid members to access direct primary care services
  - HB26-1139: Use of Artificial Intelligence in Health Care
    - Establish requirements for entities that use an artificial intelligence system (AI system) or algorithm to conduct utilization management reviews, prevent use of chatbots for mental health services
  - HB26-1044: Measures to Improve Black Maternal Health Equity
    - Requires measures to improve equity in maternal health
  - HB26-1019: Kidney Screening Mandatory Preventive Coverage
    - Require coverage of kidney screening tests without cost-sharing

Priorities for 2026

2026 PCPRC Priorities

- How would reflect on your involvement and contributions to the PCPRC in the past year?
- How can the DOI/PCPCR co-chairs support your active participation/engagements in PCPRC meetings?
- What is most top of mind for you at this time in the primary care landscape? What are your goals for the coming year?
- Are there speakers, initiatives, research or articles that you would like to share/hear about at an upcoming meeting?

Potential Issues/Topics

- Impacts of HR 1
- AI in primary care
- Rural primary care
- CIVHC data
  - Prospective payments
  - Other - ?
- Financial stability/instability of primary care practices
  - Costs of administrative burden
- Engaging with self-funded employers
- Vaccine education
  - Partnering with CDPHE
- Impact of consolidation
- Flow of money
- Aligned APM parameters
- Measuring impact of investment

Aligned Primary Care APM Parameters

- What are the best mechanisms to facilitate the PCPRC's review of the aligned APM parameters?
- What are some key considerations for the aligned APM parameters (individually or collectively) in the short, medium, long-term?

Comprehensive Primary Care Strategy & Scorecard

NEXT STEPS ?

- Clarifying the goals
- Engaging with new/existing partners
- Starting with the scorecard (based on national & other states)
- Reviewing Colorado and national-based data sources
- Refining and selecting potential domains and metrics

Other thoughts? How can you contribute?

General Feedback

- What do you like best about the Collaborative, and/or makes it most effective? (What should we ramp up?)
- What do you like least about the Collaborative, and/or makes it less effective? (What should we dial back?)
- Anything else you would like to share?

Public Comment

Thank you!!