Primary Care Payment Reform Collaborative Meeting

September 18, 2025

Agenda

- Housekeeping & Announcements
- Strategies, Stakeholders, and Data
- Federal & State Updates
- Impact of Federal and State Changes
- Public comment

Meeting Goals & Requested Feedback

GOALS

- Reflect on presentations, discussions, identify priorities for report
- Brief update on federal & state activities
- Deep dive on impacts of changes in federal and state landscape

FEEDBACK

- Identify issues/topics for follow-up conversations, potential recommendations
- Priorities for ongoing monitoring
- What are next steps, actions in this space? Implications for this year's report?

* * Incorporate equity into discussion and recommendations * *

Housekeeping & Announcements

Housekeeping & Announcements

- Meeting minutes – approval of June and August meeting minutes
- Election of PCPRC Co-Chairs
  - 2 nominations: Rajendra Kadari & Cassie Littler
  - Informal group consensus vs. formal voting (Roberts Rules of Order)
- APM parameter review - October PCPRC meeting
  - 10/9, 10-11 am MT
  - HB22-1325 - Primary Care Alternative Payment Models
  - Surveys available by Sept 19
- Welcome Matt Voss at DOI!

Draft Schedule

APRIL

Updates & Priorities

MAY

Accountable Care Organizations

JUNE

Patient perspectives on primary care;
Engaging with employers;
Coordination with practice transformation initiatives

JULY

SUMMER BREAK

AUG

Data – sources, gaps;
CDPHE presentation;
Guest speaker(s) from VA, WA

SEPT

Comprehensive Primary Care Discussion

OCT

APM Parameter Review
Access – sources of care;
Flow of dollars

NOV

CIVHC Report/ Recommendations

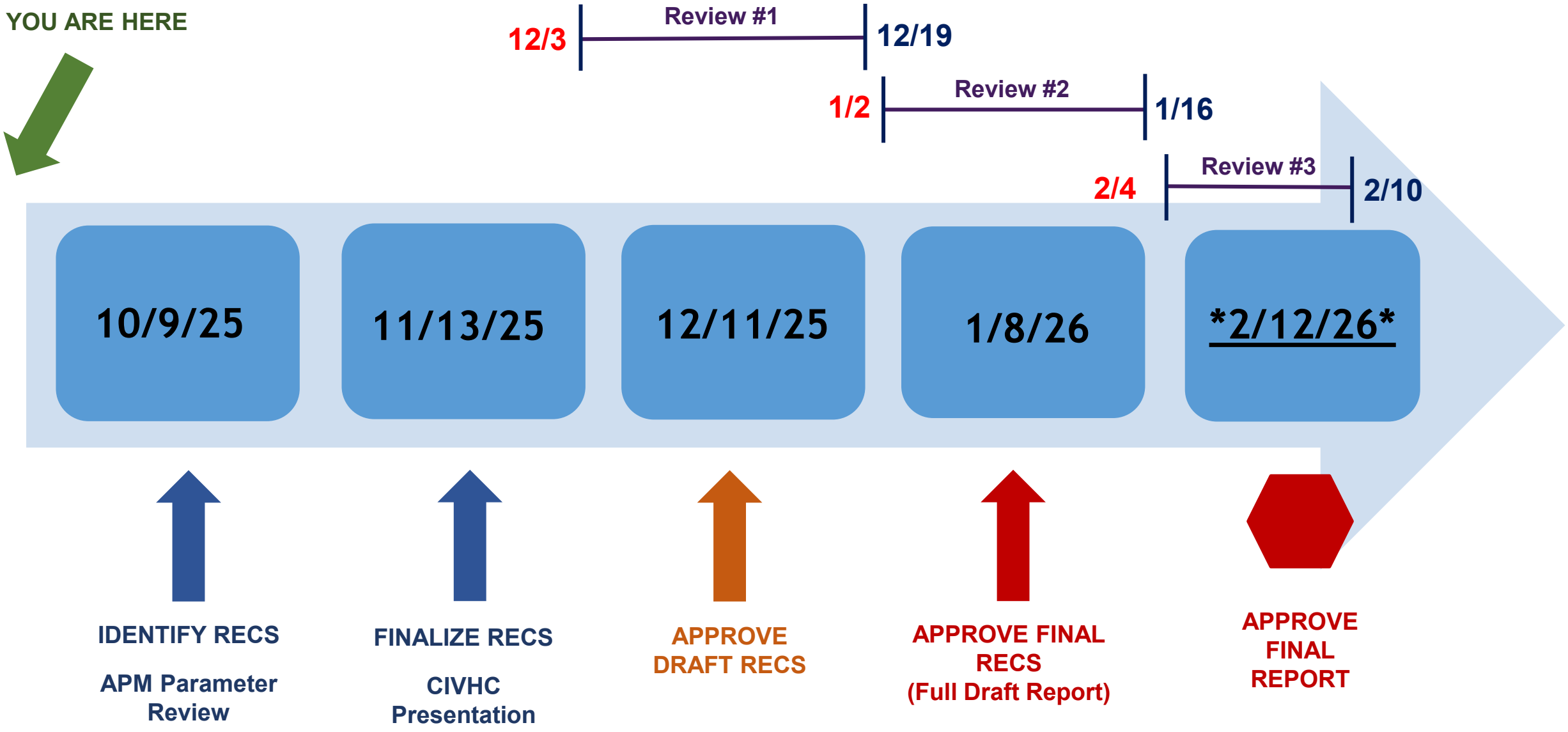
DEC

Draft Recommendations

*** * * DRAFT Proposal * * ***

Strategies, Stakeholders, and Data

Recommendations Report



§ 10-16-150, C.R.S.

- Consult with DPA, HCPF, and CIVHC
- Advise in development of affordability standards and **targets for investment in primary care**
- In coordination with CIVHC, **analyze the % of medical expenses allocated to primary care**
- Develop a **recommendation on the definition** of primary care
- Report on **current insurer practices and methods of reimbursement** that direct greater resources and investments toward innovation and care improvement in primary care
- Consider how to **increase investment in advanced primary care** without increasing costs to consumers or total costs of care

- **Identify barriers to the adoption of APMs** by health insurers and providers, develop **recommendations to address**
- Develop recommendations to **increase the use of APMs** that are not paid on FFS basis to:
  - Increase investment in advanced primary care delivered by practices that are PCMHs (state or national criteria) or have demonstrated ability to provide high-quality primary care
  - **Align primary care reimbursement** by all consumers of primary care
  - Direct investment toward higher value primary care services with an **aim toward reducing health disparities**
  - **Ensure models responsive to needs of pediatric providers**
- Develop and share best practices and technical assistance to insurers and consumers
  - **Aligning quality metrics** as developed in SIM
  - Facilitating **behavioral and physical care integration**
  - **Practice transformation**
  - The delivery of **advanced primary care** that facilitates appropriate utilization of services in the appropriate setting

HB19-1233

Legislative declaration

- A highly functioning health care system with a robust primary care foundation delivers quality health care at a lower cost;
- A primary care system with adequate resources would ensure delivery of the right care, in the right place at the right time
- The state of Colorado will achieve more affordable care and better outcomes by consistently measuring and sustaining a system-wide investment in primary care

Annual Report (§10-16-150(4), C.R.S.)

The Primary Care Payment Reform Collaborative shall publish primary care payment reform recommendations, informed by the Primary Care Spending Report prepared in accordance with Section 25.5-1-204 (3)(c). The Collaborative shall make the report available electronically to the general public.

First Annual Report - 2019

- Definition of primary care
  - Broad and inclusive definition, including diverse provider types under fee-for-service and APMs
- Primary care investment target
  - All commercial payers should be required to increase percentage of total medical expenditures (excluding pharmacy) allocated to primary care by one percentage point annually (for 2 years)
- Measuring the impact of increased primary care spending
  - State should identify and track short-, medium-, and long-term metrics that are expected to be improved by increased investment in primary care
- Investing in advanced primary care models
  - Increased investment should support adoption of models that build core competencies for whole person care
- Investing in infrastructure and through alternative payment models (APMs)
  - Increased investment should be offered primarily through infrastructure investment and APMs that offer prospective funding and incentives that improve quality

Second Annual Report - 2020

- Multi-payer alignment
  - Multi-payer alignment should build on prior/ongoing work of payers and providers;
  - Practices need common goals and expectations across payers;
  - Payer alignment improves efficiency, increases potential for change, reduces administrative burden
- Measuring primary care capacity and performance
  - Measures to evaluate APMs should be aligned across payers and reflect holistic evaluation of practice capacity and performance
- Measuring system-level success
  - Measures to determine impact of increased investment and use of APMs at systems-level should examine various aspects of care and value; quadruple aim
- Incorporating equity in the governance of health reform
  - Governance should reflect diversity of population of Colorado
- Data collection to address health equity
  - Data collection at plan, health-system, and practice-level should allow analysis of racial and ethnic disparities

Second Annual Report - 2020

SUMMARY OF PROPOSED MEASURES OF SUCCESS

Quality of Care	Cost of Care	Patient Experience	Provider Satisfaction
Disease management	Ambulatory-sensitive ED utilization	Patient satisfaction surveys	Provider and staff surveys
Preventive services	Ambulatory- sensitive hospitalizations	Perceived unfair treatment	Primary care provider to population ratio
Patient-reported health outcomes	Hospital readmissions	Patient-reported access to care	
Adoption of advanced care delivery models	Affordability for patients		
Proportion of covered lives in APMs & payments made through APMs			

Third Annual Report - 2021

- Guiding increased investment in primary care
  - Investment should be offered primarily through value-based payments and infrastructure investments, and should include prospective funding, provide incentives for improving quality, and improve accessibility and affordability of primary care services
- Centering health equity in primary care
  - Health equity must be a central consideration in the design of any alternative payment model, and value-based payment arrangements should provide resources to support providers and patients in achieving better care and more equitable outcomes
- Integrating behavioral health care within the primary care setting
  - A variety of effective models for the integration and coordination of behavioral health and primary care should be encouraged and supported through APMs and other strategies
- Increasing collaboration between primary care and public health
  - Increased investment in primary care should support collaboration with public health agencies to advance prevention and health promotion to improve population health

Fourth Annual Report - 2023

- Aligning quality measures
  - Quality measures should be aligned across payers to ensure accountability, standardization, and continuous improvement of primary APMs;
  - Aligned quality measure sets may include a menu of optional measures, to reduce administrative burden while still allowing for flexibility

- Improving patient attribution
  - Patient attribution methodologies for primary care APMs should be patient-focused, clearly communicated to providers, and include transparent processes for assigning and adding or removing patients from a practice's attribution list

- Improving risk adjustment
  - Incorporating social factors into risk adjustment models as a tool to advance health equity is essential to ensure providers have adequate support to treat high-need populations;
  - An evidence-base, proven social risk adjustment model is needed;
  - Additionally, increased transparency is needed around the components of current payer-level risk adjustment models

Fifth Annual Report - 2024

- Payment for behavioral health integration
  - Behavioral health should be intentionally supported as a key component of increased investment in primary care
- Workforce for behavioral health integration
  - Payers should support and incentivize clinician and nonclinician providers working as part of the care delivery team to holistically address whole-person and whole-family health needs
- Health-related social needs screening
  - Payers should support and incentivize clinical and nonclinician providers working on integrated care teams to conduct health-related social needs screening, referrals, and successful connections to needed services
- Medication-assisted treatment
  - Payers should support primary care providers and members of integrated care teams in offering medication-assisted treatment services through adequate payment that reflects the additional time and training needed to address complex patient needs

Sixth Annual Report - 2025

- Monitor impact of marketplace dynamics on Colorado's primary care practices
  - Marketplace dynamics that influence primary care practices, particularly consolidation and private equity investment, should be monitored in Colorado;
  - These dynamics have a direct impact on quality and cost of health care;
  - An understanding of marketplace trends is necessary to support PC workforce and inform future investment in PC infrastructure
- Promote ethical and equitable adoption of AI
  - New technology, including AI tools, should be thoughtfully adopted into PC setting;
  - Valid concerns about AI accuracy, impacts on practice workflow, and consent regarding the rapid adoption of this technology should be meaningfully addressed
- Evaluate progress of payment models in driving health equity
  - Payment models should drive meaningful actions to address health equity;
  - Includes incentivizing evidence-informed actions that improve quality of care and lead to reduction in disparate health outcomes;
  - Extentt to which payment models are successful in addressing disparities and directing quality improvements in health care should be tracked and used to inform model adjustments

Goals for 2025

This will be my first full year participating, so just getting a sense of the full process

- To further advance primary care investment goals/targets;
- Draw attention to access to care issues (especially in rural);
- Start to lay the regulatory framework for AI in health care;
- Create a comprehensive, statewide primary care strategy (possibly including a state-level scorecard)

Continue to influence how Primary Care is funded and resourced in Colorado

Ensure the PCPRC work continues and makes a difference for primary care in CO

Goals for 2025

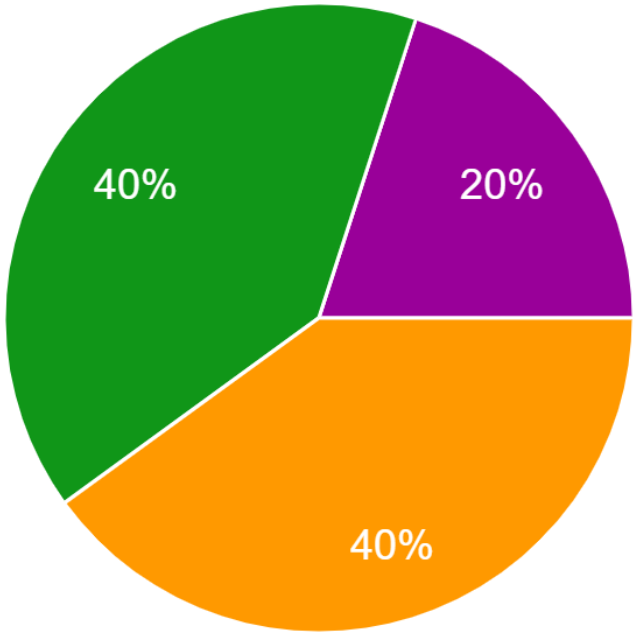
My goals for the PCPRC this year focus on ensuring that primary care payment reforms enhance affordability, maintain access, and promote value-based care without adding unnecessary costs or administrative burdens.

1. **Affordability & Sustainability** - Advocate for payment reforms that improve primary care investment while maintaining affordability for consumers and employers. We support sustainable models that do not drive-up premiums or impose unfunded mandates on health plans.
2. **Alignment & Consistency** - Promote alignment across stakeholders (payers, providers, policymakers) to avoid fragmented or duplicative initiatives. We seek consistency in quality measures, reporting requirements, and payment models to reduce administrative complexity.
3. **Value-Based Innovation** - Encourage reforms that advance value-based care models rather than fee-for-service increases. Our focus is on incentivizing high-quality, patient-centered care rather than simply increasing reimbursement.
4. **Data-Driven Decision-Making** - Support the use of transparent data to assess the impact of primary care investments. We advocate for data-sharing mechanisms that allow for meaningful evaluation of cost, quality, and patient outcomes.
5. **Equitable and Accountable Care** - Ensure that reforms promote equitable access to primary care while holding all stakeholders accountable for cost and quality improvements.

Key Issues/Topics - 2025

3) What issues or topics would you like to see the Collaborative address this year?

5 responses



- Measuring impact of primary care investment
- What makes an APM equitable
- Mapping primary care landscape in CO
- Flow of dollars - ACOs, FQHCs, IPAs, CINs
- Behavioral health integration

Key Issues/Topics - 2025

Where are patients getting primary care (i.e., health systems, independent practitioners, disruptors such as One Medical, HIMS/HERS, etc.) and how is that changing?

Flow of dollars - ACOs, FQHCs, IPAs, CINs

- Impact of federal policy changes on Colorado healthcare providers
- Medicaid enrollment declines with proposed budget cuts
- Workforce challenges
- MA shortages
- Streamlining value-based payment quality work that feels meaningful and lucrative
- Less burdensome, behavioral health integration

- All of the topics in #3 are important
- Artificial Intelligence
- Cuts to the Medicaid program
- Medicare Advantage
- Prior authorizations
- Tort reform

How to engage non-governmental actors in primary care reform initiatives

Priorities for 2025

As a PCPRC member, my top goal for 2025 is...

- Contribute often!
- Share new claims analysis
- Moving us toward the creation of a comprehensive PC strategy for the state
- Evaluate where patients get primary care across the state
- Build new research collaborations
- Listen, learn, collaborate so that we can move high quality primary care forward in Colorado.
- Monitor how funding for primary care changes with overall funding changes in new administration
- Focus efforts on growing primary care investment

Presentations

JUNE

- Patient perspectives on primary care
  - Patients place high priority on primary care
  - Generational differences
  - Concerns about affordability and access
- Employer/purchaser priorities and engagement
  - Movement away from fee-for-service, desire for advanced primary care
  - Bullish on direct primary care
  - Common definitions, leverage purchaser demands for advanced primary care
- Coordination/collaboration with practice transformation
  - Expand existing training opportunities
  - Build out multi-stakeholder engagement

AUGUST

- Virginia Task Force on Primary Care
  - Focus areas: clinician retention, payment policy, research, clinical care
  - Annual primary care spend report, primary care scorecard
- Washington State Primary Care Transformation
  - WA Primary Care Transformation Initiative
  - Primary Care Practice Recognition Program
  - HCP LAN focus areas
- Colorado Health Systems Directory
  - Primary care clinician data – geographic distribution, age, gender
  - Health care professional shortage areas
  - Claims analysis

Potential Report Topics

- Payment
  - Flow of dollars (landscape)
  - Market “disruptors”
  - Physician Fee Schedule
  - Aligned APM parameters
- Data
  - Assets
  - Gaps
  - Uses
- Comprehensive primary care strategy
  - Measure, track state of primary care, impact of increased investment & alignment efforts;
  - Ongoing cross-agency, multi-stakeholder collaboration
- Changes in federal landscape
  - Challenges & opportunities for primary care
- Other - ? ? ?

Federal & State Updates

Federal Updates – H.R. 1

- Key ACA Marketplace provisions
  - Bars automatic enrollment for subsidy-eligible consumers;
  - Imposes new verification requirements;
  - Eliminates access to premium tax credits for those using certain special enrollment periods;
  - Eliminates financial protection against premium tax credit claw backs;
  - Bans lawfully present immigrants (refugees, survivors of trafficking, domestic violence, and other serious crimes, etc.) from tax credits;
  - Allows bronze and catastrophic plans to be eligible for health savings accounts (HSAs);
  - Allows HSA reimbursement for direct primary care service arrangements;
  - Did **NOT** extent enhanced premium tax credits, currently set to expire Dec 31, 2025

Federal Updates – H.R. 1

- Key Medicaid provisions
  - New mandatory work requirements for many applicants/enrollees;
  - More frequent eligibility redeterminations for Medicaid expansion enrollees;
  - New copays for certain low-income enrollees;
  - New limits on retroactive coverage;
  - Bans lawfully present immigrants (e.g., refugees, survivors of trafficking, domestic violence, and other serious crimes, etc.) from enrollment
  - Restricts ways states can raise revenue for their share of program by freezing provider taxes, limiting state-directed payments, and modifying criteria use to assess certain healthcare-related taxes;
  - Prohibits federal Medicaid funds from flowing to Planned Parenthood for one year after enactment;
    - Lawsuit filed, injunction lifted pending ruling;
    - CO = ~14,000 members access in 62 of 64 counties; 5,000 have as PCP;

Federal Updates – HHS Actions

- Continuing Resolution
  - Without action, federal government shutdown would start October 1, 2025
  - House Republicans have proposed 7-week “clean” extension
  - Democrats introduced bill last night that would extend subsidies and reverse cuts to Medicaid
- Vaccines
  - HHS Secretary announced 5 new ACIP members
  - ACIP meeting happening today (now)

Federal Updates – Federal Rules

- Proposed CY 2026 Physician Fee Schedule Rule
  - Optional add-on codes for Advance Primary Care Management (APCM) services to facilitate behavioral health integrates or Collaborative Care Model services
    - 3 new G-codes to be billed as add-on services when APCM base code reported by same practitioner in same month
  - Separate conversion factors for qualifying APM participants (QPs) and non-QPs
    - QP conversion factor = +0.75% ($33.59); non-qualifying = +0.25% ($32.35)
  - Efficiency adjustment
    - Shift from using survey data to Medicare Economic Index (MEI) productivity adjustment percentage to calculate

State Updates

- Special Session to Address State Budget
  - August 21-26, 2025
  - **Fiscal**
    - SB25B-001
    - HB25B-1001, HB25B-1002, HB25B-1003, HB25B-1004
  - **Health care**
    - SB25B-002 State-Only Funding for Certain Entities
    - SB25B-005 Reallocate Dept of Natural Resources Wolf Funding to HIAE
    - HB25B-1006 Improve Affordability Private Health Insurance
  - **Food security**
    - SB25B-003 Healthy School Meals for All
  - **Artificial intelligence**
    - SB25B-004 Increase Transparency for Algorithmic Systems

HIAE Legislative & Budget Updates

HB25B-1006

COLORADO
Health Insurance Affordability Enterprise

Heading into the special session, the status of HIAE programs for plan year 2026 was:

- A reinsurance program with a 12% impact to reducing premiums (in previous years the impact was 20%).
- An on-exchange subsidy program consisting of a premium wrap of $50 for individuals up to 200% of the Federal Poverty Limit (FPL).
- An OmniSalud program with an enrollment cap of approximately 2,500 (which was an over 80% decrease from 2025).

The General Assembly met in special session from Thursday, August 21st - Tuesday, August 26th. House Bill 25B-1006 - Improve Affordability Private Health Insurance was passed by the legislature and signed into law by Gov. Polis on Thursday, August 28th.

HIAE Legislative & Budget Updates
HB25B-1006

COLORADO
Department of Regulatory Agencies
Division of Insurance

HB25B-1006 changed a number of policy and funding mechanisms related to the HIAE:

Policy Change Highlights

- OmniSalud plan design flexibility.
- Seeking input from individuals affected by Enterprise programs to inform recommendations.
- Annual budget reporting (beginning Feb. 2026).
- Performance audit of the HIAE (completed by 2027).

Funding Mechanism Change Highlights

- A one-time additional $10.26 million, subject to the HIAE's "waterfall" structure.
- *A one-time additional $100 million, not subject to the "waterfall", where up to:
  - $50 million towards reinsurance
  - $50 million towards on-exchange subsidies
  - $5 million towards OmniSalud
- A one-time transfer of up to $20 million in surplus between HIAE programs

*Effective only if federal ePTCs are not extended by Dec. 31, 2025 for plan year 2026.

HIAE Legislative & Budget Updates
SB25B-005

SB25B-005

Reallocate Department of Natural Resources Wolf Funding to Health Insurance Enterprise

Concerning a reallocation of funding from the division of parks and wildlife for the reintroduction of gray wolves to the Colorado health insurance affordability enterprise, and, in connection therewith, reducing an appropriation.

Bill Text Available Here: https://leg.colorado.gov/bills/sb25b-005

The passage of SB25B-005 - Reallocate Department of Natural Resources Wolf Funding to Health Insurance Enterprise allocated $264,268 to the HIAE. This bill was passed by the legislature and signed into law by Gov. Polis on Thursday, August 28th.

State Updates

- As a result of HB25B-1006
  - Reinsurance impact will be 20%
  - State subsidies, in the form of a premium wrap, will keep over 20,000 Coloradans covered
  - OmniSalud slots will increase from a projected 2,500 to ~6,700
- BUT- nearly 225,000 Coloradans and 20 million Americans depend on premium tax credits in the individual market; without an extension of enhanced PTCs:
  - Average premium increases will exceed 170% for marketplace customers in Colorado, with people in some rural counties facing increases of more than 300 percent
  - A family of four who have previously qualified, earning 400% of the federal poverty line ($128,000 per year on the Western Slope), will experience over $25,000 in premium increases for their coverage

State Updates

- COVID-19 Vaccines
  - CDPHE Public Health Order 25-01: Access to COVID-19 Vaccines
  - CDPHE Chief Medical Officer standing order
  - DOI Emergency Regulation 25-E-04

- HCPF Resources
  - Understanding the Impact of Federal Changes to Medicaid
  - Rural Health Transformation Program Fact Sheet

Public Comment

Thank you!!