

2022 Primary Care Spending in Oregon Report Executive Summary

October 2024

LINK TO REPORT:

https://visual-data.dhsoha.state.or.us/t/OHA/views/PCSR_2024_v2_1/Home?%3Aembed=y&%25

About this report

Primary care is the front line of Oregon's health care system. Research indicates that availability of primary care providers is associated with improved health outcomes, including reduced mortality rates, reduced rates of low birth weight and preventable hospitalizations, and better self-rated health status.¹

Senate Bill 231 (2015) and House Bill 4017 (2016) require the Oregon Health Authority (OHA) and the Department of Consumer and Business Services (DCBS) to report the percentage of medical spending allocated to primary care by the following health care payers:

- Prominent carriers, defined as health insurance carriers with annual health premium income of \$200 million or more.
- Health insurance plans contracted by the Public Employees' Benefit Board (PEBB) and Oregon Educators Benefit Board (OEBB).
- Medicaid coordinated care organizations (CCOs).

Senate Bill 934 (2017) requires health insurance carriers and CCOs to allocate at least 12 percent of their health care expenditures to primary care by 2023.

This [report](#) includes both claims-based and non-claims-based (i.e., not directly tied to the provision of health care services) payments made to health care providers in 2022. Data was obtained from OHA's All Payer All Claims Data Reporting Program (APAC).

The definition of primary care used in this report for several years does not include vaccinations or acute illnesses. This means spending related to COVID-19 is not included as primary care spending in this report.

¹ Shi L. The impact of primary care: a focused review. Scientifica. 2012 [cited July 19, 2021]; Available from <https://dx.doi.org/10.6064%2F2012%2F432892>



2022 Report Findings

CCOs and prominent carriers listed in this report spent \$2.0 billion on primary care in 2022. On average, commercial and PEBB and OEBC plans allocated a greater percentage of total medical spending to primary care than CCOs and Medicare Advantage plans.

- Commercial carriers' primary care spending averaged 11.5 percent of total medical spending.
- Medicare Advantage carriers' primary care spending averaged 13.9 percent.
- PEBB and OEBC carriers' primary care spending averaged 11.3 and 13.3 percent, respectively.
- CCOs' primary care spending averaged 15.0 percent.

The range of primary care as a percent of total medical spending varied among carriers.

Commercial carriers allocated from 6.9 to 19 percent of medical spending to primary care. Medicare Advantage plans allocated from 4.1 to 17.7 percent to primary care. PEBB plans allocated from 9.5 to 19.3 percent to primary care. OEBC plans allocated from 12.4 to 19.3 percent to primary care. CCOs allocated from 6.7 to 21.5 percent to primary care.

On average, non-claims-based payments made up a greater percentage of primary care spending by Medicare Advantage plans than by other payer types.

Non-claims-based payments, also known as non-fee-for-service, are payments to a health care provider not directly tied to the provision of health care services, which are intended to:

- Motivate efficient care delivery
- Reward achievement of quality or cost-savings goals, and
- Build health care infrastructure and capacity.

In total, more than 62.1 percent of primary care spending by Medicare Advantage plans was non-claims-based. More than 61.4 percent of primary care spending by CCOs was non-claims-based. Non-claims-based payments made up 45.8 percent of primary care spending for commercial carriers. Non-claims-based payments made up 36.4 and 41.7 percent of primary care spending for PEBB and OEBC plans, respectively. OHA's [Health Care Payment Arrangements report](#) has detailed information on payment arrangement spending.

Of non-claims-based primary care spending, pay for performance and foundational payments for infrastructure and operations were the most frequently used categories.

Many payers reported capitated payments and payments with shared savings. Other non-claims-based categories were less common.



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