

2023 Primary Care Spending in Oregon: Executive Summary

September 2025

Background

Primary care is the front line of Oregon's health care system. Research indicates that availability of primary care providers is associated with more equitable outcomes, lower total cost of care, and better quality of care, including lower mortality, fewer hospitalizations, and enhanced patient satisfaction.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. As required by SB 934, DCBS requires commercial carriers not meeting the 12% target at the time of annual rate filing to submit a plan to increase primary care spending by 1% per year. The same legislation directs OHA, starting with data measuring primary care spending in 2023, to require CCOs not meeting the 12% target to submit a plan to increase primary care spending by 1% per year.

PEBB, which administers benefits for state employees, continues to focus on investments in primary care, including timely preventive care. PEBB issued a Request for Proposal (RFP) for medical plans in September 2025, seeking partners that will continue to further the Board's goals of investment in primary care and prevention. Medical plans selected under this RFP will administer PEBB coverage beginning January 2027.

¹ Barbara Starfield, Leiyu Shi, and James Macinko, "Contribution of Primary Care to Health Systems and Health," *The Milbank Quarterly* 83, no. 3 (Sept. 2005): 457–502.
<https://www.milbank.org/quarterly/articles/contribution-of-primary-care-to-health-systems-and-health/>

This report includes both claims payments and non-claims payments made to health care providers in 2023.

Non-claims payments, also known as non-fee-for-service, are payments to a health care provider not directly tied to the delivery of health care services. Non-claims payments may be intended to:

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

However, it is not possible to determine for what purpose non-claims payments were made based on this data.

This report uses data 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.

2023 Key Takeaways

CCOs and prominent carriers listed in this report spent \$2.5 billion on primary care in 2023. Primary care spending averaged 14% of total medical spending by CCOs and prominent carriers.

- Commercial carriers' primary care spending averaged 13 percent of total medical spending.
- Medicare Advantage carriers' primary care spending averaged 15 percent.
- PEBB and OEBB carriers' primary care spending averaged 13 and 15 percent, respectively.
- CCOs' primary care spending averaged 15 percent.

The range of primary care as a percent of total medical spending varied among carriers. Commercial carriers allocated from 6 to 17 percent of medical spending to primary care. Medicare Advantage plans allocated from 4 to 34 percent to primary care. PEBB plans allocated from 11 to 17 percent to primary care. OEBB plans allocated from 13 to 17 percent to primary care. CCOs allocated from 6 to 24 percent to primary care.

In total, 75 percent of primary care spending by Medicare Advantage plans was non-claims payments. 68 percent of primary care spending by CCOs was non-claims payments. Non-claims payments made up 41 percent of primary care spending for commercial carriers. Non-claims payments made up 29 and 37 percent of primary care

spending for PEBB and OEBC plans, respectively. OHA's Health Care Value-Based Payment [report](#) has detailed information on non-claims payments.

2023 Primary Care Spending Report Dashboard

The Primary Care Spending Report dashboard received a major redesign to improve viewer experience and accessibility. The dashboard can be viewed here:

<https://www.oregon.gov/oha/HPA/ANALYTICS/Pages/Primary-Care-Spending-Dashboard.aspx>