Primary Care Value-based Payment Model

High-quality primary care is the foundation of the health care system, providing continuous, person-centered care for individuals, families, and communities. Paying for primary care through value-based payment (VBP) helps achieve this goal by:

- ✓ Rewarding providers for value of care, including improvements in quality, utilization and health outcomes
- ✓ Incentivizing prevention
- ✓ Promoting team-based care

Oregon Primary Care VBP Model

To achieve these benefits, Oregon payers and providers developed an all-payer primary care payment model which includes the following components:

1. **Prospective population-based payments** for a defined set of primary care services that are widely performed by primary care practices, represent a preponderance of primary care spending, and could potentially be overutilized in the traditional model of fee-for-service
2. **Fee-for-service payments for all other covered services** such as prenatal visits, end of life and advanced care planning, home visits and after-hours care
3. **Infrastructure per-member-per-month payments** that include: 1) a base payment tied to Patient-Centered Primary Care Home tier, and 2) additional payments for specific high-value services
4. **Performance-based incentive payments** based on an aligned set of quality measures

> The goal is for all practices contracted with a payer to participate in the model within three years

How does the model support the unique needs of all patients?

Risk adjustment is included in the model to account for the health status of different patient populations:
- Demographic risk adjustment at a minimum
- Clinical risk adjustment is optional

> OHA and partners are exploring opportunities to incorporate social risk adjustment

How does the model measure and reward quality?

- Practices are rewarded for both high performance on metrics relative to external benchmarks and for improvement over time
- Total eligible incentive payments are substantive (equal at least 10% of the value of annual projected practice service payments (population-based + fee-for-service))

- The aligned measure set will not exceed eight measures
- At least one measure focuses on equity

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What components of the model can support foundational infrastructure and operations for primary care practices?

- Per-member-per-month payment tied to PCPCH tier
- Additional payments, as agreed upon by the payer and practice, for specific high-value services such as:
    - Additional case management and care coordination for patients with higher levels of medical and social risk
    - Integrated behavioral health services not typically paid for by fee-for-service
    - Traditional health worker services
    - Integrated pharmacist services, such as medication consultations
    - Addressing health-related social needs (HRSN)
    - Infrastructure (technology and staff) to collect and use data on race, ethnicity, language or disability (REALD) and sexual orientation or gender identity (SOGI)

How does the model promote health equity?

- Supports practices to stratify quality metrics by race/ethnicity, such as with infrastructure payments
- Higher payments can be made to practices that serve patients with higher medical and social complexity
- Infrastructure payments can be made that address HRSN and/or promote health equity
- To protect against unintended adverse consequences of VBP, payers can incorporate strategies to identify and respond when practices are withholding or limiting care or making too many specialty, urgent care and ED referrals

What resources are available to support model implementation?

- A new VBP Toolkit provides information and support to encourage provider and payer entry into VBP models https://orhealthleadershipcouncil.org/vbp-toolkit/
- Details for implementing the primary care VBP model are in the Toolkit

To connect or learn more

OHA and partners want to support payers and providers to implement the model. Interested in implementing the model? Contact Summer Boslaugh, summer.h.boslaugh@oha.Oregon.gov