



IMPROVING MINNESOTA'S INVESTMENT IN PRIMARY CARE

Understanding Health Care Spending in Minnesota

Primary care, when given the appropriate infrastructure and support, delivers **better health, better care and lower costs.**

(Primary Care Collaborative, 2020)

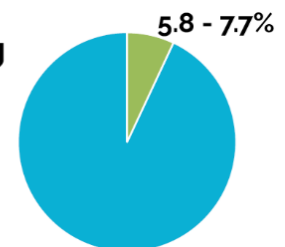
The Problem

Our health care system's current fee-for-service payment model isn't working. Health care costs are high and unaffordable for many Minnesotans, and primary care—*taking care of the whole patient*—is not valued.

- **In the U.S., spending on office visits to primary care providers continues to decline** (Patient-Centered Care Collaborative, 2019). This pattern of spending runs counter to the goal of meeting patient needs in a manner that contains or reduces costs and also increases the primary care workforce shortage by incentivizing non-primary care specialties.
- **Fee-for-service rewards provision of more services versus efforts to prevent patients from getting sick in the first place**, overvaluing procedures/interventions and undervaluing management of chronic conditions, prevention and wellness care.

U.S. Health Care Spending

- Other Health Care Spending
- Primary Care Spending



graph source: <https://www.pcpcc.org/topic/primary-care-investment>
(accessed 1/9/22)

References:

Primary Care Collaborative. (2020) Primary Care Investment. Retrieved from: www.pcpcc.org/topic/primary-care-investment

Patient-Centered Primary Care Collaborative. (July 2019) Investing in Primary Care: A State-Level Analysis (Executive Summary). Retrieved from: www.pcpcc.org/resource/investing-primary-care-state-level-analysis.

Minnesota Department of Health Office of Rural Health and Primary Care. (2017) Overview of the Physician Workforce 2017. Retrieved from: www.health.state.mn.us/data/workforce/phy/docs/2017pchartbook.pdf

The Solution

We need to embrace a value-based delivery and reimbursement model, which recognizes *the importance of population health through chronic disease management, preventive health services and addressing health disparities.*



Improving Minnesota's Investment in Primary Care

Our Next Steps

To improve health care payment models and Minnesota's investment in primary care, **we first need to understand the whole picture of health care spending in our state.** Currently, Minnesota only collects claims data, which misses all non-claims based payments, including value-based payments, infrastructure costs, care coordination and other patient support services.

HF 3696 will do the following:

- **Require payers to annually submit non-claims, value-based payment data** to the Minnesota Department of Health (MDH).
- **Require MDH to report Minnesota's current claims and non-claims data and the state's investment in primary care.**
- **Conduct interviews with health plan companies and third-party administrators** to better understand the types of non-claims based payments in use and their goals.

These actions will give policymakers a **clearer, more comprehensive picture of Minnesota's health care spending.** Only with the whole picture can we begin to set a vision for a payment system that is value not volume based, **with a focus on keeping Minnesotans healthy while also addressing health disparities and improving cost efficacy.**

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What Is Primary Care?

"[It] is the provision of integrated, accessible health care services by clinicians who are accountable for:

- *addressing a large majority of personal health care needs*
- *developing a sustained partnership with patients and*
- *practicing in the context of family and community."*

– Institute of Medicine

Primary care includes **preventive health services, mental health care, treatment for common illnesses** and **chronic disease management.**

Family physicians provide comprehensive primary care across the lifespan, serving as the entry point for most of a patient's health care needs and helping coordinate care with other specialists.

About the Minnesota Academy of Family Physicians

Representing **more than 3,100 family physicians, family medicine residents and medical students**, the Minnesota Academy of Family Physicians (MAFP) is a state chapter of the American Academy of Family Physicians (AAFP) and the largest physician specialty organization in Minnesota.