

Vermont  
Medical  
Society



Let's Make  
primary  
care  
a Vermont priority!

## Why primary care?

High-quality primary care provides comprehensive person-centered, relationship-based care that considers the needs and preferences of individuals, families, and communities.

Primary care is unique in health care in that it is designed for everyone to use throughout their lives—from healthy children to older adults with multiple comorbidities and people with disabilities.

[Click here for the full VMS 2021 Draft Policy Prioritizing Primary Care](#)

Significant investment in primary care is critical to maintaining access to affordable, quality health care in Vermont



### Medicaid Payments

Increase to 100% of the 2022 Medicare rate



### Primary Care Spend

Increase to 12% of Vermont's total health care spending



### Payment Reform Support

Increase primary care engagement in payment reform



### Workforce

Ongoing funding for primary care scholarships and increased loan repayment



### Prior Authorization

Reduce administrative burden, specifically prior authorizations

*"I am a former dairy farmer now practicing family medicine in my home town of Newbury, Vermont for the past 8 years. I serve mainly low-income families in a small private practice that focuses on family health and education, team-work and preventative care. We manage on a shoe-string for a budget, but love what we do. I am the only physician and have two medical assistants and one person doing full-time billing/insurance work. I hope my patients and I still have a functioning clinic in the coming years. Your advocacy for primary care is critical." - Melanie Lawrence, MD, MS, Newbury Health Clinic, Newbury, VT*

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**Medicaid  
Payments**

## Background

Primary care and particularly independent primary care in Vermont, is stressed in a number of ways – financially, administratively, and subject to severe workforce shortages. While this is not new to the COVID-19 pandemic, the pandemic has exacerbated the extreme challenges facing independent primary care practices. COVID-19 has placed primary care under additional pressure between higher costs for labor and supplies; a decline in visits as Vermonters stayed home and put off routine care; and higher demand for services that are not paid for such as screening for COVID testing needs and vaccine advice. Telemedicine has been a lifeline for both practice sustainability and patient access to care, yet it has not filled the gaps entirely. Vermont's experience is mirrored in national data. National reports show that as of mid-2020, 8 percent of physicians nationally had closed their practices as a result of COVID-19. 22 percent of those were in primary care; the majority (76 percent) were private practice owners or partners, while 24 percent were employed by a hospital or medical group.

Despite the availability of federal relief funding, several independent primary care practices in Vermont also announced closure over the pandemic. Temporary funding streams cannot cover the gradual erosion of a number of other payments for primary care – such as cuts to the Medicaid's Primary Care Case Management Program in 2018 and reductions in vaccine administration fees in 2019, 2020 and 2021.

## Proposal

- **Increase Medicaid primary care payments:**
  - Support Medicaid's update to its Resource-Based Relative Value Scale (RBRVS) Fee for Service (FFS) Fee Schedule to match 100% of the 2022 Medicare Physician Fee Schedule and implement Medicare's E/M coding changes.
- **All payers to reimburse at 100% of in-person rates for audio-only telehealth services**
  - Coverage by Medicaid, Medicare and commercial insurers of all medically necessary, clinically appropriate health care services delivered by audio-only telephone and for such services to be paid for at the equivalent rate to in-person services.

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**Primary  
Care Spend**

## Background

People in countries and health systems with high-quality primary care enjoy better health outcomes and more health equity, yet in the United States primary care is under resourced, accounting for 35 percent of health care visits while receiving only about 5 percent of health care expenditures nationally.

A 2020 report by the Green Mountain Care Board (GMCB) and the Department of Vermont Health Access (DVHA) determined that in Vermont, the percent of 2018 health care spending on primary care (claims-based and non-claims-based) was 10.2% overall, ranging from 24.3% for Medicaid, 9.2% for commercial payers to 6.5% for Medicare.

States that have mandated an increasing minimum percentage of health care dollars be spent on primary care services have achieved an increased investment in primary care, to over 12% in both Rhode Island and Oregon. Oregon's primary care spend requirement has been coupled with the creation of a primary care transformation office in state government.

## Proposal

- **Increase percent of commercial payer spending on primary care services:**
  - Commercial insurers to raise their "primary care spend figure" by 1 percentage point per year until the percent of spending reaches 12% of overall spending, without adding to overall premiums and to not be accomplished through FFS increases.
- **Increase percent of Medicare spending on primary care services:**
  - Green Mountain Care Board and Agency of Human Services when and if negotiating a longer-term extension of Vermont's All Payer Model Agreement to require that Centers for Medicare and Medicaid Services/Medicare increase its percent of spending on primary care services over time.

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**Payment  
Reform Support**

## Background

Evidence shows that the dominant fee for service payment mechanism, in combination with the process CMS uses to set relative prices for primary care and other services in the Physician Fee Schedule, continues to devalue primary care relative to its population health benefit, resulting in large and widening gaps between primary care and specialty care compensation.

Fee for service payments can create barriers for primary care practices to move away from a biomedical, disease-focused model to one that addresses people's expressed needs and preferences, includes individuals and families more in their care, and responds to the multitude of factors that impact health, including the context of the community.

Primary care initiatives in Vermont are decentralized between the Agency of Human Services, Department of Vermont Health Access, Blueprint for Health, Vermont Department of Health Office of Rural and Primary Care, Green Mountain Care Board (GMCB) and the GMCB Primary Care Advisory Group, OneCare Vermont and their population health, prevention and pediatric committees, primary care specialty societies and more.

## Proposal

- **Increase Upfront Investments to Support Practices Participating in Payment Reform:**
  - New participants in OneCare's Comprehensive Payment Reform program, or other new payment reform models, receive additional funds (per member-per-month payments or one-time investments) to support the operational costs and resources necessary to make a smooth transition to value-based payment and practice redesign. This could support additional care coordination staff, quality improvement project support, and helping to take action on data opportunities. Funding to come from American Rescue Plan Act funds or Vermont's Global Commitment for Health 1115 Waiver with CMS.
- **Primary Care Leadership:**
  - Support the creation of a Chief Medical Officer of Primary Care position at the Green Mountain Care Board, who shall be responsible for coordinating efforts to evaluate, monitor and implement solutions to strengthen primary care delivery in Vermont.

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**Workforce**

## Background

Numerous reports have highlighted the workforce challenges facing primary care, from an aging workforce to an increasing cost of medical education to frozen federal dollars for graduate medical education and burnout among existing clinicians.

In Vermont, primary care FTEs per 100,000 population decreased from 80.2 to 69.6 between 2008 and 2018, 31% of primary care physician are over age 60 and 15% are planning to retire or reduce hours in Vermont within 12 months.

On October 15th, 2021 the Agency of Human Services submitted their [Health Care Workforce Development Strategic Plan](#) to the GMCB.

## Proposal

- **Workforce:**
  - Support ongoing state funding for new VT Area Health Education Center (AHEC) Scholars Medical Student Incentive Scholarship for Larner College of Medicine third-year and fourth-year medical students launched in summer 2021 but only funded for two years.
  - Increase funding for Vermont's loan forgiveness programs (such as AHEC)
  - Continue conversations with Congressional delegation, academic medical centers, legislature and other stakeholders regarding opportunities for new/expanded family practice residency program slots and qualification for National Health Service Core slots.
  - Work with the University of Vermont Larner College of Medicine and other local medical schools to support, promote, and encourage interest in medical students choosing primary care as their medical specialty.
  - Support the workforce strategies AHS recommends in the 2021 Health Care Workforce Development Strategic Plan.

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**Prior  
Authorization**

## Background

In the summer of 2017, the GMCB conducted a Clinician Landscape Survey of over 400 Vermont clinicians to assess overall morale and the factors affecting providers' decisions to practice in hospital or independent settings. The results revealed that regardless of the employment setting or area of specialization, "paperwork, billing and administrative/regulatory burden" were among the most frequently cited sources of provider frustration and threat to practice success.

For every hour of physicians' clinical face time with patients, nearly 2 additional hours are spent on desk work – a recent time study revealed that during the office day, physicians spent 27.0% of their total time on direct clinical face time with patients and 49.2% of their time on EHR and desk work.

Despite a 2018 consensus statement on improving the prior authorization (PA) process jointly drafted by the American Medical Association, American Health Insurance Plans, BCBS Association and the American Hospital Association, 85% of physicians surveyed since the statement still report the burden associated with PAs as high or extremely high.

## Proposal

- **Reduce administrative burdens:**
  - Participate in stakeholder processes created in Act 140 of 2020 and plan further advocacy based on report outcomes:
    - Department of Financial Regulation report due January 15, 2022 regarding how EHRs can better streamline prior authorization through embedded, real-time tools.
    - GMCB report due January 15, 2022 regarding how the All Payer Model (APM) can align and reduce prior authorizations.
    - Gold card pilot programs must be implemented by commercial payers by January 12, 2022 with a report due to the legislature by January 15, 2023.
    - DVHA to report to the legislature by September 30, 2021 on prior authorization waiver pilot program and opportunities for expansion.