

Primary Care Spending in the Commercially Insured Population

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Background

Research suggests that primary care is associated with more timely receipt of care, fewer preventable emergency department visits and hospital admissions, and lower risk of overtreatment. Given the benefits of primary care, several policy and payment model reforms focus on expanding access to primary care providers and routine and preventive health care services. We calculated the percentage of total medical and prescription drug spending accounted for by primary care among individuals with employer-sponsored insurance (ESI) over time.

Methods

Study Design and Population

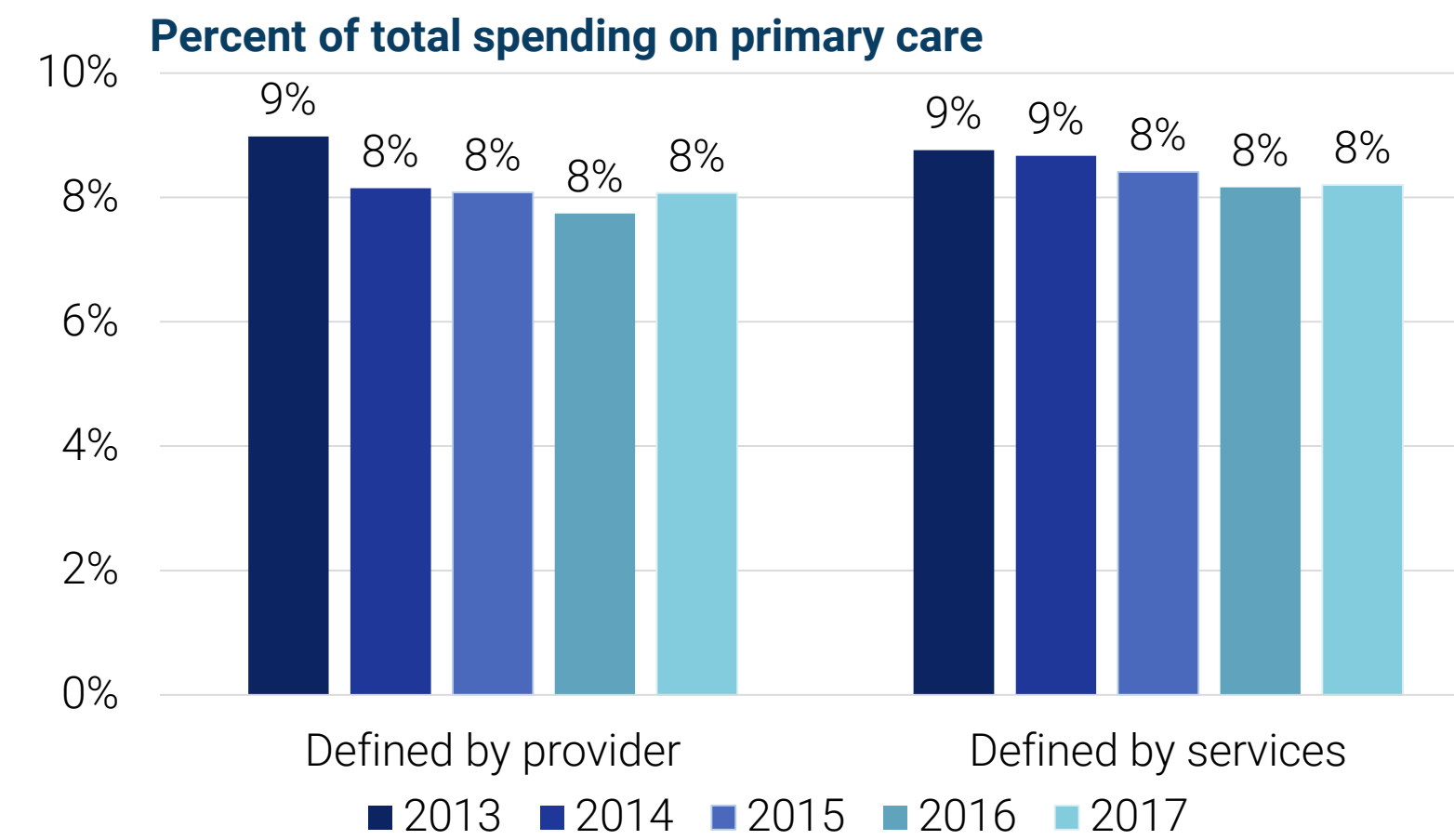
- We analyzed claims in the Health Care Cost Institute (HCCI) database for individuals ages 0-64 with ESI from 2013 to 2017; approximately 11.6 million individuals were included in the analysis annually
- Individuals were included if they had medical and prescription drug coverage for 12 months in a given year and had positive health care spending in that year
- We calculated the utilization and percentage of total medical and prescription drug spending accounted for by primary care, using two definitions

Primary Care Definitions

- By Provider:** The share of spending accounted for by primary care providers (PCPs), defined as providers with a specialty of family practice, geriatric medicine, gynecology, internal medicine, pediatrics, preventative medicine, physician assistant, or nurse practitioner indicated on at least 50% of their professional services claims; hospitalists were excluded
- By services:** The share of spending on primary care services, including evaluation and management visits, preventative medicine and vaccination administrations, counseling and care planning, and other related services

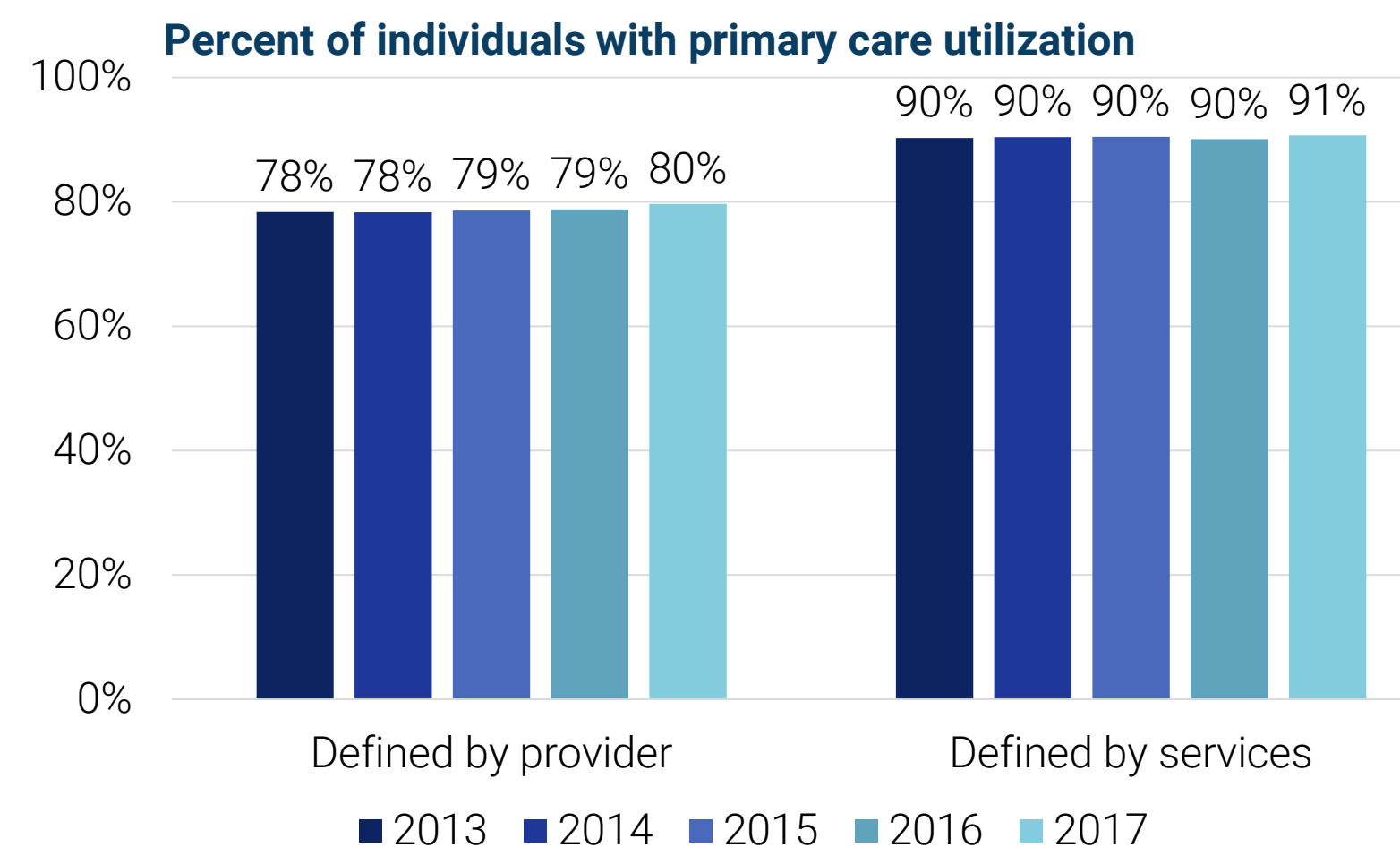
Percent of spending on primary care declined

- Under the provider definition, primary care spending declined from 9.0% to 8.1% of total spending
- Under the services definition, primary care spending declined from 8.8% to 8.2% of total spending



Utilization of primary care increased

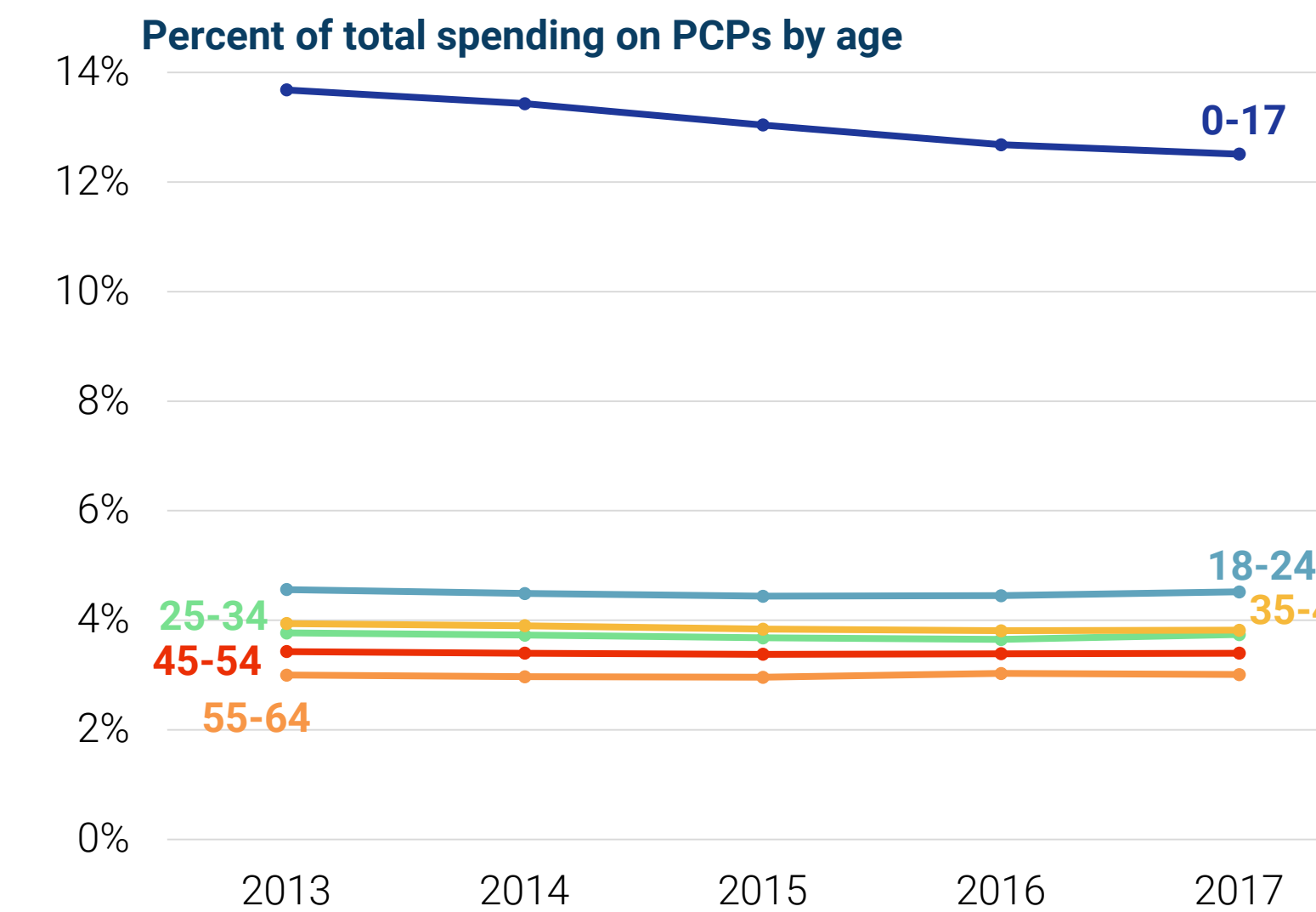
- To better understand if the decline in spending was due to lower utilization, we calculated the percent of individuals with an interaction with a PCP and those with at least one primary care service
- For both measurements, utilization increased slightly



Results

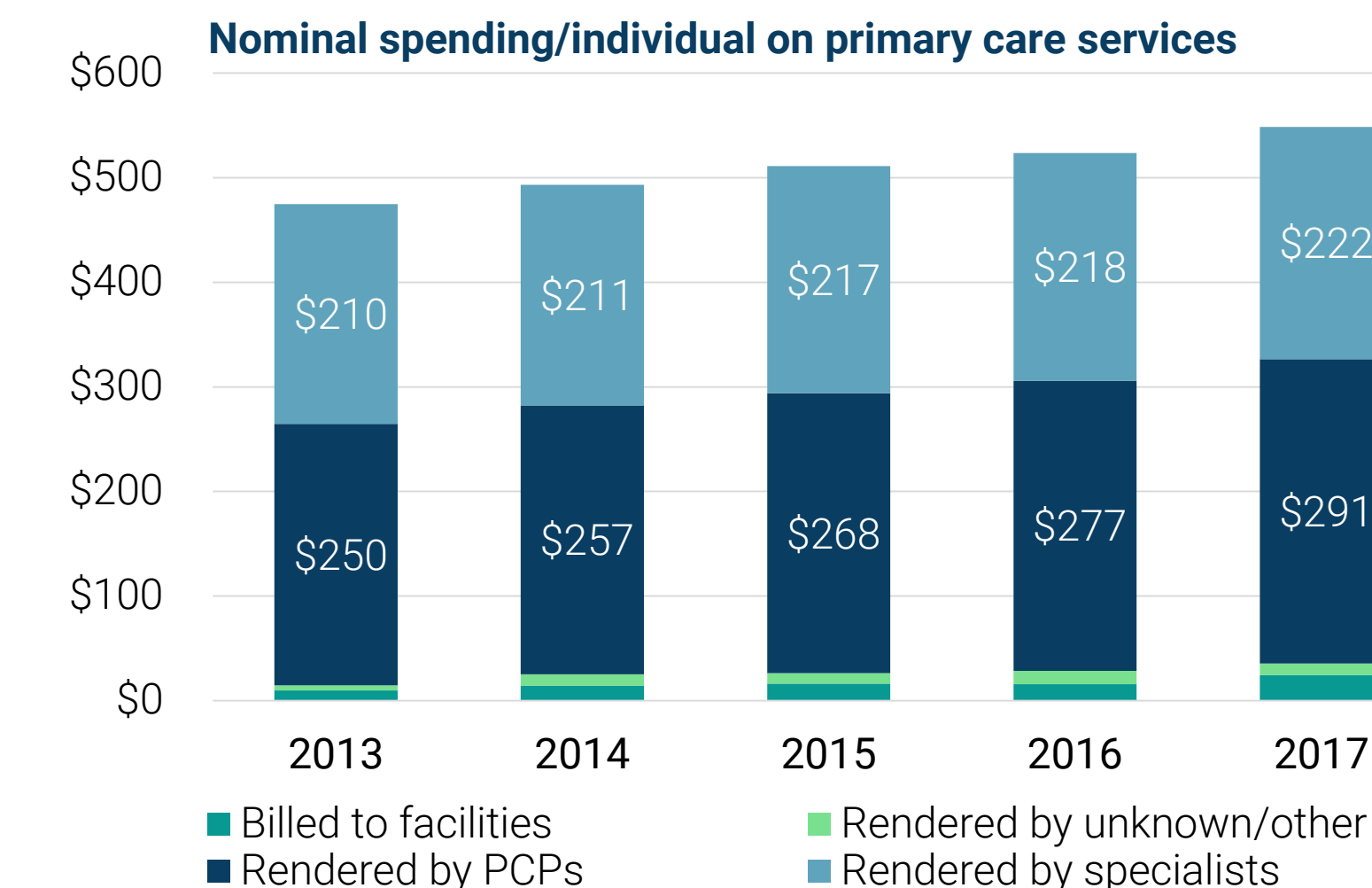
Percent of spending on PCPs varied by age

- Children had the highest percentage of spending on PCPs, declining from 13.7% in 2013 to 12.5% in 2017



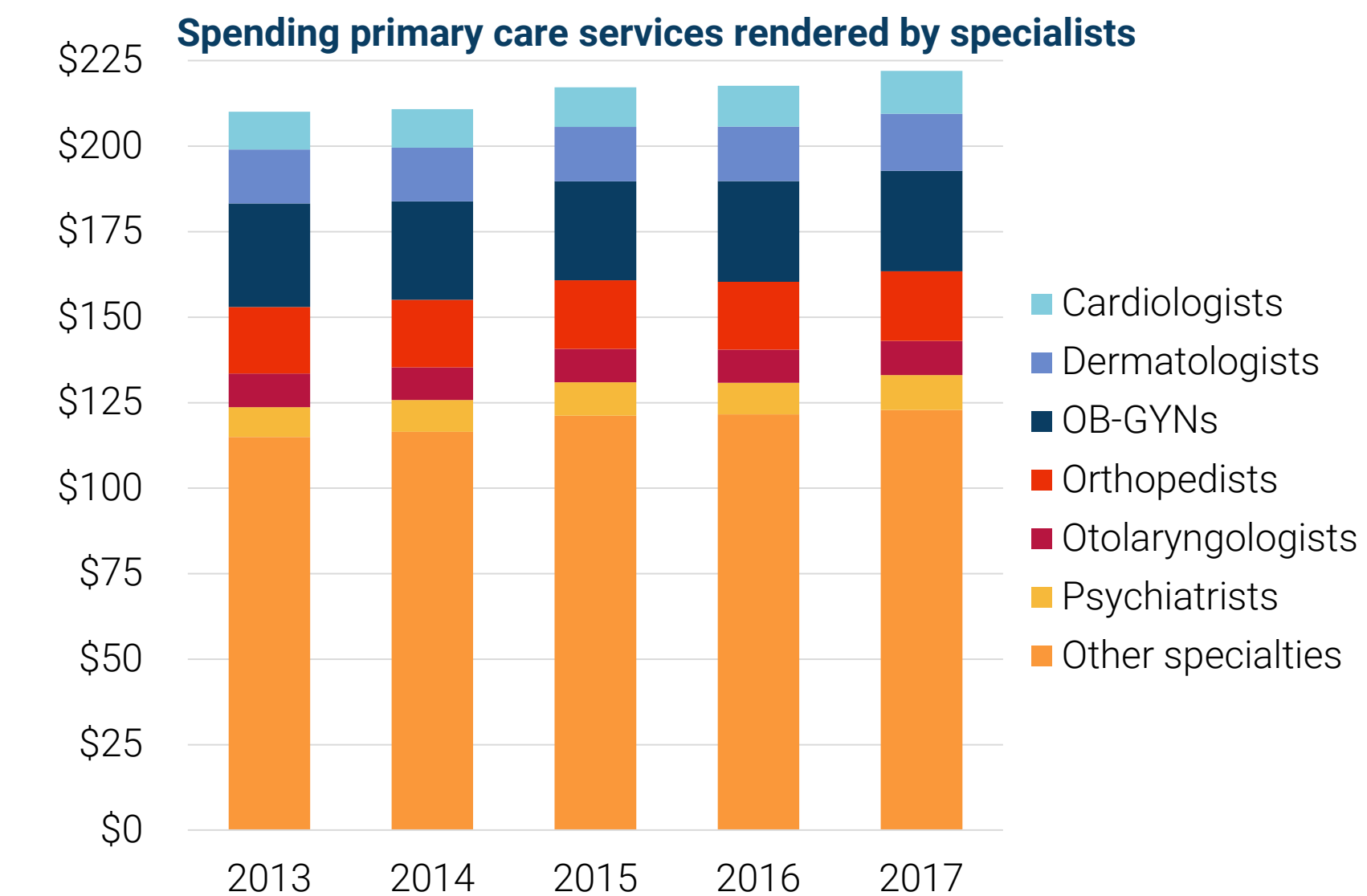
Dollars spent on primary care services increased

- The nominal spending per individual on primary care services increased annually from 2013 to 2017
- PCPs accounted for a steady share of this spending, at around 52.5% annually



Primary care services diffused among specialties

- The top six specialties accounting for a similar share of spending per person on primary care services rendered by specialists, at around 45% annually



Discussion

- The percentage of health care spending declined as utilization increased, indicating that spending on non-primary care providers and services increased at a faster rate
- Despite policy and payment model reform focusing on allocating more resources to primary care, we've seen a decline in the percentage of total healthcare spending on these providers and services
- Understanding the use of primary care, as both a set of providers and services, can inform policy makers and clinicians of how best to use these resources.