



December 16, 2022

Owen Foster, Chair  
Green Mountain Care Board  
144 State Street  
Montpelier, VT 05602

Dear Chair Foster:

This letter is submitted as a follow-up to our presentation at the Primary Care Landscape Panel Discussion held on October 26, 2022. As we had presented, Primary Care Health Partners has 31,000 active patients in the State of Vermont. We are the largest employer of independent primary care physicians in the State with offices in northern and southern counties covering adult medicine, family medicine, and pediatrics.

It is important to note that as an independent group of practitioners, we are not associated with a hospital nor are we a federally qualified health center. Our revenue consists primarily of fee for service payments from insurance carriers and capitation received from OneCare. We are not eligible for cost-based Medicaid reimbursements available to other entities. We also do not receive donations as they would not be considered tax-deductible.

Despite limitations in the sources of revenue, independent practices provide high quality care at a lower cost; in fact, one might argue too low given the historical challenges in obtaining rate increases from payers. Preserving the independent practice model is important in recruiting practitioners to the state who seek professional satisfaction in owning their own practice. However, the lack of adequate reimbursement throughout the years has taken its toll on independents. In the years after we emerged from Kaiser Permanente in 2000, we lost several practices to hospitals and FQHCs. While perseverance is a key attribute to succeed as an independent, there is a point where many practitioners must surrender instead opting for the higher compensation and salary guaranties of the other operating models. Prior to the development of OneCare's Comprehensive Payment Reform (CPR) program, we would describe our future as dismal at best.

The acronym CPR was appropriate. OneCare recognized that independent primary care practices needed life saving measures. **Had it not been for CPR, it is likely several of our practices would not exist today.** Without an adequate revenue stream, we would need to accept that perseverance alone is not enough to survive.

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We believe OneCare's CPR program has been one of the greatest innovative care models aimed at preserving independent primary care in the state. We have had the opportunity to stand alongside senior leadership from our state's hospitals as we discuss transformative ways to expand primary care while reducing hospital utilization. These discussions are collaborative, not adversarial. OneCare's leadership, recognizing the need to stabilize and expand primary care, has been at the forefront in spearheading this effort.

While OneCare has been an advocate for primary care, that advocacy comes with the understanding of the need for accountability. As stewards of the state's healthcare dollars, OneCare has identified the need to evaluate the return on investments. A recent example can be seen in the evolution of the CPR program where payments will be tied to actions taken to support mental health within the primary care setting. While we all appreciate the critical need to invest in mental health, that investment is being coupled with accountable measures.

It is our sincere desire that the Green Mountain Care Board supports OneCare's efforts in the ongoing development of the CPR program especially considering its mission to stabilize and expand primary care. It is a business-critical revenue stream for our practices. Losing this revenue would simply add to other formidable challenges our practices face, some of which were reviewed during the panel discussion.

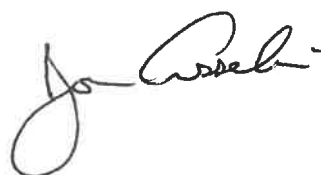
The most significant contributors to these challenges are the rising cost of employee health insurance and the lack of accessible loan forgiveness programs. As we outlined during our presentation, the historical increases in premiums for health insurance far outpaced the minimal increases in reimbursements we receive from the commercial insurers. This has made it difficult to impossible for us to recruit and retain qualified staff. It seems to ensure adequate healthcare for all Vermonters, it is essential that there be affordable health insurance for the healthcare workforce. Additionally, in regard to loan forgiveness programs, the matching requirements in existing programs make this an unaffordable option for us to use in recruiting practitioners.

We greatly appreciate the opportunity to have presented to the GMCB and appreciate the time taken in reviewing this letter. We would certainly welcome any questions you or other members of the GMCB may have.

Sincerely,



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