

## Understanding the Impacts of State Efforts to Increase Primary Care Spending

Evaluates policies designed to increase primary care investments in four states (Colorado, Delaware, Oregon, and Rhode Island) to build evidence that may help additional states improve access to, and the quality of, primary care.

## **Study Overview**

**Problem:** A small share of U.S. healthcare spending (estimated between 2% and 7%) goes towards primary care. Some states are adopting policies to increase primary care spending with the goal of improving access to primary care, improving quality of care, and potentially slowing the growth of total healthcare spending. Colorado, Delaware, Oregon, and Rhode Island have each enacted legislation or regulations to raise spending on primary care—primarily by requiring insurers to raise the percentage of their total healthcare spending that goes to primary care. To date, there remains limited evidence on the impact of these efforts, even as multiple other states are actively considering similar ways to invest in primary care.

**Main Objective:** To measure the impact of increased primary care spending in four states on primary care continuity, quality of care, and total healthcare utilization and spending.

**Background:** The research team previously conducted an evaluation of the 2010 Rhode Island model for increasing primary care spending. It found that Rhode Island's effort led to slower total healthcare spending growth, while quality measures were unaffected or improved. However, this was driven largely by caps on hospital price growth, as opposed to the primary care spending itself. Effects on quality of care and use of high- and low-value care are unknown, and results on longer-term spending remain unevaluated.

**Approach:** The research team is using public and private insurer claims data to investigate changes in spending, utilization, and quality associated with the primary care investments in Delaware, Colorado, and Oregon. The team's evaluation of Rhode Island will be extended to understand longer-term spending impacts and expanded to study changes in care utilization and quality. The study will use newer statistical methods for matching and weighting within a quasi-experimental design to more effectively isolate the impacts of the policy changes. The team will also examine spillover effects to understand how investments in primary care by commercial insurers affect care for patients covered by Medicare and Medicaid.

**Results:** Findings are forthcoming and will be shared in future publications, which will be posted here.

## **Primary Care Relevance**

Findings from this study can help policymakers in additional states design effective legislation to increase primary care spending with the goal of improving the quality of care and reducing overall healthcare spending.

1. Baum A, Song Z, Landon BE, Phillips RS, Bitton A, Basu S. Health care spending slowed after Rhode Island applied affordability standards to commercial insurers. Health Aff (Millwood). 2019 Feb;38(2):237-245. doi: 10.1377/hlthaff.2018.05164.



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