CONNECTICUT
Health Strategy

Primary Care Spend Target Initiative
2022 Performance
A Report Pursuant to C.G.S. 19a-754h

Deidre S. Gifford, MD, MPH
Executive Director

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Acronym Glossary

APCD	All-Payer Claims Database
DSS	Department of Social Services
FFS	Fee-for-service
FQHC	Federally Qualified Health Center
OHS	Office of Health Strategy
THCE	Total healthcare expenditures
TME	Total medical expense

Acknowledgements

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Authors

Christopher Romero-Gutierrez, Bailit Health

Caitlin Otter, Bailit Health

January Angeles, Bailit Health

Grace Flaherty, Bailit Health

Michael Bailit, Bailit Health

Contributors

Olga Armah, OHS

Cindy Dubuque-Gallo, OHS

Tina Hyde, OHS

Krista Moore

Hanna Nagy, OHS

Alexander Reger, OHS

Lisa Sementilli, OHS

Update History

This report updates the previous version published on May 13, 2024, by incorporating more recent data submitted by UnitedHealthcare, resulting in changes to both UnitedHealthcare's and Aetna's performance.

Section 1: Introduction

A robust and well-supported primary care system is crucial to the health and well-being of Connecticut residents. Accessible, high quality primary care is critical for initial patient contact, ongoing health maintenance and care coordination. Greater availability of primary care services increases access to preventive screenings, wellness visits, and routine care and is associated with better health outcomes and improved quality of care.[1,2,3,4] Investments in primary care can also lead to cost reductions by decreasing the need for more expensive services, including emergency department visits, inpatient care, and outpatient procedures.[5,6,7]

Connecticut experiences challenges in primary care investment and availability, although it fares better than some other states. In 2021, 18 percent of adults in Connecticut reported lacking a usual source of care, compared to the national average of 29 percent.[8] Connecticut has a larger- than-average

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[1] Chang, C.-H., Stukel, T. A., Flood, A. B., & Goodman, D. C. (2011). Primary Care Physician Workforce and Medicare Beneficiaries' Health Outcomes. JAMA:. https://doi.org/10.1001/jama.2011.665

[2] Shi, L. (2012). The Impact of Primary Care: A Focused Review. Scientifica, 2012, 432892. https://doi.org/10.6064/2012/432892

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[4] Basu, S., Berkowitz, S. A., Phillips, R. L., Bitton, A., Landon, B. E., & Phillips, R. S. (2019). Association of Primary Care Physician Supply With Population Mortality in the United States, 2005-2015. JAMA Internal Medicine, 179(4), 506–514. https://doi.org/10.1001/jamainternmed.2018.7624

[5] Kravet, S. J., Shore, A. D., Miller, R., Green, G. B., Kolodner, K., & Wright, S. M. (2008). Health care utilization and the proportion of primary care physicians. The American Journal of Medicine, 121(2), 142–148. https://doi.org/10.1016/j.amjmed.2007.10.021

[6] Phillips, R. L., & Bazemore, A. W. (2010). Primary care and why it matters for U.S. health system reform. Health Affairs (Project Hope), 29(5), 806–810. https://doi.org/10.1377/hlthaff.2010.0020

[7] Jabbarpour, Y., Coffman, M., Habib, A., Chung, Y., Liaw, W., Gold, S., Jackson, H., Bazemore, A., & Marder, W. D. (n.d.). Advanced Primary Care: A Key Contributor to Successful ACOs. Milbank Memorial Fund. Retrieved March 5, 2024, from https://thepcc.org/sites/default/files/resources/PCPCC%202018%20Evidence%20Report.pdf

[8] Milbank Memorial Fund. (n.d.). The Health of US Primary Care: 2024 Scorecard Data Dashboard. Retrieved March 5, 2024, from https://www.milbank.org/primary-care-scorecard/

primary care workforce relative to its population, with 148 primary care clinicians per 100,000 people, compared to a nationwide average of 112 primary care clinicians per 100,000 people.[9]

One way of measuring primary care investment is to examine the percentage of total medical spending that is spent on primary care services. In an analysis of All-Payer Claims Databases across six New England states (Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont), Connecticut ranked fourth out of six in the share of commercial market medical payments for primary care services, at 5.3 percent. [10,11] In the Medicare Advantage and fee-for-service markets, Connecticut had the lowest proportion of total medical payments on primary care services among the five states for which data were available, at 4.7 and 2.8 percent respectively. This analysis underscores Connecticut's notably lower investment in primary care services across both commercial and Medicare markets compared to its neighboring states.

Access to primary care in Connecticut is not equally distributed. In 2022, Hispanic residents in Connecticut were five times more likely, and Black residents twice as likely, compared to White residents, to report not having a personal doctor.[12] From 2016 to 2021, areas in Connecticut with fewer social and economic disadvantages had approximately 148 primary care clinicians per 100,000 people, in contrast to only 103 primary care clinicians per 100,000

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[9] Ibid.

[10] NESCSO's narrow definition included selected claims payments for general practice, family medicine, pediatrics, internal medicine, nurse practitioner, and physician assistant, but excludes OB/GYN services.

[11] Slusky, R., Conrad, C., Drummond, J., Finison, K., McGraves-Lloyd, K., Spaulding, J., Huffman, D., Nicolella, E., Block, R., & Jones, C. (2020). The New England States' All-Payer Report on Primary Care Payments. New England States Consortium Systems Organization and Onpoint Health Data. https://nescso.org/wp-content/uploads/2021/02/NESCSO-New-England-States-All-Payer-Report-on-Primary-Care-Payments-2020-12-22.pdf

[12] KFF. (n.d.). Adults Who Report Not Having a Personal Doctor/Health Care Provider by Race/Ethnicity. Retrieved March 5, 2024, from https://www.kff.org/other/state-indicator/percent-of-adults-reporting-not-having-a-personal-doctor-by-raceethnicity/

people in areas facing higher levels of social and economic disadvantages (see **Table 1**). This disparity is much wider than that observed at the national level, where areas with fewer social and economic disadvantages had 112 primary care clinicians per 100,000 people compared to 100 per 100,000 people in areas with higher levels of social and economic disadvantages. This gap spans multiple primary care occupations, including physicians, nurse practitioners, and physician assistants.

Table 1: Primary Care Workforce in High-Deprivation Areas Compared to Low-Deprivation Areas[13]

Connecticut/ National	Primary Clinicians Per 100,000 People for Areas Above the Median Social Deprivation Index	Primary Clinicians Per 100,000 People for Areas Below the Median Social Deprivation Index	Gap between Higher and Lower Social Deprivation
National	112	100	12
Connecticut	148	103	45

Disparities in access to primary care in Connecticut may contribute to disparities observed in health outcomes and quality of care. For example, Black and Hispanic residents are more likely to experience diabetes-related complications, as well as face higher rates of hospitalization and emergency

[13] The Social Deprivation Index assesses social and economic disadvantages within communities, including the prevalence of poverty, employment rates, educational attainment, and other factors. The index correlates strongly with health outcomes (source: Butler, D. C., Petterson, S., Phillips, R. L., & Bazemore, A. W. (2013). Measures of Social Deprivation That Predict Health Care Access and Need within a Rational Area of Primary Care Service Delivery. Health Services Research, 48(2 Pt 1), 539–559. https://doi.org/10.1111/j.1475-6773.2012.01449.x).

department visits due to asthma.[14] Although these disparities are influenced by a variety of factors, access to primary care and the role of primary care clinicians in managing chronic diseases play a substantial role.[15]

Recognizing the potential of primary care to reduce healthcare costs, enhance quality of care, and reduce disparities, Governor Lamont signed Executive Order #5 in January 2020. The Executive Order tasked the Office of Health Strategy (OHS) with setting annual targets to increase primary care spending, to reach a target of 10 percent of total medical expenses by 2025. The primary care spending target, or "target", is one of multiple Connecticut initiatives aimed at containing healthcare costs, enhancing transparency of healthcare spending and improving healthcare quality and equity.

This report presents the results of OHS' analysis of 2022 Connecticut primary care spending, including performance against the 2022 Connecticut target of at least 5.3 percent of total healthcare spending on primary care. The results are presented at the state level, by market (Medicare, Medicaid, and commercial), and for each insurer. Please note: the primary care spending analysis utilizes updated data from the payers in their most recent submission. This led to some differences in the previous year's report.

[14] Becker, A. L. (2020). Health Disparities in Connecticut: Causes, Effects, and What We Can Do. Connecticut Health Foundation. https://www.cthealth.org/wp-content/uploads/2020/01/Health-disparities-in-Connecticut.pdf

[15] Reynolds, R., Dennis, S., Hasan, I., Slewa, J., Chen, W., Tian, D., Bobba, S., & Zwar, N. (2018). A systematic review of chronic disease management interventions in primary care. BMC Family Practice, 19(1), 11. https://doi.org/10.1186/s12875-017-0692-3

Section 2: Assessment of Performance Against the 2022 Primary Care Spending Target

In 2020 OHS charged a Primary Care advisory body, comprised of clinicians, patients and others with relevant expertise, with setting interim primary care spending targets as a percentage of total healthcare spending. With the goal of reaching 10 percent of total healthcare spending on primary care in 2025, the advisory body recommended a target value of 5.3 percent for 2022.

For the purpose of assessing performance against this target, primary care spending includes claims-based payments, using a procedure code-level definition, and non-claims-related payments, such as infrastructure investments and value-based payments made to:

- doctors of medicine, doctors of osteopathic medicine, nurse practitioners, and physician assistants that practice (or when practicing) primary care; and
- for care delivered at a primary care site of care, defined as a primary care outpatient setting (e.g., office, clinic or center), Federally Qualified Health Center (FQHC), or via telehealth when delivered by a primary care clinician who practices in a primary care outpatient setting or FQHC.[16]

To assess performance against the target, OHS uses data submitted by payers through the Cost Growth Benchmark program. Primary care spending is assessed as a percentage of total medical expenses (TME), excluding long-term care.[17] This section presents state, market (commercial, Medicare

[16] OHS excludes primary care delivered at urgent care centers, retail pharmacy clinics and via stand-alone, third-party telehealth vendors because although such care settings may provide a quick alternative for patients to access primary care-focused services, they are not aligned with Connecticut's definition of high-quality, comprehensive primary care because they don't provide comprehensive, continuous care, including for chronic conditions; coordinate care across multiple provides and may not share data across care settings.

[17] This definition of Total Medical Expenses differs from that of the cost growth benchmark (assessment against the cost growth benchmark includes long-term care). OHS excluded

Advantage and Medicaid) and insurer performance against the 2021 and 2022 primary care spending targets.

Primary Care Spending as a Percentage of Total Medical Expenses

The following primary care spending for 2021 and 2022 against the respective targets of 5.0 percent and 5.3 percent, at the state, market, and individual insurance carrier levels.

State Primary Care Spending

Statewide primary care spending in 2022 reached $1.05 billion, an increase from approximately $1 billion in 2021 (see **Table 2**). On a per person per month basis, primary care rose modestly to $30 in 2022 from $29 in 2021.

Table 1: Total Statewide Primary Care Spending and Per Person Per Month

Year	Total Statewide Primary Care Spending	Statewide Primary Care Spending Per Person Per Month
2021	$995,572,927	$29
2022	$1,056,133,091	$30

Data Source: OHS collected data from insurance carriers and the Connecticut Department of Social Services (DSS).

In 2022, statewide, primary care spending accounted for 4.9 percent of all medical spending, falling short of the 5.3 percent target and showing a marginal increase from 4.8 percent in 2021 (see **Figure 1**). Spending across markets also had modest fluctuations in spending, discussed in more detail below.

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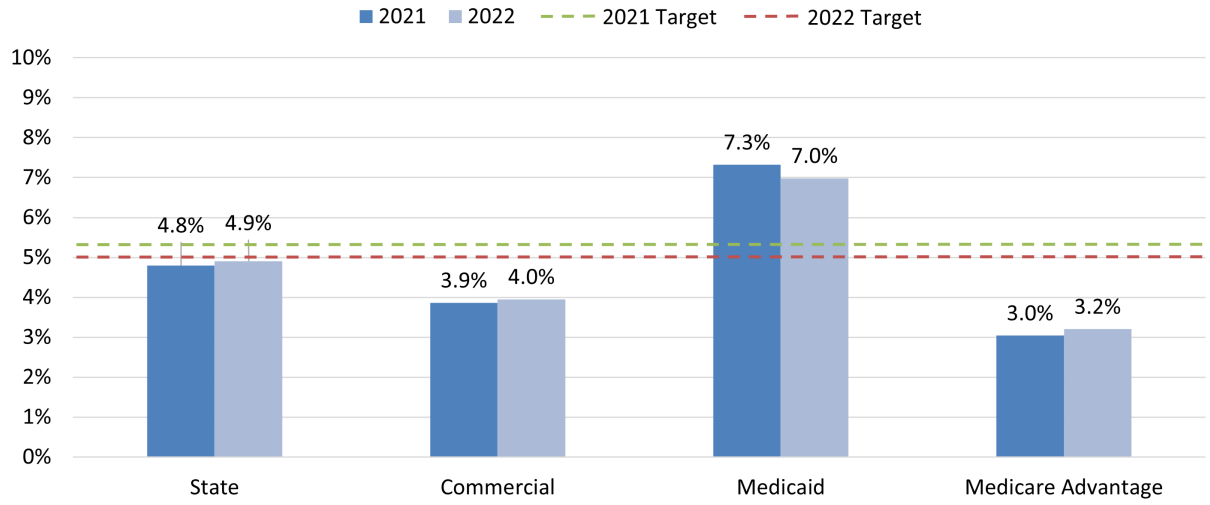
long-term care services from TME for the primary care spending calculation to make calculations across commercial, Medicaid and Medicare markets comparable, since only Medicaid covers long-term care and long-term care is a source of significant Medicaid expenditures. This approach is consistent with the methodology used by six New England states (Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island and Vermont) measuring primary care spending.

Figure 1. State and Market Primary Care Spending as a Percentage of Total Medical Expense



Data Source: OHS collected data from insurance carriers and from the Connecticut Department of Social Services (DSS).
Notes: Data are not risk adjusted. Data are net of pharmacy rebates. Data include commercial, Medicare Advantage and Medicaid FFS spending. TME includes all of the spending categories captured for the cost growth benchmark, less long-term care.

Primary Care Spending by Market

Connecticut's **commercial market** primary care spending in 2022 accounted for 4 percent of overall spending, falling below the target (see **Figure 1**). Commercial primary care spending increased to $503 million, up slightly from $495 million in 2021 (see **Table 3**). On a per person per month basis, primary care spending in the commercial market rose to $26, an increase from $25 in 2021.

Table 2. Total Commercial Primary Care Spending and Per Person Per Month

Year	Total Commercial Primary Care Spending	Commercial Primary Care Spending Per Person Per Month
2021	$494,619,698	$25
2022	$502,839,349	$26

Data Source: OHS collected data from insurance carriers.

The Connecticut **Medicaid market** allocated 7 percent of total healthcare spending to primary care, meeting the 5.3 percent target (see **Figure 1**). Medicaid aggregate primary care spending totaled $388 million, up from

$365 million in 2021 (see **Table 4**). However, per person per month spending on primary care decreased from $27 per person in 2021 to $26 per person in 2022. While the share of Medicaid's per person spending on primary care decreased to 7.0 percent in 2022, it is above the current benchmark.

Table 3. Total Medicaid Primary Care Spending and Per Person Per Month

Year	Total Medicaid Primary Care Spending	Medicaid Primary Care Spending Per Person Per Month
2021	$365,235,907	$27
2022	$387,945,411	$26

Data Source: OHS collected data from the Department of Social Services (DSS).

Primary care spending in Connecticut's **Medicare Advantage market** accounted for 3.2 percent of total healthcare spending in 2022, falling short of the 5.3 percent target for primary care spending (see **Figure 1**).[18] Spending on primary care within the Medicare Advantage market increased to $165 million, marking a substantial rise from $135 million in 2021 (see **Table 5**). On a per person basis, primary care spending in the Medicare Advantage market increased to 3.2 percent in 2022, up from 3.0 percent in 2021.

Table 4. Total Medicare Advantage Primary Care Spending and Per Person Per Month

Year	Total Medicare Advantage Primary Care Spending	Medicare Advantage Primary Care Spending Per Person Per Month
2021	$135,717,322	$35
2022	$165,348,332	$40

Data Source: OHS collected data from insurance carriers.

[18] OHS is unable to include Medicare FFS primary care spending in this report due to the lack of availability of 2022 data.

Primary Care Spending by Insurance Carrier

For the **commercial market**, OHS collected data from four carriers: Aetna Health and Life ("Aetna"), Anthem Blue Cross and Blue Shield ("Anthem"), Cigna, ConnectiCare, and UnitedHealthcare.

Only one out of the five commercial carriers, UnitedHealthcare, met the 5.3 percent primary care spending target in 2022 (see **Table 6**). Across these payers, per person per month spending on primary care in the commercial market has varied greatly, ranging from $18 to $36 in 2021 and from $20 to $36 in 2022. Primary care spending as a percentage of total medical expenses also varied by carrier, from 3.5 percent to 6.5 percent in 2021 and from 3.6 percent to 6.3 percent in 2022.

In the commercial market, UnitedHealthcare allocated the highest percentage of its spending to primary care, at 6.5 percent in 2021, maintaining the highest rate at 6.3 percent in 2022. Aetna and Anthem had the lowest per capita spending on primary care in 2021, with Anthem also reporting the lowest percentage in 2022.

Table 5. Commercial Payers' Primary Care Spending as a Percentage of Total Medical Expenses

Insurer	2021 Primary Care as a Percentage of Total Medical Expenses	2022 Primary Care as a Percentage of Total Medical Expenses
Aetna	3.5%	3.8%
Anthem	3.5%	3.6%
Cigna	4.3%	4.5%
ConnectiCare	4.7%	4.8%
UnitedHealthcare	6.5%	6.3%
Target	5.0%	5.3%

Data Source: OHS collected data from insurance carriers.

For the Medicare Advantage market, OHS collected data from four carriers: Aetna, Anthem, ConnectiCare, and UnitedHealthcare.

None of the four Medicare Advantage carriers met the 5.3 percent primary care spending target in 2022 (see **Table 7**). Primary care spending per person per month for Medicare Advantage carriers ranged from $34 to $38 in 2021 and increased to $37 to $47 in 2022. As a percentage of total healthcare spending, primary care spending ranged from 2.8 percent to 4.1 percent in 2021 and from 3.0 percent to 4.4 percent in 2022.

In the Medicare Advantage market, ConnectiCare allocated the highest percentage of spending to primary care in 2021, and Aetna did so in 2022. UnitedHealthcare reported the lowest percentage of spending on primary care in both 2021 and 2022.

Table 6. Medicare Advantage Payers' Primary Care Spending as a Percentage of Total Medical Expenses

Insurer	2021 Primary Care as a Percentage of Total Medical Expenses	2022 Primary Care as a Percentage of Total Medical Expenses
Aetna	3.5%	4.4%
Anthem	3.4%	3.1%
ConnectiCare	4.1%	4.2%
UnitedHealthcare	2.8%	3.0%
Target	5.0%	5.3%

Data Source: OHS collected data from insurance carriers.

Section 3: Conclusion

Connecticut fell short of the 5.3 percent primary care spending target in 2022, with primary care spending accounting for 4.9 percent, only a modest increase from the previous year.

- In the commercial market, only one payer met the 5.3 percent target in 2022.
- In the Medicare Advantage market, no payer achieved the target.
- Medicaid's primary care spending, as a percentage of total spending, achieved the target in 2022 and far surpassed the other markets.

The primary care spending target increased from 5.3 percent to 6.9 percent in 2023 and will reach 10 percent in 2025. Currently, payers in both the commercial and Medicare markets are significantly short of the 2025 goal. If spending growth on hospital services, specialty physician services, and pharmacy exceeds – or even equals - primary care spending growth, Connecticut will fail to achieve the 10% spending target.

The goal of the primary care spending target is to reshape policy priorities for health care investment and strengthening the bedrock of our healthcare system. Primary care serves as an essential means to enhance access to healthcare, and to manage costs effectively. While modest progress was made in this direction in 2022, significant opportunity remains.

Appendix A. Healthcare Benchmark Initiative Steering Committee Members

Members as of February 29, 2024:

- Timothy Archer, CEO, United Healthcare of New England
- Joanne Borduas, CEO Community Health and Wellness Center Torrington
- James Cardon, Chief Clinical Integration Officer and Chief Executive Officer, Hartford Healthcare
- Ayesha Clarke, Interim Executive Director, Health Equity Solutions
- Francois de Brantes, Executive Vice President, XO Health
- Tiffany Donelson, President and Chief Executive Officer, CT Health Foundation
- Judy Dowd, Health and Human Services Section Director, CT Office of Policy and Management
- Lou Gianquinto, President, Anthem Blue Cross Blue Shield of CT, under Elevance Health
- Deidre Gifford, Executive Director, CT Office of Healthcare Strategy
- Paul Grady, Principal of Alera Group, CT Moving to Value Alliance
- Angela Harris, Chair, Phillips Health Ministry
- Gail Kosyla, Chief Financial Officer, Yale New Haven Health
- Sean King, Office of the Healthcare Advocate
- Paul Lombardo, Director, Life & Health Division, CT Insurance Department
- Chris Manzi, President, Pequot Health Care
- Andy Markowski, Connecticut State Director, National Federation of Independent Business
- Christine Marsh, Vice President, Market Access, Boehringer Ingelheim Pharmaceuticals
- Mark Meador, President, ConnectiCare
- Susan Millerick, Patient Representative
- Cassandra Murphy, Executive Director, CT Coalition of Taft-Hartley Health Funds

- Lori Pasqualini, Vice President, Chief Financial & Administrative Officer, Ability Beyond
- Kathy Silard, President & Chief Executive Officer, Stamford Health
- Marie Smith, Assistant Dean, Practice and Public Policy Partnerships, UConn School of Pharmacy
- Stephen Traub, President and Chief Executive Officer, ProHealth Physicians
- Chris Ulbrich, Chief Executive Officer, Chairman, Ulbrich Stainless Steels & Special Metals, Inc.
- Kristen Whitney-Daniels, Chapter Leader, Patient Representative, CT Insulin 4 All
- Josh Wojcik, Policy Director, CT Office of the State Comptroller
- Gui Woolston, Medicaid Director, CT Department of Social Services

More information can be found at: https://portal.ct.gov/OHS/Pages/Healthcare-Benchmark-Initiative-Steering-Committee