As American health care transitions from volume to value, successful employers, plans, and health systems are finding strong primary care to be absolutely essential. Yet nationally, the United States spends only 4-8% of health care dollars on primary care, compared to an average of approximately 12% among other industrialized countries\(^1\) - each of which spends substantially less on health care than the United States. To build an American health care system that delivers better care at a lower cost, primary care must become a national health policy priority.

**Primary Care Works: New Payment Models**

With bipartisan support in Washington, DC and state capitols, innovative models of primary care delivery and reimbursement are saving money even as they improve patient outcomes.

**States Where PCMH Models Have Lowered Spending**

*(for Medicare and/or Medicaid populations)*

Source: NCHC Analysis of data from the Patient-Centered Primary Care Collaborative’s PCMH Map at [https://pcpcc.org/initiatives/evidence](https://pcpcc.org/initiatives/evidence)

**A Look at the Evidence**

- **Patient-Centered Medical Home:** A primary care delivery model focused on care coordination and team-based practice.
  - **RESULTS:** 21 out of 23 recent studies of the PCMH model showed improvement on cost metrics.\(^2\)

- **Collaborative Care Model:** A team-based approach to treat depression and anxiety in the primary care setting.
  - **RESULTS:** A review of 79 studies show CCM is associated with significant improvement in depression and anxiety outcomes.\(^3\)

- **Independence at Home:** Home-based primary care for patients with multiple chronic conditions.
  - **RESULTS:** Medicare demonstration achieved cost savings of 11% over two years while improving quality performance.\(^4\)
• **Build on what’s working:**
  › Continue to improve chronic care management codes in Medicare’s Physician Fee Schedule.
  › Integrate payment streams and clinician training for primary care and behavioral health.
  › Make Comprehensive Primary Care Plus and Independence at Home models available to practices across the country.
  › Implement MACRA’s Merit-based Incentive Payment System (MIPS) and Alternative Payment Model provisions.

• **Support future delivery and payment model innovations:**
  › Ensure CMS can continue to test new alternative payment models (APM) initiatives and the authority to refine and expand ongoing APMs that lower costs and/or improve outcomes.

• **Prevent disruption of patient access to primary care:**
  › Ensure affordability of private coverage, including through subsidies or tax credits for premium and cost-sharing expenses.
  › Maintain federal support for state Medicaid and CHIP programs.
  › Continue to reduce the number of Americans without health coverage.

**Sources**


**Future Fact Sheets in this series will address:**

**High-Value Care for Underserved Communities**


**Building a Strong Primary Care Workforce**

The supply of primary care practitioners is outpaced by anticipated demand. This workforce crisis is particularly acute in lower-income communities that tend to be afflicted by higher rates of chronic disease.