MASSACHUSETTS MEDICAL SOCIETY

Every physician matters, each patient counts.

TESTIMONY IN SUPPORT OF S.867 and H.1370
AN ACT RELATIVE TO PRIMARY CARE FOR YOU
BEFORE THE JOINT COMMITTEE ON HEALTH CARE FINANCING
May 12th, 2025

The Massachusetts Medical Society is a professional association of over 25,000 physicians, residents, and medical students across all clinical disciplines, organizations, and practice settings. The Medical Society is committed to advocating on behalf of patients, to give them a better health care system, and on behalf of physicians, to help them provide the best care possible. In striving for health equity and optimal medical care, the Medical Society endorses legislation that seeks to improve affordability and accessibility of health care in the Commonwealth. For that reason, the Medical Society wishes to be recorded in support of S.867, *An Act Relative to Primary Care for You,* which offers critical reforms to increase investment in the primary care system with the goal of improving patient access to care and overall population health.

A high-functioning primary care system is critical to the overall health care system, and is key to better health outcomes, lower costs, and more equitable access to care. Robust access to primary care services improves overall population health and may reduce avoidable emergency department visits. The Medical Society seeks to foster a system of primary care that delivers equitable access to all, that incentivizes practice transformation toward a comprehensive model of care that significantly increases the funding for primary care, and that allocates resources in an equitable fashion. Increased investments in primary care can promote higher quality and lower-cost care across the health care system. The role of the primary care physician in coordinating care is key, especially for an increasingly aging population with high rates of chronic disease and for the pediatric population, where primary care physicians can address adverse childhood experiences and promote optimal health and development at crucial points in a child's life. This vision of primary care is not and cannot be realized in our current system, which incentivizes volume over quality.

The Medical Society is concerned about the sustainability of primary care practices in Massachusetts. We hear too often from our members in primary care that the system right now is broken and does not adequately value or invest in primary care. The Massachusetts Center for Health Information and Analysis (CHIA) recently released their report on primary care and behavioral health spending for 2022 and 2023. Spending on primary care as a percentage of

total medical spending in 2023 was 6.7% of total medical spending for commercial patients, 7.5% of spending for MassHealth MCO/ACO-A patients, and 4.2% of spending for Medicare Advantage enrollees. Primary care has declined as a percentage of all commercial spending between 2017 and 2022, from 8.4% to 7.5%.[1]

A recent report by the Health Policy Commission on the state of the primary care workforce also highlights well documented issues regarding shortages in primary care providers and racial & ethnic disparities in access to and utilization of primary care providers. Despite having the most physicians per capita in the US, Massachusetts has the 5th lowest share of primary care physicians providing direct patient care in the country.[2] More troubling still, the primary care workforce in Massachusetts is aging, with nearly half of physicians working in office settings being 55 years old or older, and a relatively small share of new physicians is going into primary care.

In 2023, 41% of Massachusetts residents reported difficulty accessing care, with the most-cited reason being inability to get an appointment at a physician's office or clinic when needed. This trend of declining access has been underway for years, a multi-year survey of Massachusetts patients found that access to primary care has become more difficult each year from 2019 to 2023 for both adults and children.[3] CHIA's Massachusetts dashboard of metrics to monitor the health status of the primary care system in the Commonwealth underscores the disparities in access, showing that Black and Hispanic residents report higher likelihood of reliance on hospital emergency departments for health care than white residents for non-emergency conditions, which underscores the degree to which racial disparities underly emergency department use, which stem from factors like lack of access to community-based primary care – and this comes at a time when emergency departments statewide are currently buckling from system-wide capacity constraints.

Primary care practices – including pediatric practices – are deeply strained financially, as they are amongst the lowest reimbursed in both the commercial and public markets. On top of that,

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[1] A Dire Diagnosis: The Declining Health of Primary Care in Massachusetts and the Urgent Need for Action – *A special report on primary care workforce, access, and spending trends,* Health Policy Commission, January, 2025.
[2] Ibid.
[3] Patient Experience Scores for Adults Improve Since Before Pandemic, Except in One Key Area: Access; Massachusetts Health Quality Partners, February 2024.

practices are contending with ever increasing practices costs, exacerbated by labor shortages across all medical professionals. In short – our system is in severe distress and in need of transformative changes to invest in and prioritize access to primary care services. Changes to accomplish those ends have been proposed through both S.867, *An Act Relative to Primary Care for You*, and H.1370, *An Act Relative to Massachusetts Primary Care for You*, which include policies to transform the predominant payment model for primary care from a fee-for-service model to monthly prospective payments and propose to double investment in primary care. This legislation will advance health equity by supporting primary care practices and incentivizing expanded services and programs to integrate behavioral health and substance use disorder services and to improve health, patient experience, and clinician experience, which ultimately increases patient access to care and affordability.

The Medical Society fully supports the framework and intent of this proposal to increase investment in and change how we pay for primary care as necessary and transformational. We recognize there is some concern with the lack of specification and guidance relative to most appropriately and equitably achieving such a significant increase in spending on these services over such a short period of time, especially in light of the incredible strain on the health care system at this time. This proposal is very similar to the new Massachusetts ACO primary care sub-capitation program, which preliminary data indicate high provider participation and increased investment in primary care, but which has not yet been fully evaluated. At its core, the per-member, per-month (PMPM) rate offered to participating primary care physicians is critical and must be adequate to financially support practices – while details are lacking, it is important that rate setting factors account for inflationary updates, labor costs, practice expenses, etc. beyond just historical rates.

Another key question that must be addressed is how increased investments envisioned in this legislation will be paid for – while we agree that over time, savings from increased investment in primary care will pay for itself, we acknowledge the need for a thoughtful approach to address initial costs. We also recognize this comes at a very challenging time with great financial uncertainty in health care and other sectors given the significant reductions in federal funding flowing into Massachusetts and potentially catastrophic cuts to Medicaid. However, to be successful, we recognize there may be a need for financial infusion at the outset, which likely must come from state coffers or some combination of public and private dollars, in order to

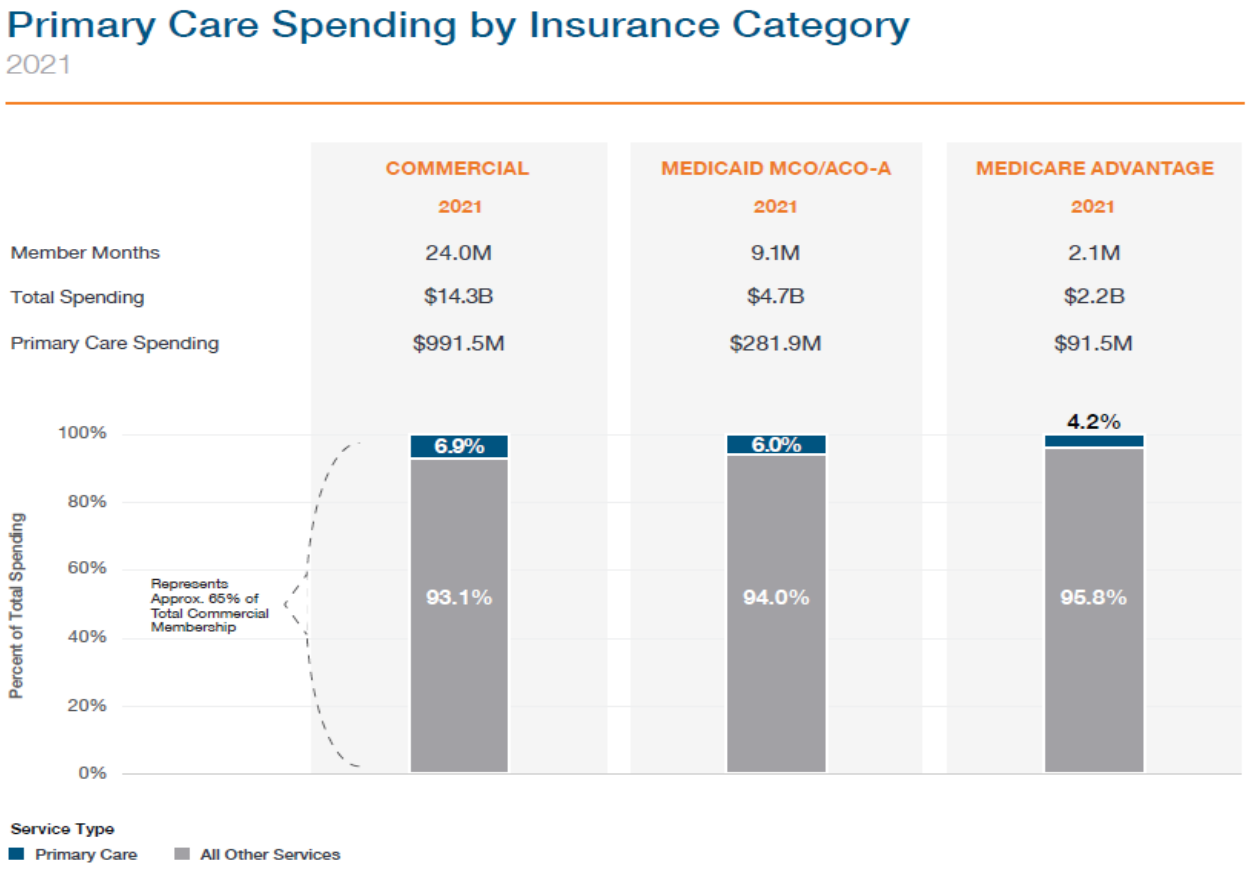
support practices – particularly smaller, independent practices – without the capital needed to invest in the staffing, technology, and equipment to access the benefits of enhanced payments, with the ultimate goal of providing the most comprehensive, high quality care to patients. To deliver high quality care, primary care physicians need a team - not just of well-trained medical assistants and nurses, but with patient navigators, case managers, and social workers – appropriate staff to address issues of care management, disease management, and health-related social needs. This level of care requires robust investment and support.

Lastly, the Medical Society has some concerns about the feasibility and practicality of some of the proposed provisions. Specifically, while it makes sense to implement an aggregate primary care expenditure target that increases year-over-year, we question the feasibility of instituting individual expenditure targets for every single primary care practice in the Commonwealth – not only does CHIA likely not have the capacity to do so, but small practices and solo practitioners may be held to unrealistic expenditure increases/standards without any financial support to make the necessary investments to achieve the target. With the 2017 1115 Demonstration Waiver establishing the ACO program, there was a bucket of DSRIP dollars that were given out to entities to help invest in the wrap around services and additional patient supports – this is critical. Additionally, we have concerns about the specificity of proscribing certain quality measures in statute (section 3B(3)(5)) and would suggest instead deferring to the newly created primary care board to address that in regulation giving consideration to the recommendations of the Quality Measure Alignment Task Force.

To help answer those questions, the Medical Society looks forward to working constructively and collaboratively with key stakeholders within and outside the legislature to build upon this proposal to most appropriately and effectively advance the underlying goals of this bill. To be sure, certain aspects of this proposal require further refining, but we must act this session to ensure the viability and sustainability of primary care in the Commonwealth. Thank you for your consideration of our comments, we look forward to working with you.

APPENDIX

Figure 1.[4]



[4] CHIA, Massachusetts Primary Care Expenditures: 2021 (released October 2023)