

# Massachusetts Primary Care Expenditures: 2021

October 2023

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## SECTION 1:

# Executive Summary

### Background

Primary care, comprised of an array of vital services, can meaningfully shape patient outcomes and is foundational to a well-performing Massachusetts health care system. Comprehensive data on primary care expenditures is essential to support future policy initiatives and inform residents, industry leaders, policy makers, and others.

To provide insight into system-wide investments in primary care, CHIA collects data on payments made by health plans to health care providers delivering primary care.<sup>1</sup>

This report focuses on spending for primary care services for members enrolled in private commercial, Medicaid MCO/ACO-A, and Medicare Advantage plans for calendar year (CY) 2021. Due to the disruptions to the health care system, including reduced health care utilization, resulting from the onset of the COVID-19 pandemic in 2020, this report focuses only on 2021. In addition, the 2021 primary

care data presented in this report cannot be compared to CHIA's previous primary care reporting due to differences across data collection periods in the underlying list of health care claim procedure codes used to identify and define primary care.<sup>2</sup>

While this report focuses on primary care expenditures, CHIA also reported on primary care quality and patient experiences in the [2023 Annual Report: Performance of the Massachusetts Health Care System](#).

In addition to this report, publication materials include a [databook](#) with tables from the report, and a [dataset](#) with payer and provider-specific primary care spending information for 2021.

## Overview

Calendar year 2021 marked the second year of the COVID-19 pandemic, a period in which the health care system experienced continued volatility and strain. Most notably for providers of primary care, service utilization and care delivery were impacted by delayed or cancelled primary care and preventive visits, particularly during periods of COVID-19 surges. In addition, primary care provider organizations experienced ongoing workforce constraints, compounded by a growing need for behavioral health services and demand for newly available COVID-19 vaccines and treatments.

During this period, policies to support Massachusetts residents and the broader health care system evolved in response to the pandemic. Telehealth expanded to become a major component of care delivery, with requirements for telehealth payment parity for primary care and chronic disease management services extending until January 1, 2023, and payment parity for behavioral health services extended indefinitely.<sup>3</sup> Additionally, the federal public health emergency required MassHealth to provide continuous coverage to members. In accordance with this directive, MassHealth suspended routine redetermination efforts which resulted in higher overall enrollment.<sup>4,5</sup> The spending levels presented in this report should be viewed within the context of these extraordinary circumstances.

## Findings

In 2021, primary care spending by private commercial plans, Medicaid MCO/ACO-A, and Medicare Advantage plans totaled \$1.4 billion, collectively representing 6.4% of total spending for all medical services.

Spending by private commercial plans for members for whom they had complete claims information totaled \$991.5 million for primary care services in 2021, or 6.9% of total expenditures. More than half of private commercial primary care spending was attributed to general evaluation and management office visits. Spending for preventive visits, like annual wellness exams, ordering of laboratory or diagnostic procedures, or preventive medicine counseling, represented the second largest share of primary care spending. Primary care expenditures were proportionally higher for private commercially enrolled pediatric members (14.4%) relative to non-pediatric members (6.7%).<sup>6</sup>

Primary care spending for members enrolled in Medicaid MCO/ACO-A plans totaled \$281.9 million in 2021, representing 6.0% of medical spending. Like private commercial plans, spending for office visits represented the largest share (37.7%) of Medicaid MCO/ACO-A primary care spending. Obstetric visits, which include births, newborn care, and postpartum care delivered by

a primary care provider, was the third largest primary care service category for Medicaid claims-based spending, representing 10.3% of primary care spending.

Medicare Advantage primary care spending in 2021 totaled \$91.5 million, or 4.2% total expenditures. Nearly 60% of primary care spending was attributed to office visits. Preventive visits comprised the second largest share (12.3%) of Medicare Advantage primary care spending, followed by home/nursing facility visits at 9.4%, which includes primary care services provided at the patient's residence.

Non-claims spending—payments for incentive programs, capitation, care management, or risk settlements—represented a relatively small proportion of total spending for all major insurance categories, and of non-claims payments, a majority were allocated to other services and not considered primary care-specific. ■

## SECTION 2:

# Methodology

In September 2022, CHIA collected CY2021 primary care and behavioral health (PCBH) expenditure and membership data at the managing physician group level from 17 commercially-administered health plans with private commercial, Medicaid MCO/ACO-A, Medicare Advantage, SCO, PACE, and One Care lines of business. Three payers were excluded due to data quality concerns. The data for total medical spending does not include out-of-pocket payments for goods and services not covered by insurance, including over-the-counter medications, or denied claims. The data reflects submissions from commercial insurance carriers only; no data was collected for programs solely administered by public payers, such as MassHealth Fee-For-Service or Original Medicare. Medicaid MCO/ACO-A membership represents approximately one-third of MassHealth enrollment; Medicare Advantage membership represents approximately one-fourth of Medicare membership in Massachusetts.<sup>7</sup>

Although the PCBH data collected from commercial payers has the same expenditure and population parameters as Total Medical Expenditures collected as part of CHIA's Annual Report on the Performance of the Massachusetts Health Care System, the totals reflected in this report may not tie to the totals presented in the Annual Report due to differences in claims run-out from data pulled at different times and payer exclusions.

In accordance with the data specifications, payers used a hierarchical model to allocate medical claims spending into mutually exclusive spending categories under service types of behavioral health, primary care, and all other services as outlined in Table A. Behavioral health spending was defined by identifying medical claims with a principal behavioral health diagnosis (ICD-10) and using combinations of procedure codes, place of service (POS) or revenue codes, and provider types to sequentially

allocate spending into the behavioral health service categories. Medical claims spending that did not meet the logic to be allocated to the behavioral health service categories and claims without a principal behavioral health diagnosis were then allocated sequentially through the primary care specific service categories. Primary care spending was defined using a list of procedure codes delivered by specific provider types deemed primary care.<sup>8</sup> All medical claims spending that did not fall into the behavioral health or primary care service types was then allocated to all other services service categories.

Data submitters allocated non-claims-based payments into five categories: incentive payments, capitation, risk settlements, care management, and “other.” Payers identified non-claims by service type; if payments could not be defined as behavioral health or primary care specific, they were reported under all other services. In this report, non-claims spending reflects payments made to health care providers pursuant to payer-provider contracts and does not include payments made from government entities. Non-claims payments included in this report for Medicaid do not reflect supplemental payments made directly by MassHealth to providers, such as disability access incentives, safety net provider payments, health safety net trust fund payments, or COVID-19 relief funds.

Pharmacy claims were categorized according to the data specifications and are included in the total medical spending under all other services; primary care services do not include pharmacy claims. See Table A below for information on the classification of service categories.

Spending that was attributed to behavioral health services based on the data specifications was aggregated with all other services spending for the purposes of reporting total spending in this report. See CHIA’s [Annual Report on the Performance of the Massachusetts Health Care System](#) for additional information on behavioral health services and spending.

**Table A. Service Category Classification by Service Type**

**Primary Care (PC)**

- *PC Office Visits*
- *PC Home/Nursing Facility Visits*
- *PC Preventive Visits*
- *PC Other Visits*
- *PC Immunizations & Injections*
- *PC Obstetric Visits*
- *PC Non-Claims*

**All Other Services**

- *Other Medical*
- *Other Prescription Drugs*
- *Non-Claims*
- *Behavioral Health (BH)*

Commercial health plans report their private commercial lines of business as commercial full claims or commercial partial claims. Commercial full claims represent data for members for whom the payer has access to and is able to report all claims expenses. Commercial partial claims indicates that some services are “carved-out” of the contract between the insurer and the purchaser, most commonly prescription drugs, and the insurer does not have access to the spending data for these carved-out services for reporting purposes. Commercial full membership represented 65.3% of total private commercial membership in 2021.

Throughout this report, commercial partial data was excluded from all metrics because incomplete data

would skew the overall commercial results. For example, including commercial partial data would inflate primary care spending as a percent of total spending because the denominator would be missing the carved-out pharmacy spending. In 2021, commercial partial primary care spending totaled \$641.9 million.

The 2021 primary care data presented in this report cannot be compared to CHIA's previous primary care reporting due to differences across data collection periods in the underlying list of health care claim procedure codes used to identify primary care. ■



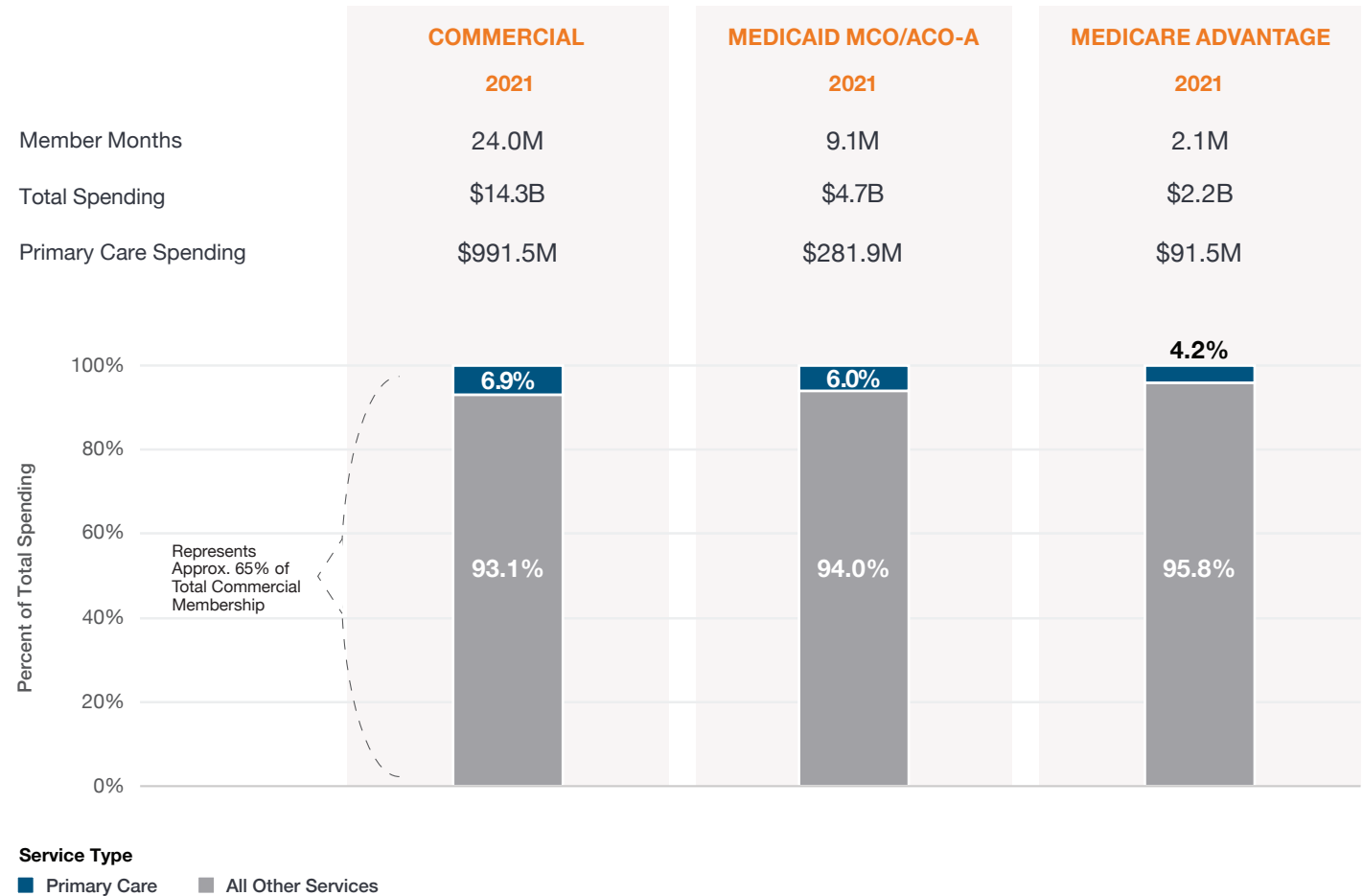
## Primary Care

# Primary Care Spending by Insurance Category

2021

Private commercial, MassHealth (Medicaid), and Medicare enroll different populations and may offer varying coverage of certain services and levels of benefits, impacting the total medical spending to which primary care is compared. Across the three insurance categories for which data was available, the proportion that primary care comprised of total health care spending ranged from 4.2% to 6.9% in 2021.

Among private commercially insured members for whom all claims data was available (commercial full-claims), primary care spending totaled \$991.5 million in 2021, representing 6.9% of total expenditures. Commercial full-claim membership represented 65.3% of total commercial membership in 2021. Primary care spending for members in Medicaid MCO/ACO-A plans totaled \$281.9 million, comprising 6.0% of total Medicaid MCO/ACO-A expenditures. Medicaid MCO/ACO-A membership represents over one-third of MassHealth enrollment. Spending on primary care for Medicare Advantage members represented 4.2% of total health care spending, totaling \$91.5 million. Medicare Advantage membership represents approximately one-fourth of Medicare membership in Massachusetts.



Source: Payer-reported data to CHIA

Notes: Aetna, Cigna, and Tufts Medicare Advantage data were excluded due to data quality concerns. Figures on this page reflect data for commercial full-claim members only. This data cannot be compared to CHIA's previous primary care reporting. Totals may not sum due to rounding.

# Primary Care Per Member Per Month Spending

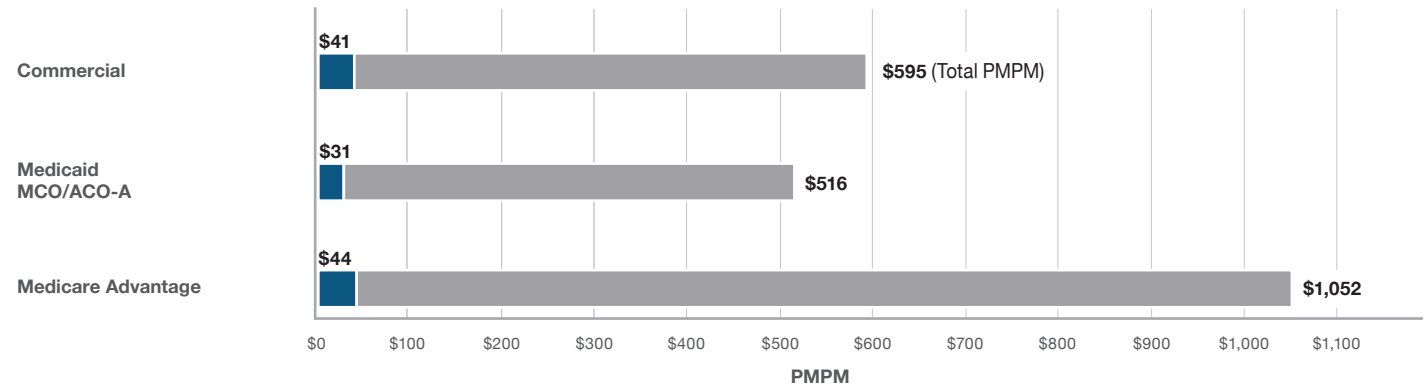
2021

Health care expenditures for primary care were also examined on a per member per month (PMPM) basis to explore levels of spending, adjusted for the number of members within each insurance category or population type.

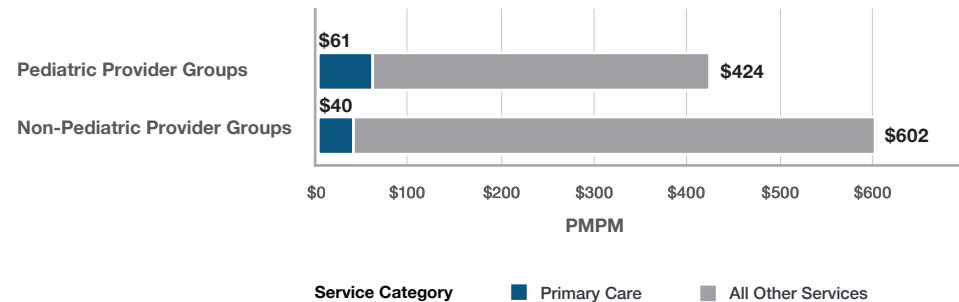
Private commercial primary care PMPM spending was \$41 in 2021. Medicare Advantage had slightly higher primary care PMPM spending at \$44. Medicaid MCO/ACO-As had the lowest primary care PMPM spending at \$31. In 2021, enrollment in Medicaid MCO/ACO-A plans was higher than pre-pandemic levels because MassHealth was required to suspend redetermination activities and provide continuous coverage under the federal public health emergency.<sup>9</sup>

Within the private commercial population, pediatric provider groups had a higher proportion of primary care spending at 14.4% compared to non-pediatric provider groups at 6.7%. Primary care PMPM spending for pediatric members was higher than for non-pediatric members, totaling \$61 PMPM and \$40 PMPM, respectively.

## Primary Care PMPM by Insurance Category



## Commercial Primary Care by Provider Group Type



	Member Months 2021	Primary Care Spending 2021	PC Spending as % of Total Spending 2021
Pediatric Provider Groups	1.0M	\$63.4M	14.4%
Non-Pediatric Provider Groups	23.0M	\$928.1M	6.7%

Source: Payer-reported data to CHIA

Notes: Aetna, Cigna, and Tufts Medicare Advantage data were excluded due to quality concerns. Figures on this page reflect data for commercial full-claim members only. Data displayed represents payments to pediatric physician groups, defined as having more than 80% of attributed members under 18. This data cannot be compared to CHIA's previous primary care reporting. Totals may not sum due to rounding.

# Commercial Primary Care Spending Percent of Total and PMPM by Payer

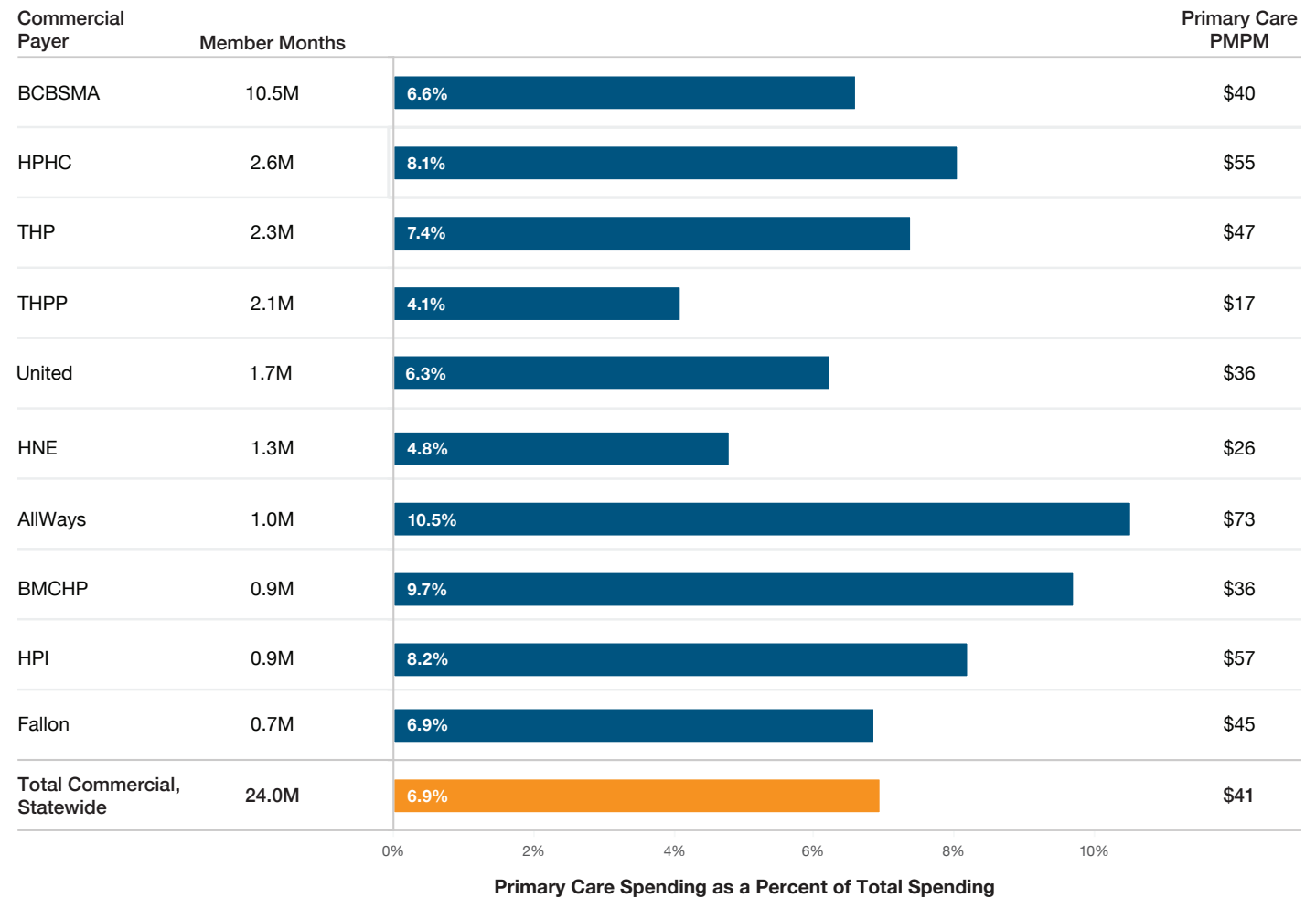
2021

Total private commercial primary care spending represented 6.9% of total expenditures in 2021, equating to \$41 PMPM. Spending on primary care varied, however, among private commercial health plans, ranging from 4.1% of total spending to 10.5%.

Among these plans, Tufts Health Public Plans (THPP) had the lowest proportion of primary care spending (4.1% of total expenditures) as well as the lowest PMPM spending (\$17) in 2021. During this time period, THPP offered commercial plans only to individual purchasers and small group employers (1-50 employees).<sup>10</sup>

AllWays (MGB Health Plan) spent the highest proportion of total expenditures on primary care (10.5%), representing \$73 PMPM in 2021.<sup>11</sup>

Primary care spending for Blue Cross Blue Shield of Massachusetts (BCBSMA), the largest payer in the private commercial market, represented 6.6% of total spending (\$40 PMPM) in 2021. Harvard Pilgrim Health Care (HPHC) and Tufts Health Plan (THP), the second and third largest commercial payers, had higher proportions of primary care spending than the commercial aggregate, at 8.1% and 7.4%, respectively.<sup>12</sup>



Source: Payer-reported data to CHIA

Notes: Aetna, Cigna, and Tufts Medicare Advantage data were excluded due to quality concerns. Figures on this page reflect data for commercial full-claim members only. Data is not risk adjusted and does not account for differences in member health status and expected medical costs. The composition of members and risk profiles can vary across health plans, impacting both primary care and total health care spending levels. This data cannot be compared to CHIA's previous primary care reporting. Totals may not sum due to rounding.

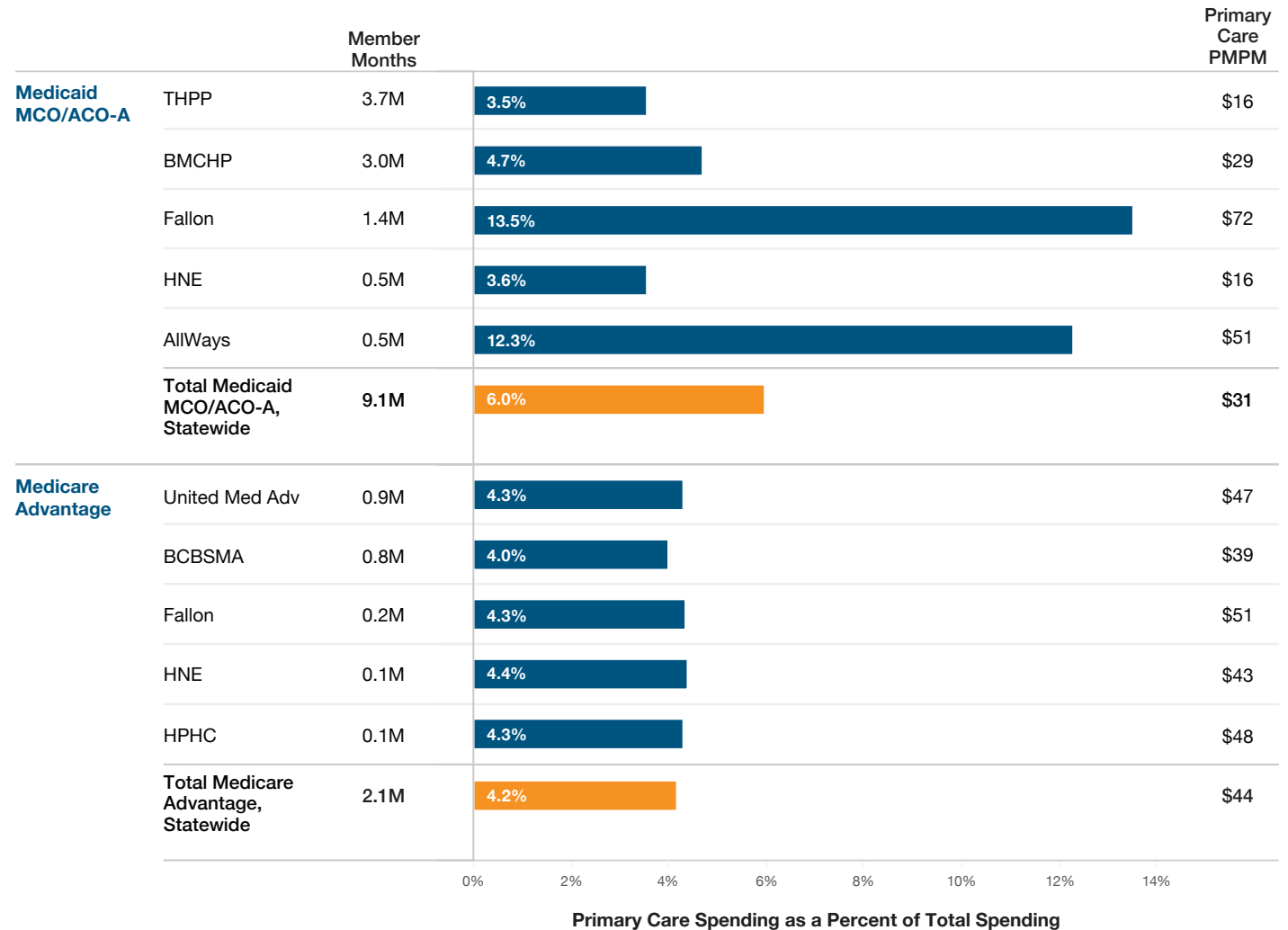
# Medicaid MCO/ACO-A and Medicare Advantage Primary Care Spending Percent of Total and PMPM by Payer

2021

Among Medicaid MCO/ACO-A payers, Fallon had the highest proportion of primary care spending at 13.5%, followed by AllWays at 12.3%. Fallon and AllWays had the highest primary care PMPM spending at \$72 and \$51, respectively. THPP, the largest Medicaid MCO/ACO-A payer, reported the lowest percentage of primary care spending at 3.5% (\$16 PMPM).<sup>13</sup>

Variations in primary care spending among MassHealth MCO/ACO-A plans may be attributed to differences in the participating primary care providers within each ACO, such as the mix of community health centers, hospitals, and physician organizations. Each of these provider types has a different fee schedule, which can drive differences in spending levels.<sup>14</sup> Other factors that can influence payment levels include the types of patient populations being served, patient acuity, utilization of care, and use of alternative payment methodologies.

All Medicare Advantage payers reported primary care spending as a percentage of total spending within 0.4 percentage points, ranging from BCBSMA at 4.0% to HNE at 4.4%. Fallon reported the highest primary care PMPM spending at \$51.



Source: Payer-reported data to CHIA

Notes: Aetna, Cigna, and Tufts Medicare Advantage data were excluded due to quality concerns. Data is not risk adjusted and does not account for differences in member health status and expected medical costs. The composition of members and risk profiles can vary across health plans, impacting both primary care and total health care spending levels. This data cannot be compared to CHIA's previous primary care reporting. Totals may not sum due to rounding.

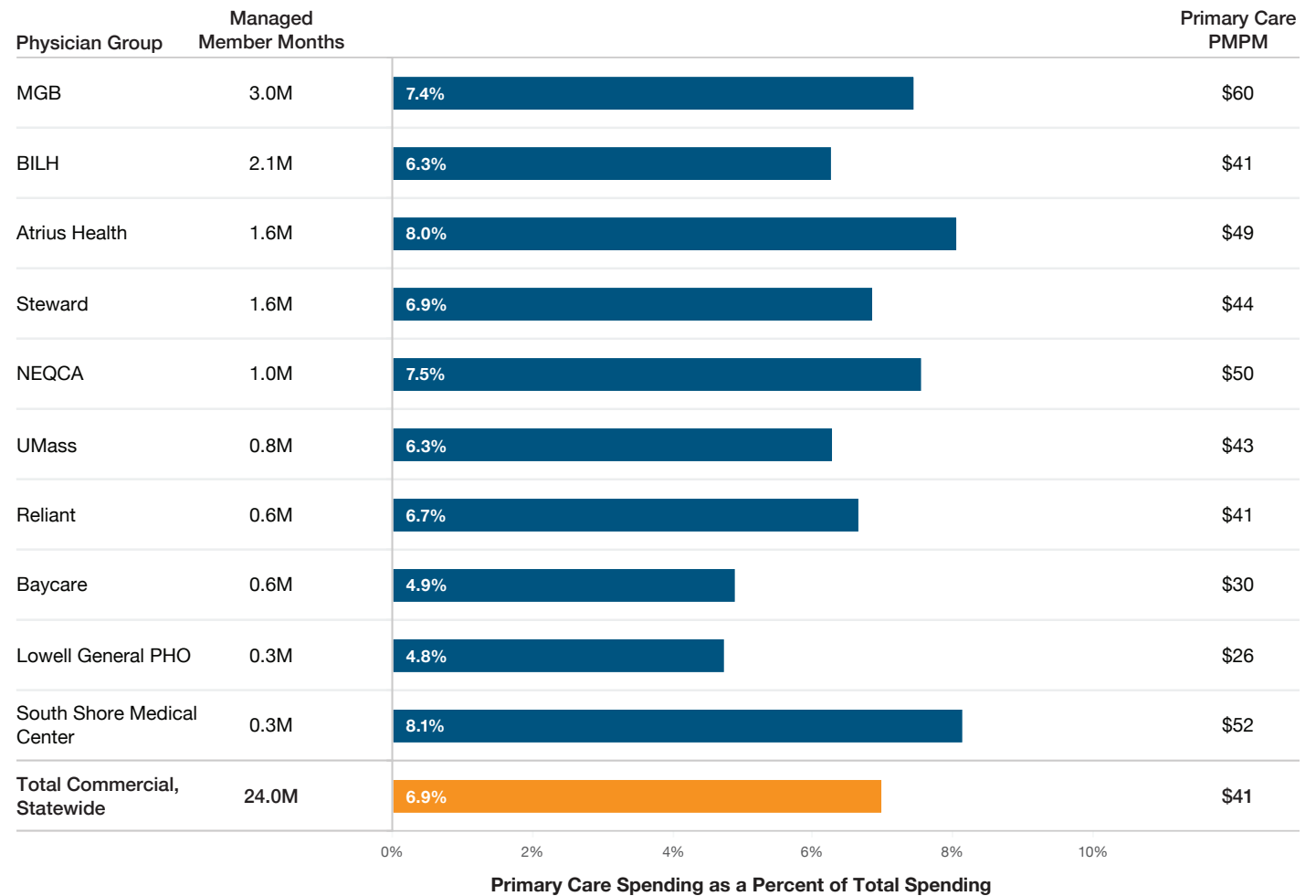
# Commercial Primary Care Spending Percent of Total and PMPM by Managing Physician Group

2021

Managing physician groups, often multi-specialty practices that include primary care providers (PCPs), are responsible for coordinating the care of their members. The 10 largest managing physician groups represented 49.4% of private commercial full member months in 2021.<sup>15</sup>

Mass General Brigham (MGB), the largest managing physician group among private commercially-insured members in 2021, spent 7.4% of expenditures on primary care, resulting in the highest primary care PMPM among the top 10 physician groups at \$60 PMPM. South Shore Medical Center had the highest percentage of primary care spending in 2021 at 8.1% of total payments (\$52 PMPM). Lowell General PHO had the lowest percentage of primary care spending among these physician groups at 4.8%.

The composition of members, risk profiles, provider reimbursement rates, and payment types can vary across managing physician groups, impacting both primary care and total health care spending levels. The spending data presented in this report is not risk adjusted and does not account for differences among physician groups in member health status and expected medical costs.



Source: Payer-reported data to CHIA

Notes: Aetna, Cigna, and Tufts Medicare Advantage data were excluded due to quality concerns. Figures on this page reflect data for commercial full-claim members only. The top 10 managing physician groups were identified by commercial full-claim membership totals. The Children's Hospital Corporation was excluded from the top 10 managing physician groups analysis as this entity largely provides pediatric care. Data is not risk adjusted and does not account for differences in member health status and expected medical costs. The composition of members and risk profiles can vary across health plans, impacting both primary care and total health care spending levels. This data cannot be compared to CHIA's previous primary care reporting. Totals may not sum due to rounding.

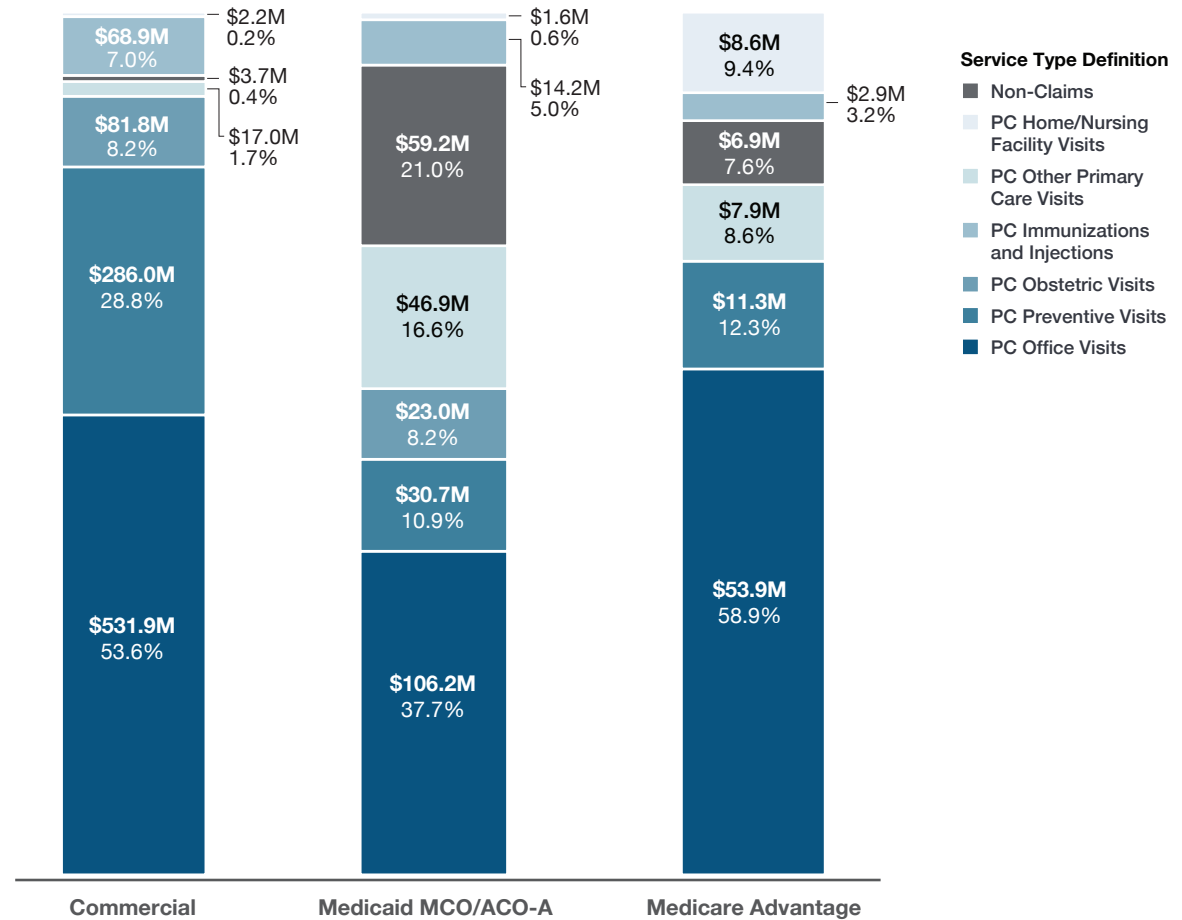
# Primary Care Service Category Spending by Insurance Category

2021

Private commercial primary care spending totaled \$991.5 million in 2021, with spending for office visits representing over half (53.6%) of primary care spending. These types of visits include all payments made for professional evaluation and management services. Preventive visits, such as annual wellness exams, ordering of laboratory or diagnostic procedures, and annual gynecological exams, comprised the second largest share of private commercial primary care spending at 28.8%.<sup>16</sup>

Medicare Advantage primary care spending totaled \$91.5 million in 2021, and more than half was for office visits (58.9%), followed by preventive visits at 12.3%, and primary care services delivered in patient homes and nursing facilities at 9.4%.

Medicaid MCO/ACO-A primary care spending totaled \$281.9 million in 2021, with primary care office visits (37.7%) and primary care specific non-claims settlements (21.0%) accounting for the largest portions of spending.



	Commercial	Medicaid MCO/ACO-A	Medicare Advantage
Primary Care PMPM	\$41	\$31	\$44
Primary Care Spending	\$991.5M	\$281.9M	\$91.5M

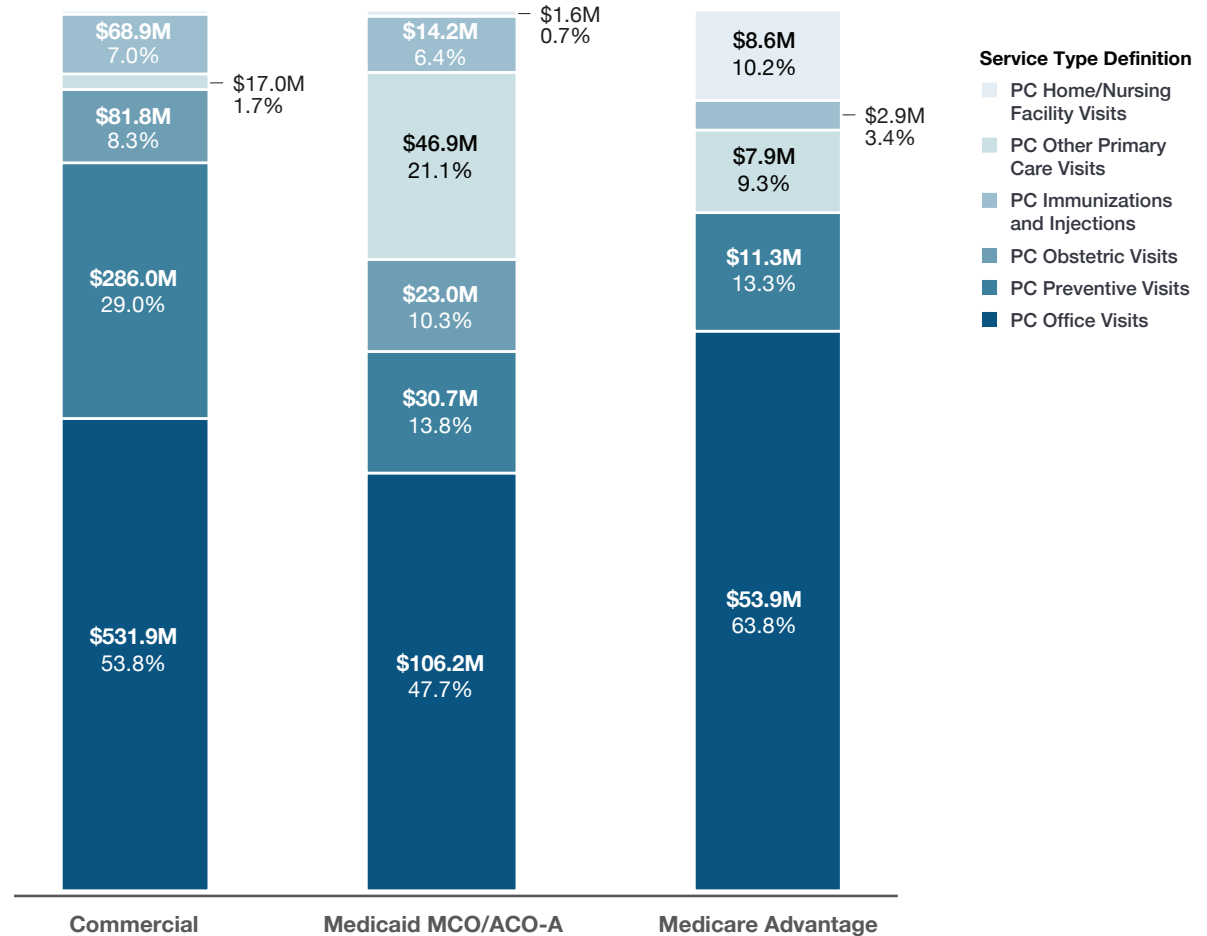
Source: Payer-reported data to CHIA

Notes: Aetna, Cigna, and Tufts Medicare Advantage data were excluded due to quality concerns. Figures on this page reflect data for commercial full-claim members only. This data cannot be compared to CHIA's previous primary care reporting. Totals may not sum due to rounding.

# Claims-Based Primary Care Service Category Spending by Insurance Category

2021

When only considering claims-based spending, Medicaid MCO/ACO-A office visits constituted 47.7% of primary care spending, similar to private commercial spending. Medicaid MCO/ACO-A other primary care visits represented 21.1% of primary care spending. Other primary care visits largely reflect services like colorectal, cervical, and depression screenings. Additionally, Medicaid MCO/ACO-As had the highest percentage of primary care claims-based spending allocated to obstetric visits at 10.3%, which includes spending for births, initial newborn care, and postpartum care.



Source: Payer-reported data to CHIA

Notes: Aetna, Cigna, and Tufts Medicare Advantage data were excluded due to quality concerns. Figures on this page reflect data for commercial full-claim members only. This data cannot be compared to CHIA's previous primary care reporting. Totals may not sum due to rounding.

# Non-Claims Spending by Insurance Category

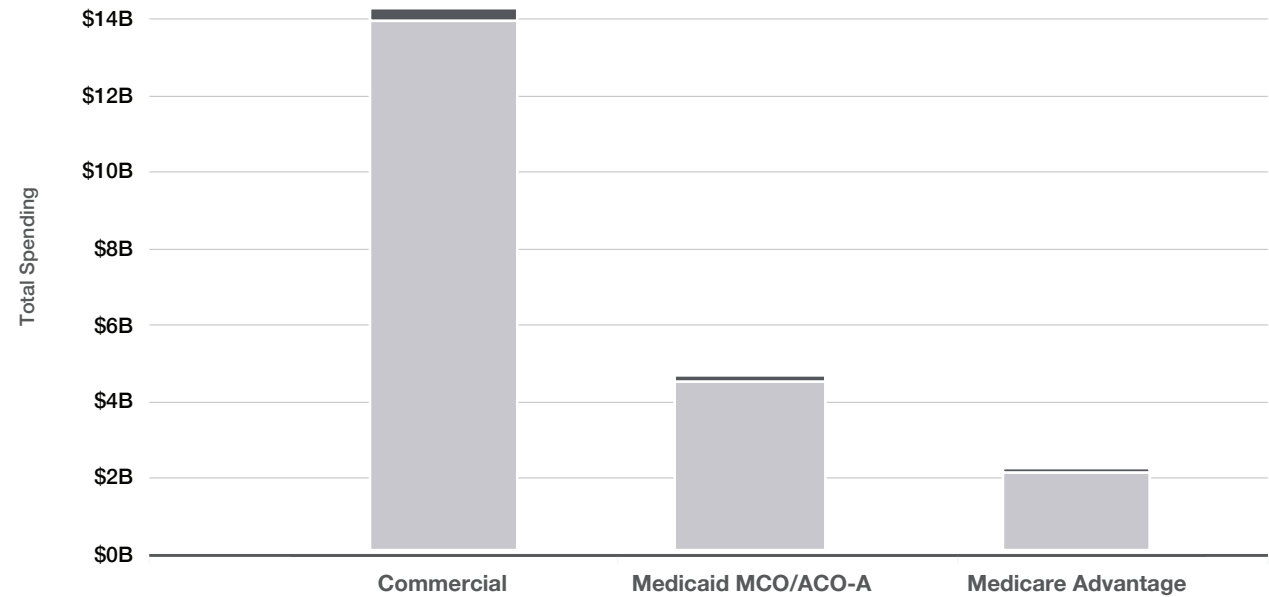
2021

Non-claims payments to providers include incentive programs, capitation, risk settlements, care management, and other non-claims payments pursuant to the payer's contract with a provider that are not based on a claim for medical services.<sup>17</sup>

Private commercial non-claims spending only comprised 2.2% of total commercial health care expenditures in 2021, compared to 1.9% for Medicaid MCO/ACO-As, and 0.5% for Medicare Advantage.

Of the \$315.4 million in private commercial non-claims expenditures in 2021, 1.2% (\$3.7 M) was reported as primary care-specific, with a majority of non-claims allocated to all other services. Medicaid MCO/ACO-A and Medicare Advantage plans reported a higher percentage of non-claims as primary care-specific, 66.4% and 63.4%, respectively.<sup>18</sup>

Only three payers reported primary care-specific non-claims.<sup>19</sup> Some payers stated that they were unable to allocate non-claims to the primary care service type due to limited information available about how provider organizations distribute the funds.



Non-Claims Spending	\$315.4M	\$89.2M	\$10.9M
Non-Claims % of Total Spending	2.2%	1.9%	0.5%

Service Category    ■ Claims    ■ Non-Claims

## Non-Claims Allocation by Service Type

	Commercial	Medicaid MCO/ACO-A	Medicare Advantage
All Other Services	\$311.7M	\$29.9M	\$4.0M
Primary Care	\$3.7M	\$59.2M	\$6.9M
PC Non-Claims as a % of All Non-Claims	1.2%	66.4%	63.4%

Source: Payer-reported data to CHIA

Notes: Aetna, Cigna, and Tufts Medicare Advantage data were excluded due to quality concerns. Figures on this page reflect data for commercial full-claim members only. This data cannot be compared to CHIA's previous primary care reporting. Totals may not sum due to rounding.



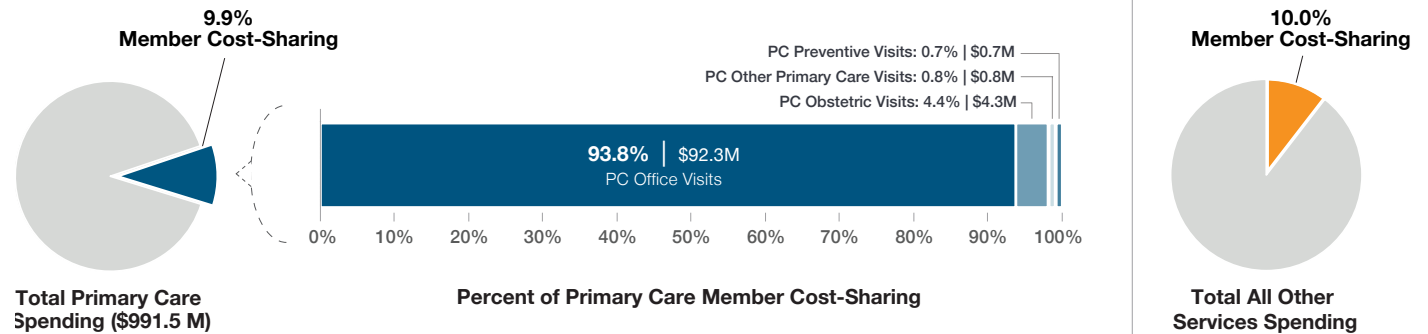
# Member Cost-Sharing by Insurance Category

2021

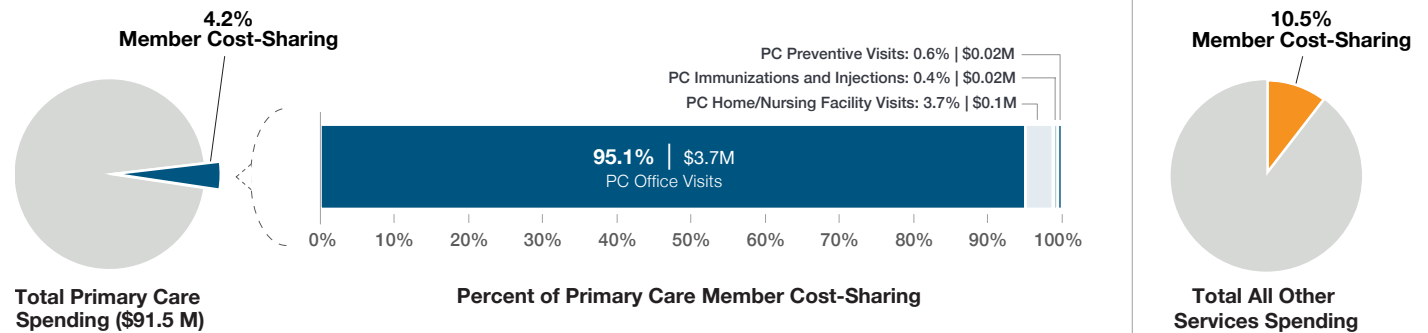
Member cost-sharing includes patient cost-sharing amounts, such as deductibles, copayments, and coinsurance. In 2021, private commercial members were responsible for 9.9% of primary care spending compared to 10.0% of all other services spending. Of primary care member cost-sharing, which totaled \$98.4 million, 93.8% was for office visits, which include professional evaluation and management services, followed by obstetric visits (4.4%). The remaining primary care service categories, including preventive visits and immunizations and injections, each reflected less than 1% of total primary care member cost-sharing.<sup>20</sup>

Medicare Advantage member cost-sharing for primary care services represented 4.2% of total primary care spending, compared to 10.5% for all other services. Similar to private commercial plans, Medicare Advantage primary care cost-sharing was mostly for office type visits (95.1%), followed by home/nursing facility visits at 3.7%. The remaining primary care service categories each represented less than 1% of total primary care member cost-sharing.<sup>21</sup>

## Commercial



## Medicare Advantage



Source: Payer-reported data to CHIA

Notes: Aetna, Cigna, and Tufts Medicare Advantage data were excluded due to quality concerns. Figures on this page reflect data for commercial full-claim members only. This data cannot be compared to CHIA's previous primary care reporting. Totals may not sum due to rounding.

# Notes

1. Data is reported to CHIA pursuant to with [957 CMR 2.00: Payer Data Reporting](#). In accordance with the [data specification manual](#), health plans reported summary level data related to spending on behavioral health and primary care services. Spending on behavioral health services during 2021 was previously included in the CHIA's March 2023 [Annual Report on the Performance of the Massachusetts Health Care System](#). In this primary care-focused report, spending that was attributed to behavioral health based on the data specifications was aggregated with all other services spending for the purposes of reporting total spending.
2. Primary care was defined as certain services (identified by CPT codes) delivered by primary care provider types (identified by taxonomy codes). The definition of primary care in this report includes an additional 74 CPT codes, including remote patient monitoring, screening, and vaccine codes, and a more detailed, expanded list of primary care providers compared to prior CHIA primary care reports. Please see the [technical appendix](#) for more information.
3. General Court of the Commonwealth of Massachusetts. 2020. "Chapter 260 of the Acts of 2020: An Act Promoting A Resilient Health Care System That Puts Patients First." <https://malegislature.gov/Laws/SessionLaws/Acts/2020/Chapter260>.
4. Center for Health Information and Analysis. "Enrollment in Health Insurance." 2023. <https://www.chiamass.gov/enrollment-in-health-insurance/>.
5. The Federal COVID-19 Public Health Emergency expired on May 11, 2023, and therefore was in effect during the time period covered in this report (January 1, 2021 – December 31, 2021).
6. Data presented represents payments to pediatric physician groups, defined as having more than 80% of attributed members under 18.
7. Center for Health Information and Analysis. "Enrollment in Health Insurance." 2023. <https://www.chiamass.gov/enrollment-in-health-insurance/>.
8. CPT codes for COVID-19 vaccines were not included in the primary care code list for this collection. Reported data only includes spending that was able to be captured by insurance carriers. It does not include spending from free city or state clinics that did not collect or require insurance for COVID-19 services, such as free testing or vaccination. Additionally, as the federal government purchased the COVID-19 vaccines in 2020 and 2021, those costs are not included in this analysis; only the administration cost of vaccinations are included in measures of total health care spending.
9. Center for Health Information and Analysis. "Enrollment in Health Insurance." 2023. <https://www.chiamass.gov/enrollment-in-health-insurance/>.
10. Center for Health Information and Analysis. "Enrollment in Health Insurance." 2023. <https://www.chiamass.gov/enrollment-in-health-insurance/>.
11. In 2023, AllWays Health Partners rebranded as Mass General Brigham Health Plan. This report uses AllWays, the name as of CY2021.
12. In January 2021, Tufts Health Plan (including THPP) and HPHC formally merged under the new health care company Point32Health. These plans are displayed separately in this report as contracts with providers remained under these individual brand names in 2021.
13. MassHealth members may enroll in a variety of managed care plans, including those administered by private commercial payers such as Medicaid managed care organizations (MCOs) or Accountable Care Partnership Plans (ACO-As). In 2021, Fallon, Health New England (HNE),

## Notes (continued)

and AllWays enrolled members in MassHealth ACO-A plans only, while BMC HealthNet Plan (BMCHP) and THPP offered both ACO-A and MCO plans to MassHealth members.

14. For example, an outpatient hospital can receive a facility payment in addition to a professional claim payment; safety net hospitals and critical access hospitals have different fee schedules that account for their unique role in the delivery system; ACOs are required to pay CHCs according to specific federal rules, which results in a higher payment rate.
  15. The top 10 managing physician groups were identified by commercial full-claim membership totals. The Children's Hospital Corporation was excluded from the top 10 managing physician groups analysis as this entity largely provides pediatric care. Beth Israel Lahey Health (BILH) represents the combined entities of Lahey Clinic, Lahey Clinical Performance Network, Beth Israel Deaconess Care Organization (BIDCO), and BILH. In 2019, BIDCO and Lahey merged as a system, however, they were reported separately in CY2021 data. BCBSMA reported 9.4% of commercial full membership in a new organization, BILH, shifting membership away from BIDCO and Lahey groups.
  16. Only the payment for the visit with the PCP who ordered the labs is included as primary care; spending for the ordered labs was not captured as primary care spending.
  17. Most health plans operating under alternative payment arrangements continue to process claims on a fee-for-service basis in which services are assigned a fee-for-service equivalent payment rate. Total spending based on these payment rates multiplied by the volume of services is then compared to a pre-defined budget and adjusted based on any risk-sharing or bonus opportunities from the payer-provider contract. Health plans report this data to CHIA as follows in this example: Payer A paid Primary Care Provider B \$100 for primary care services under an alternative payment arrangement. The patient incurred \$80 worth of claims, and the remaining \$20 was allocated to care management. In this report, the \$80 would be reported under primary care office type visits, and the \$20 would be reported under non-claims: care management.
- For alternative payment arrangements, payers submitted to CHIA fee-for-service equivalents for service category reporting rather than reporting the total payments within the non-claims categories. The non-claims dollars represent the balance of the total payments made to the provider organization under the payment arrangement after allocating these fee-for-service equivalents to service categories.
18. Medicaid non-claims included here do not reflect supplemental payments made directly by MassHealth to providers, such as hospital quality incentives, disability access incentives, safety net provider payments, or health safety net trust fund payments.
  19. Fallon reported primary care-specific non-claims across private commercial, Medicaid MCO/ACO-A, and Medicare Advantage insurance categories. Additionally, AllWays reported commercial primary care-specific non-claims, and United Medicare Advantage reported Medicare Advantage primary care-specific non-claims.
  20. The Patient Protection and Affordable Care Act (PPACA) requires health plans to cover certain types of preventive health services with no member cost-sharing. For more information, see HealthCare.gov, "Health benefits & coverage." <https://www.healthcare.gov/coverage/preventive-care-benefits/>. Accessed August 2023.
  21. Member cost-sharing for the Medicaid MCO/ACO-A population is substantially lower than other insurance categories due to limits on cost-sharing, and the elimination of cost-sharing for certain members and services, particularly for primary care. As a result, Medicaid MCO/ACO-A member cost-sharing for primary care services is not depicted.



For more information, please contact:

CENTER FOR HEALTH INFORMATION AND ANALYSIS

501 Boylston Street  
Boston, MA 02116

[www.chiamass.gov](http://www.chiamass.gov)  
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(617) 701-8100