

Advanced Primary Care: A Foundational Alternative Payment Model

The American Academy of Family Physicians (AAFP) has developed the Advanced Primary Care Alternative Payment Model (APC-APM) for consideration by the Physician-Focused Payment Model Technical Advisory Committee (PTAC), which Congress established in the *Medicare Access and CHIP Reauthorization Act of 2015* (MACRA). The AAFP designed the APC-APM to improve patient choice, expand primary care physicians' access to APMs – including small, independent, and rural practices. The AAFP believes the APC-APM is a foundational element of the movement to Advanced APMs, as envisioned under MACRA.

The model builds on the existing Comprehensive Primary Care (CPC) classic and CPC+ programs, moves further away for fee-for-service (FFS), better supports small and independent practices, and reduces administrative burden in the healthcare system.

Key Components of APC-APM

Expanded Access to Advanced APMs for Patients and Primary Care Physicians.

The model allows primary care practices of all sizes and in any location to participate through its payment structure and reductions in administrative burden. The payment structure bundles E/M services into a prospective, risk-adjusted, primary care global payment per patient per month, which reduces administrative burden related to claims submission.

Patient-Centered Model that Promotes Competition and Choice. The APC-APM empowers patient choice and competition. For instance, the model allows patients to select their primary care physician as the primary attribution method. In addition, practices will use a comprehensive risk assessment tool that assesses medical need and incorporates social determinants of health and other factors into care planning and resource allocation—all of which impact health outcomes, utilization, and costs.

Simplifies and Moves Majority of Payments for Primary Care Services Away From FFS and Reduces Administrative Burden The model ties payment to performance and increases investment in historically undervalued primary care services through: 1) a performance-based incentive payment; 2) a population based payment for non-face-to-face care (e.g. e-visits, phone consultations); 3) a primary care global payment for E/M services and direct patient care; and 4) FFS payments for services not included in the primary care global payment.

Quality, Outcome, and Utilization Measures Drive Accountability and Care Delivery Changes. Practices will choose and be evaluated based on six quality measures (including one outcomes measure) from the Core Quality Measures Collaborative's (CQMC) Accountable Care Organizations, Patient Centered Medical Homes, and Primary Care measure set and two utilization measures—inpatient, and emergency department utilization. Failure to meet established benchmarks will result in practices repaying all or part of their performance-based incentive payment.

APC-APM Goals

- Promoting patient-centered care and delivery of continuous, comprehensive primary care.
- Expanding access to a multi-payer, primary care Advanced APM to beneficiaries and physicians nationwide – including small, independent, and rural practices.
- Supporting practice transformation through greater investments in primary care.
- Reducing physician administrative burden.
- Further transitioning primary care payments away from fee for service.

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Promotes Continuous, Comprehensive Primary Care Across Settings. The APC-APM's payment structure aims to promote continuity of care across settings by offering a primary care global payment that includes primary care E/M services across multiple settings (e.g. office, hospital, nursing facility) in the community.

Ensuring Infrastructure Requirements Support Care Management. Practices must use Certified Electronic Health Record Technology (CEHRT) as required of Advanced APMs, among other HIT capabilities that provide actionable data to support care management.

Figure 1. Key Components of the APC-APM Payment Structure



Figure 2. APC-APM's Potential Impacts on Administrative Burden

