State Trends
Primary Care Policy Update

JANUARY 2024
Healthcare is a human right!
In 2022, PCDC published a report documenting state policy trends in primary care. Looking across the country at legislation introduced in statehouses, PCDC identified both widespread trends – such as support for integrated care – along with more specific policy proposals, such as tax credits to encourage mentorship of primary care providers. State policymakers across the country recognize the value and importance of primary care and the potential it holds to improve health equity, improve health outcomes, and lower health care costs.

In 2023, PCDC revisited four policy areas that hold promise for long term change to see whether further progress has been made: Investing in primary care; strengthening the primary care workforce; expanding access through telehealth; and creating comprehensive primary care through integrating broader health care services. We found slow but continuous progress in each of these areas, as well as some new and innovative policy models.

PCDC encourages state lawmakers to review this update as well as the 2022 Report for ideas about how to address some of the most pressing primary care challenges facing the country today.
As PCDC’s 2022 State Trends Report noted, deliberately investing in primary care is one of the most effective ways to increase access to and quality of care, save lives, improve individual and community health, and move toward health equity. PCDC has identified four areas for investment: Improving the way we pay for care so that providers are paid for delivering the right care to the right patient at the right time; increasing reimbursement for primary care in general; investing in primary care infrastructure; and investing in both the existing primary care workforce and the pipeline.

In 2023, states continued to consider policies to rebalance health care spending towards primary care, addressing both lack of access and inequitable access to care, including policies to measure and increase primary care spending overall and policies to increase Medicaid reimbursement rates to approach or match Medicare rates.
A. Measuring and Increasing Investment in Primary Care

The lack of investment in primary care is a significant problem affecting access to quality primary care in the United States. Between 2009 and 2022, at least 13 states enacted policies designed to measure, report on, and in some cases increase spending on primary care. In 2022, several additional states enacted policy with the same goals, several states that had already enacted measurement policies added new requirements, while several others considered it. Some states started with a study, task force, or commission to measure spending and make recommendations, whereas other states simply mandated increased spending by insurers.

This year, two states, North Carolina (House Bill 259) and Minnesota (Senate Filing 2995), enacted legislation to study and report on primary care spending. In North Carolina, the bill was passed as part of the adopted budget and will create a Primary Care Reform Task Force that will also determine how to develop a primary care investment target for the state. Four other state legislatures – Massachusetts (Senate Bill 750), Nevada (Assembly Bill 6), Pennsylvania (Senate Bill 809), and Vermont (House Bill 220/Senate Bill 84) – considered but did not pass legislation similar to the North Carolina and Minnesota bills.

New federal policy issued in 2023 may lead to expanded primary care investment policy in more states in the near future. This year, the Centers for Medicare and Medicaid Services (CMS) put forth two new models focused on increasing primary care investment across all types of payors at the state level. One of the models requires states that participate to set a target for primary care investment.

B. Expanding Access to Medicaid Through Increased Reimbursement

Medicaid and the Children’s Health Insurance Program (CHIP), joint federal-state insurance programs, cover over 92 million Americans. Evidence shows that after the enactment of the Affordable Care Act and subsequent Medicaid expansion in many states, expanding Medicaid coverage led to “better access to health care[,] better health outcomes, including fewer premature deaths[,] and] more financial security and opportunities for economic mobility.” However, the potential impact of Medicaid expansion has been limited by shortages of providers that accept new patients with Medicaid coverage, as well as by the fact that some states did not expand Medicaid access. Across the country, Medicaid patients often struggle to find primary care providers and specialists who take their insurance, delaying care and leading to worse health care outcomes. Notably, a recent survey revealed that while 96% of providers said they were accepting new privately insured patients and 88% were accepting new Medicare patients, only 74% were accepting new Medicaid patients.

Providers’ unwillingness to accept Medicaid stems in part from the fact that Medicaid reimburses providers at far lower rates than other insurance programs, including both private plans and
Medicare plans. Although there is large variation among states, Medicaid reimbursement rates for Medicaid Fee For Service payments to physicians are on average 30% lower than Medicare rates and can be less than half of Medicare rates.

Increasing reimbursement rates for Medicaid, including by raising them to parity with Medicare, would likely increase access. This experiment has already been done: When enacted in 2010, the Affordable Care Act contained a temporary provision that mandated parity between Medicaid and Medicare reimbursement for one year, specifically for primary care providers. While the program was short-lived in most places, the benefits were nonetheless clear – a 2015 study found that appointment availability for Medicaid patients increased during the period of reimbursement parity and decreased after it expired. Other research has produced similar findings, such as one study that found “strong evidence that increasing physician reimbursement under Medicaid improves access and health among the program’s beneficiaries.”

As of 2019, Medicaid parity status varied drastically across the country. Only five states had achieved close to full parity; 16 states reimbursed Medicaid services at rates somewhere between 75-99% of Medicare rates; 22 states reimbursed between 50-74%; and six states reimbursed Medicaid at less than 50% of Medicare. In 2022, two states passed laws to move towards Medicaid parity.

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**In 2023, at least three states increased Medicaid reimbursement rates for primary care, moving closer to Medicare parity.**

- In Hawaii, the annual budget included an appropriation of at least $30,000,000 to bring Medicaid reimbursement rates up to parity with Medicare rates.

- In New York State, the annual budget increased Medicaid reimbursement rates for primary care to 80% of Medicare rates.

- California enacted Assembly Bill 118, setting Medicaid reimbursement rates for primary care providers at “87.5% of the lowest maximum allowance established by the federal Medicare Program for the same or similar services[.]”

- Kentucky passed Senate Joint Resolution 54, directing the Department for Medicaid Services to study and examine Medicaid reimbursement rates, noting that the state “ranked 45th among the United States in its primary care physician workforce with just 58 primary care physicians per 100,000 residents.”
Several other states considered but did not pass legislation to establish Medicaid parity:

- **In Mississippi**, lawmakers considered [House Bill 324](#), which included a provision to require certain primary care services to be reimbursed at 100% of the rate established under Medicare.

- **In Oklahoma**, [House Bill 1714](#) would have increased Medicaid reimbursement rates by 10% for primary care providers.

- **In New Hampshire**, [Senate Bill 86](#) would have provided $40M for each of two years to the Department of Health for Medicaid provider rate increases and required the Department to periodically report on the impact of those increases and the supply of both rural health and primary care workforce.
The primary care workforce has been insufficient and a serious concern for a number of years. It is currently unable to meet demand and not growing sufficiently or fast enough to meet the expanding need for care, which continues to build for a variety of reasons, including an aging, expanding, and more insured population than in the past,\textsuperscript{21} as well as increased need for behavioral health care, which is largely delivered by primary care providers.\textsuperscript{22} There is currently a projected shortage of between 54,100 and 139,000 physicians by 2033.\textsuperscript{23} According to the U.S. Surgeon General, “[t]he most alarming gaps are expected in primary care and rural communities.”\textsuperscript{24} The Rockefeller Institute of Government has found that “New York and California will have the largest labor shortages of (the health care) workforce, each projected to fall short by over 500,000 workers by 2026.”\textsuperscript{25}

In 2022, PCDC found that more than a dozen states had adopted policies to address this workforce crisis. This year, at least eight states (Hawaii, Michigan, Idaho, North Carolina, Connecticut, Minnesota, Montana, and Texas) moved forward recruitment and retention policies, with the hope of stabilizing their critical primary care workforce.
A. Recruitment of Medical Students into Primary Care

Many legislatures are promoting legislation to ease the burden of student loan debt. Several states have created loan repayment programs for a variety of primary care professionals, education initiatives aimed at exposing public school students to primary care careers, and policies to increase the number of primary care residency slots.\textsuperscript{26}

1. Loan and Scholarship Repayment Programs

Hawaii took the most decisive action this year, expanding an existing loan repayment program to include and prioritize primary care and behavioral health care providers, especially in rural areas and particularly when caring for publicly insured patients.\textsuperscript{27} In conjunction with the John A. Burns School of Medicine, the Healthcare Association of Hawaii, and Hawaii’s State Department of Health, Hawaii’s state legislature developed the Healthcare Education Loan Repayment Program (HELP). In exchange for two years of full-time or half-time service in Hawaii, serving at least 30% publicly insured patients, health care professionals qualify for loan repayments from $12,500 to $50,000.\textsuperscript{28}

Michigan’s annual budget appropriated funds for various health care workforce goals, including expanding the number of residency slots for primary care physicians in the state.

A number of states considered but did not pass new loan repayment or scholarship programs for medical professionals in 2023.

- **Missouri** considered House Bill 542, which would have established a health professional loan repayment program to forgive loans to healthcare workers who work in underserved parts of Missouri.\textsuperscript{29}

- **Maine** considered Legislative Document 904, which would have established the Maine Rural Health Care Education Workforce fund to support primary care workforce development in rural parts of the state.
B. Retention of Current Primary Care Providers

1. Provider Tax Deductions

Many states have policies to encourage experienced physicians to remain in the primary care field and to train others, by offering financial incentives, such as tax credits, as well as offering loan repayment or forgiveness to primary care physicians who commit to practicing in a rural or shortage area.

This year, North Carolina’s budget, Assembly Bill 259, included funding to study the availability of preceptors both in North Carolina and other nearby states and the demand for preceptors, focusing on “identify[ing] the best innovative and effective approaches to address preceptor shortages for medical students, nurse practitioner students, physician assistant students, and prelicensure nursing students.”

A number of states considered but did not pass legislation to establish new clinical preceptor tax credit programs that would provide tax credits for preceptors that mentor a range of providers, including physicians, nurse practitioners, and physician assistants, in a range of specialties, including pediatrics, internal medicine, and family medicine: Rhode Island (House Bill 5395), Alabama (House Bill 133/Senate Bill 186), Hawaii (House Bill 82/Senate Bill 1215, Senate Bill 439), Illinois (House Bill 2941), Arkansas (House Bill 1422), New York (Assembly Bill 2230/Senate Bill 2067).

A number of states considered but did not pass legislation to establish new clinical preceptor tax credit programs that would provide tax credits for preceptors that train a range of providers.

Legislation was also introduced in Georgia, House Bill 308, which would have increased the amount of existing tax credits for different types of preceptors.
2. Workplace Conditions—Addressing Violence Against Health Care Providers

One of the many reasons cited by those leaving the primary care workforce is untenable workplace conditions. An estimated 333,942 health care providers left their jobs in 2021, including 117,000 physicians, 13,015 of whom were family practice providers.³¹

These untenable conditions have historically included things like long working hours, administrative burdens, inadequate staffing and insufficient supplies, but in recent years, workplace violence, meaning violence against health care providers, has become a serious and growing concern. The Bureau of Labor Statistics reports that the rate of injuries from violent attacks against medical professionals grew by 63% from 2011 to 2018.³² According to the American Association of Medical Colleges (AAMC), health care workers are five times more likely to experience workplace violence than employees in all other industries—making health care far less attractive to current workers or potential new ones.³³

In the face of these disturbing statistics, some lawmakers are taking steps to ensure the safety and quality of workplace environment. Many states already have laws specific to violence against hospital employees.³⁴ This year, several states went further and broadened those laws to reach other types of health care providers or created new programs entirely:

- **Connecticut** passed House Bill 6741 to create a marketing and advertising campaign to “discourage aggressive or violent behavior towards any health care provider in any health care setting.”³⁵
- **Minnesota** enacted Senate Filing 1384, an extensive program to address nurse and patient safety focused primarily on workplace violence in hospitals but reaching other health care settings as well.
- **Montana** passed House Bill 590, creating requirements for health care workers to report violence, employers to report the incidents to law enforcement with the employee’s consent, and the state’s department of justice to aggregate the complaints and report the information publicly.
- **Texas** included in its budget, House Bill 1, additional funding for a grant program to reduce workplace violence against nurses.

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A similar bill was introduced but did not move in Massachusetts, House Bill 2381/Senate Bill 1538, which would have required health care facilities to develop and implement programs to prevent workplace violence.
As PCDC noted in 2022, telehealth expanded rapidly during the Covid-19 pandemic and has continued to be used widely, particularly for behavioral health and primary care services.\(^{36}\) Telehealth increases access for patients, especially those in rural areas,\(^{37}\) and early studies suggest that it can help reduce provider burnout.\(^{38}\)

State and federal governments have historically imposed a number of restrictions on access to and provisions of telehealth services, including requiring regular in-person visits, limitations on the modality through which the visits could be provided, and limiting the location of the patient and provider. During the pandemic, Medicare and most states lifted or waived a number of these restrictions and thereby broadly expanded both access to telehealth for patients and reimbursement of telehealth for providers. This was critical for both patients and providers, providing safe access to care without unnecessarily risking exposure to COVID and while providing a financial lifeline for many providers who had to temporarily close their practices or significantly reduce their capacity. It has become clear that the temporary waiver of these telehealth restrictions provided other, non-COVID-related benefits, including increasing efficiency of health care delivery and allowing access to many underserved and rural communities.\(^{34}\)

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As a result, there was a wave of telehealth legislation in 2023 designed to ensure access in some cases or re-impose limitations in others. Overall, the trend is towards loosening restrictions and expanding access, but there are significant differences across states.

This year, at least four states enacted laws to expand access to telehealth services:

- In Tennessee, Senate Bill 0721 revises the state’s telehealth law to no longer require behavioral health patients to be evaluated in person before receiving care through telehealth.

- Under Assembly Bill 1369, California will now allow out-of-state physicians without a California license to provide care through telehealth in the event of a life-threatening condition.

- With Legislative Document 231, Maine established a state-wide child psychiatry telehealth consultation service to support primary care physicians who need assistance with “diagnosis, care coordination, medication management and any other necessary behavioral health questions to serve their patients.”

- House Bill 1181 in Arkansas established the Counseling Compact, which will facilitate interstate practice of licensed counselors through telehealth.

A bill was also introduced in Hawaii, Senate Bill 322, to facilitate interstate telehealth practice for licensed counselors. Connecticut’s legislature considered similar legislation, House Bill 6562, to create broader flexibilities for telehealth, allowing out-of-state health care providers to provide telehealth services, removing an existing prohibition on audio-only telehealth, and ensuring equitable payment for telehealth and in-person services.
At least two other state legislatures, New York, Assembly Bill 7316/Senate Bill 6733, and Mississippi, House Bill 324, considered legislation that would ensure that Federally Qualified Health Centers (FQHCs) be reimbursed at the same rate whether a service was delivered through tele-health or in-person.

V. Creating Comprehensive Primary Care Through Integration

High-quality, comprehensive primary care includes the full suite of physical and behavioral health services people need to live healthy, productive lives. However, many barriers exist to full integration, including in some situations the way insurance and facilities are regulated and the types of coverage offered by insurers. To ensure access to health care services that treat the whole person, state policies should reduce these barriers and increase access to integrated care, including through implementing comprehensive care models that pay for holistic care and integrated care teams.

In 2022, PCDC examined several ways that state lawmakers had encouraged high-quality primary care integration, including facilitating the inclusion of behavioral health care and reproductive health care into primary care. In 2023, state policymakers continued to innovate, developing new ways to help comprehensive primary care offer both physical and mental health care and to extend beyond the clinic to understand social drivers of health, such as access to transportation, education, and the environment.

A. Comprehensive Care Models

The “Collaborative Care Model” refers to an “approach to integration in which primary care providers, care managers, and psychiatric consultants work together to provide care and monitor patients’ progress,” and has been established as an effective, evidence-based model.
approach for integrating physical and behavioral health care in primary care settings.\(^{44}\)

In 2023, Nevada, Assembly Bill 138, and Maryland, Senate Bill 101, enacted legislation to require implementation of and reimbursement for collaborative care models under their states’ Medicaid programs.

Legislatures in California and Pennsylvania considered but did not pass legislation to reimburse integrated care models for behavioral health and primary care (California Assembly Bill 492) (Pennsylvania Senate Bill 445). California’s proposal would also have created pilots for integrating reproductive health care into primary care. In New Hampshire, Senate Bill 235 was introduced but did not pass, and would have required insurers to cover behavioral health care delivered through a primary care comprehensive care model.

### B. Expanding Access to Postpartum Coverage and Services

Maternal mortality rates continue to rise in the U.S. According to the CDC, the maternal mortality rate was 32.9 deaths per 100,000 live births in 2021, compared with a rate of 23.8 in 2020 and 20.1 in 2019.\(^{45}\) For Black women, the maternal mortality rate was 69.9 deaths per 100,000 live births, which is 2.6 times the rate for non-Hispanic White women (26.6), evidence of ongoing and devastating racial inequities in health outcomes.\(^{46}\) Among other reasons, inconsistent health coverage or difficult-to-access providers can leave postpartum women unable to access the full range of necessary postpartum services in the critical year after birth, contributing to the overall problem.\(^{47}\)

Federal law already requires state Medicaid policy to keep postpartum women enrolled in Medicaid for at least 60 days postpartum, but over the last decade, a number of states have expanded that requirement (through both legislation and Medicaid 1115 waivers) to anywhere between six and 12 months. Thirty-six states have implemented a 12-month postpartum extension, and 10 states are planning to implement a 12-month extension. Notably, virtually all post-partum care after six or 12 weeks is part of primary care.\(^{48}\)

This year, at least seven states enacted legislation or adopted budget language that extends Medicaid postpartum coverage beyond the federal 60-day requirement.\(^{49}\)

- In Alaska, Senate Bill 58 requires the state Department of Health to submit a Medicaid State Plan Amendment to CMS to extend Medicaid postpartum coverage for up to a year, and expands state Medicaid eligibility for pregnant women to those making less than 225% of the federal poverty line, up from 200%.

- With Senate Bill 2212, Mississippi directed the state Division of Medicaid to provide up to 12 months of continuous coverage postpartum. The Division submitted its Medicaid State Plan Amendment to CMS in May 2023.
Senate Bill 133 in Utah requires the state Medicaid program extend postpartum Medicaid coverage to 12 months. Utah submitted its Medicaid State Plan Amendment to CMS in May 2023.

In Missouri, Senate Bill 45 extended postpartum coverage to 12 months for those receiving MO HealthNet benefits, subject to the approval of any necessary state plan amendments or waivers.

Similarly, in Texas, House Bill 12 extended postpartum Medicaid coverage from 60 days to 12 months, subject to approval of a state plan amendment.

New Hampshire’s budget included an extension of Medicaid postpartum coverage to 12 months.

In Nebraska, Legislative Bill 227, will extend Medicaid postpartum coverage to “at least six months” pending approval of a state plan amendment or waiver.

Similar legislation was considered in three other states, Idaho (House Bill 122, House Bill 201), Iowa (Senate File 57/Senate Bill 226), and Arkansas (House Bill 2010), but did not pass this year.

C. 2023 Trends: Expanding Postpartum Benefits

As in 2022, several states also moved legislation to expand postpartum Medicaid benefits to cover services that were not previously covered and not federally required.

Connecticut passed Senate Bill 00986, which establishes a voluntary statewide newborn nurse home visiting program to support healthy child development and strengthen families in the postpartum period.

Georgia enacted Senate Bill 106 or the “Healthy Mothers, Healthy Babies Act” to fund and launch the pilot Georgia Home Visiting Program for at-risk and underserved rural communities during pregnancy and early childhood.
D. Comprehensive Team-Based Primary Care Expansions Through Community Health Workers

Some states have required Medicaid to reimburse for care provided by Community Health Workers. CHWs can encourage primary care facilities to offer more comprehensive and holistic services to their patients, as CHWs can provide “culturally appropriate health promotion and education, assistance in accessing medical and non-medical services, translation services, care coordination, and social supports.” This strategy is a growing trend – by 2022, more than half of states allowed some reimbursement for CHWs through Medicaid. Three more states joined that list in 2023.

In addition, there is a growing interest in screening for health-related social needs, through screening and referral to community services for housing, food security, and transportation, for example.

2023 Trends:
Medicaid Coverage for Community Health Workers/Health-Related Social Needs Services

- **Colorado** enacted [Senate Bill 23-002](#), which allows Medicaid reimbursement for some services provided by community health workers. The Colorado Department of Healthcare Policy and Financing will submit a State Plan Amendment to CMS to seek authorization by July 2024.

- **Connecticut** enacted [Senate Bill 989](#), which authorizes the Commissioner of Social Services to design and implement a program to provide Medicaid reimbursement to certified community health workers for services including coordination of medical, oral and behavioral health care and social supports; connection to and navigation of health systems and services; prenatal, birth, lactation and postpartum supports; and health promotion, coaching, and self-management education.

- **California** is considering [Assembly Bill 85](#), a bill that would make social determinants of health screenings a covered benefit for Medi-Cal beneficiaries and would require the State Department of Health Care Services or a Medi-Cal managed care plan to reimburse for those services.
In 2023, a number of state legislatures considered and enacted proposals to address the core challenges facing primary care by investing more in primary care, shoring up the shrinking and insufficient primary care workforce, supporting integration in primary care, and expanding access to telehealth.

The growing list of states focused on investing more in primary care demonstrates important momentum toward using state policy to rebalance the health system, with 17 states having already enacted laws or promulgated regulations. At the same time, the incremental changes proposed in states on integrated care, telehealth, and workforce would also contribute to an equitable and primary care-centric health system.

PCDC strongly encourages state lawmakers across the country to continue to adopt and strengthen policies to ensure that primary care can fulfill its potential to support healthy, thriving, equitable communities now and into the future.

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Footnotes

1 National Academy of Science, Engineering and Medicine, *Implementing High-Quality Primary Care Rebuilding the Foundation of Health Care* (2021), available at https://www.nap.edu/read/25983/.


15 See note 14.


21 [https://www.ncbi.nlm.nih.gov/pmc/articles/PMC4369588/](https://www.ncbi.nlm.nih.gov/pmc/articles/PMC4369588)


Id.


Patrick Boyle, Threats against health care workers are rising, AAMC, https://www.aamc.org/news/threats-against-health-care-workers-are-rising-heres-how-hospitals-are-protecting-their-staffs, (last visited October 17, 2023)

Id.


42 Id.


46 Id.


49 Note that CMS also approved state plan amendments to extend Medicaid postpartum coverage to 12 months in eight states, many of which had adopted this type of legislation in 2022: Alabama, Arizona, Colorado, Delaware, New York, Oklahoma, Rhode Island, and South Dakota. TK citations.


51 See note 2.

All photos in this report are from PCDC projects and partnerships.