

# Medical Homes: Building Blocks to Health System Reform

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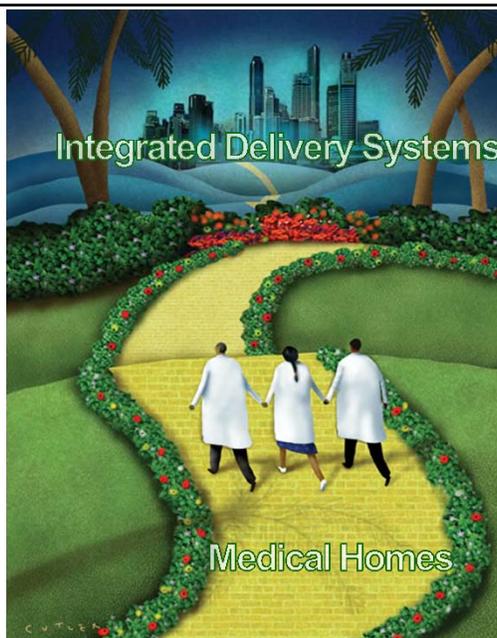
## NASHP

- ❖ 26-year-old non-profit, non-partisan organization
- ❖ Offices in Portland, Maine and Washington, D.C.
- ❖ Academy members
  - Peer-selected group of state health policy leaders
  - No dues—commitment to identify needs and guide work
- ❖ Working together across states, branches and agencies to advance, accelerate and implement workable policy solutions that address major health issues

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## Where do you want to go?

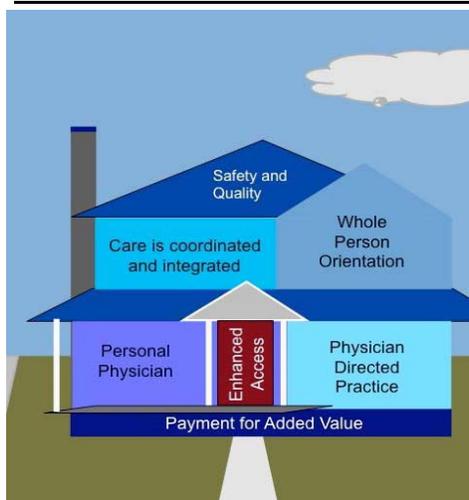


Background Image by Dave Cutler, Vanderbilt Medical Center  
 (http://www.mc.vanderbilt.edu/lens/article/?id=216&pg=999)

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## Patient Centered Medical Homes



### Key model features:

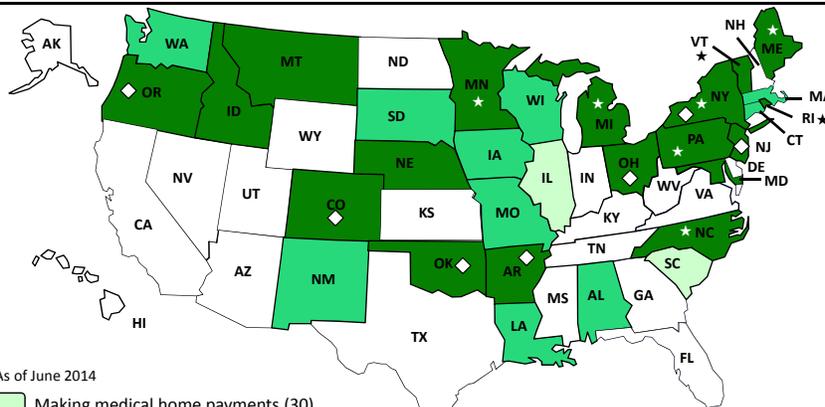
- ❖ Multi-stakeholder partnerships
- ❖ Qualification standards aligned with new payments
- ❖ Practice teams
- ❖ Health Information Technology
- ❖ Data & feedback
- ❖ Practice Education

Graphic Source: Ed Wagner. Presentation entitled "The Patient-centered Medical Home: Care Coordination." Available at: [www.improvingchroniccare.org/downloads/care\\_coordination.ppt](http://www.improvingchroniccare.org/downloads/care_coordination.ppt)

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## Medicaid PCMH Payment Activity



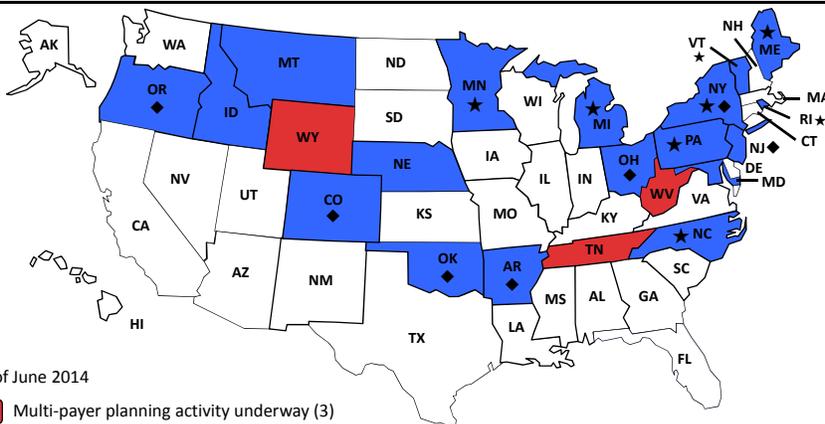
As of June 2014

- Making medical home payments (30)
- Payments based on provider qualification standards (28)
- Payments based on provider qualification standards, making payments in a multi-payer initiative (18)
- ★ Participating in MAPCP Demonstration (8: ME, MI, MN, NY, NC, PA, RI, VT)
- ◆ Participating in CPC Initiative (7: AR, CO, NJ, NY, OH, OK, OR)

SOURCE: National Academy for State Health Policy. "Medical Home and Patient-Centered Care."  
Available at: [www.nashp.org/med-home-map](http://www.nashp.org/med-home-map).

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## Multi-Payer PCMH Activity



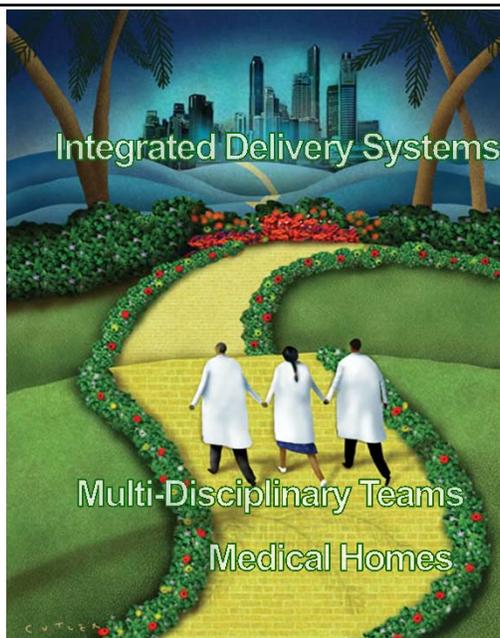
As of June 2014

- Multi-payer planning activity underway (3)
- Multi-payer payments to medical homes underway (18)
- ★ Participating in Multi-payer Advanced Primary Care Practice Demonstration (8: ME, MI, MN, NY, NC, PA, RI, VT)
- ◆ Participating in Comprehensive Primary Care Initiative (CPCI) (7: AR, CO, NJ, NY, OH, OK, OR)

SOURCE: National Academy for State Health Policy. "Medical Home and Patient-Centered Care."  
Available at: [www.nashp.org/med-home-map](http://www.nashp.org/med-home-map).

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## Where do you want to go?



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## Multi-disciplinary teams

### Expanding PCMH to make room for new services



#### Key model features:

- ❖ Practice teams—often shared among practices
- ❖ Payments to teams and qualified providers
- ❖ Patients and families “on the team”
- ❖ Teams are based in a variety of settings

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## Medical Homes vs. Health Homes

### Medical Homes

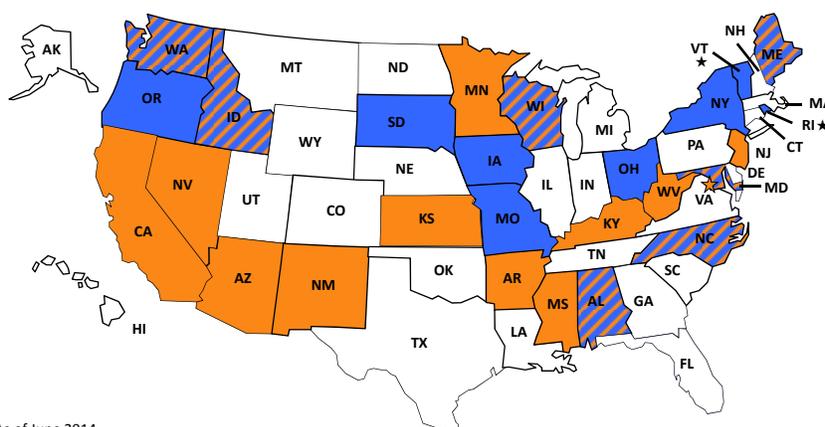
- ❖ Designed for everybody
- ❖ Primary care provider-led
- ❖ Primary care focus
- ❖ No enhanced federal Medicaid match

### 2703 Health Homes

- ❖ Designed for eligible individuals with a serious mental illness and/or specific chronic physical conditions
- ❖ Primary care provider is key, but not necessarily the lead
- ❖ Focus on linking primary care with behavioral health and long-term care
- ❖ Eight-quarter 90 percent federal Medicaid match
- ❖ Significant increase in financial support to providers

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## ACA Section 2703 Health Home Activity



SOURCE: National Academy for State Health Policy, "Medical Home and Patient-Centered Care."  
Available at: [www.nashp.org/med-home-map](http://www.nashp.org/med-home-map).

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## Where do you want to go?



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## Integrated/Accountable Care Health System Models



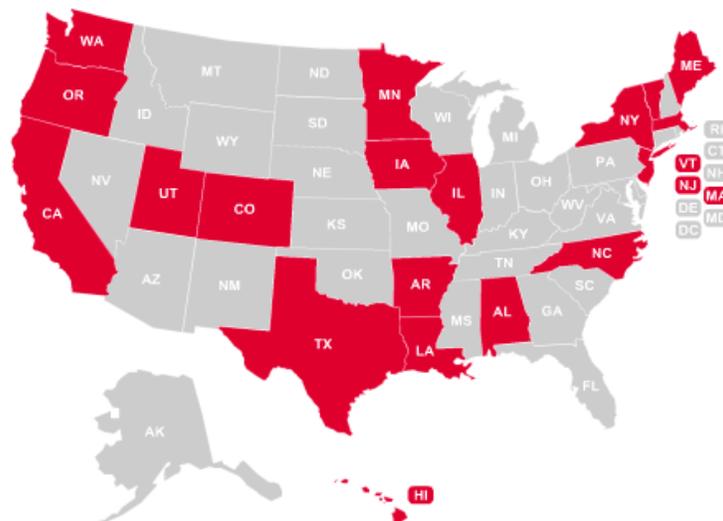
### Key model features:

- ❖ High-performing primary care providers
- ❖ Emphasis on coordination across providers in the health care system
- ❖ Shared goals & risk
- ❖ Population health management tools
- ❖ Health information technology & exchange
- ❖ Engaged patients

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## NASHP's State 'Accountable Care' Activity Map



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<http://www.nashp.org/state-accountable-care-activity-map>

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## Oregon Coordinated Care Organizations (CCOs) Payment Model

- ❖ Authorized by the legislature in 2012 via SB 1580
- ❖ 16 CCOs are operating in communities in Oregon providing ACO-like arrangements to coordinate care for Medicaid across multiple services
- ❖ CCOs must have capacity to assume risk. Each CCO receives a **fixed global budget**. These budgets include:
  - Capitated PMPM for physical, mental, and dental services
  - Transformation incentive payments
  - Medicare funding to blend with Medicaid funding for dual eligibles
- ❖ Expected to implement value-based alternatives to traditional FFS reimbursement methodologies (e.g. shared savings, bundled or episode-based payments, and global payments)
- ❖ CCOs to coordinate care and *engage enrollees* & providers in health promotion
- ❖ Meet key quality measurements while reducing spending growth by 2% over the next 2 years

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## Key Cost & Quality Drivers

### ❖ Patient Care Networks of Alabama (early results)

- Early results from 2012<sup>1</sup>
  - Per member per month costs down 7.1% compared with rest of the state
  - ER Utilization down 15% compared with rest of the state
  - Providers encouraged

### ❖ Oklahoma SoonerCare Choice<sup>2</sup>

- Independent evaluation for period of 01/2009-06/2012 found that 30-day hospital readmission rate decreased by 26%
- ER utilization declined significantly after the introduction of the PCMH model in 2009
- Positive feedback from both providers and patients

<sup>1</sup> "Early results suggest savings potential for Patient Care Networks."  
[http://medicaid.alabama.gov/news\\_detail.aspx?ID=6301](http://medicaid.alabama.gov/news_detail.aspx?ID=6301).

<sup>2</sup> SoonerCare Choice Program Independent Evaluation, Interim Report for January 2009-June 2012.

## Key Cost & Quality Drivers

### ❖ Minnesota Health Care Homes (HCH)<sup>3</sup>

- Program Evaluation (2010-2012)
  - Report found that HCHs outperformed non-HCHs on various clinical quality measures, including asthma care and diabetes care (statistically significant results)
  - Medicaid enrollees' average per-capita cost was 9.2% lower for those attributed to a HCH

<sup>3</sup> Evaluation of Health Care Homes: 2010-2012.  
<http://www.health.state.mn.us/healthreform/homes/outcomes/documents/evaluationreports/evalu>

## What have we learned?

- ❖ States have demonstrated a commitment and a unique role in advancing primary care
- ❖ Practice transformation takes time and resources
- ❖ Models are not static, status quo not an option
- ❖ Legislation works; leadership cannot be underestimated
- ❖ Data challenges are significant
- ❖ Cost savings are uncertain for now, budget neutrality is often the goal
- ❖ Public-private partnerships are critical
- ❖ Still a long road ahead!

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**TOPICS**

- ACA Implementation & State Health Reform
- Coverage and Access
- Federal/State Issues
- Medicaid and CHIP
- Population and Public Health
- Providers and Services
- Quality, Cost, and Health System Performance
- Specific Populations

**PROGRAMS**

- ABCQ Resource Center
- Access and the Safety Net
- Behavioral Health Evidence-Based Practices & Medicaid
- Children's Health Insurance
- Maximizing Enrollment
- Medical Home & Patient-Centered Care

**TOOLS & RESOURCES**

- Children's Coverage Toolbox
- Multi-Payer Resource Center
- State Accountable Care Activity Map
- Patient Safety Toolbox

**QUICK LINKS**

- NASHP Projects & Programs
- NASHP Publications by Date
- NASHP Authors' Publications

**Medical Home & Patient-Centered Care**

Click Here for Interactive Map

Best viewed in Internet Explorer, Safari, or Chrome

A medical home is an enhanced model of primary care that provides whole person, accessible, comprehensive, ongoing and coordinated patient-centered care. First advanced by the American Academy of Pediatrics in the 1980s, the concept gained momentum in 2007 when four major physician groups agreed to a common view of the patient-centered medical home (PCMH) model defined by seven "Joint Principles." (For more information on the "Joint Principles" please go to [www.pccpc.org](http://www.pccpc.org).) Since 2007, NASHP has been tracking and supporting state efforts to advance medical homes for Medicaid and CHIP participants. NASHP's medical home map allows you to click on a state to learn about its efforts. Our work is supported by The Commonwealth Fund.

As of April 2013, 43 states have adopted policies and programs to advance medical homes. Medical home activity must meet the following criteria for inclusion on this map:

**MEDICAL HOME STRATEGIES**

- Forming Partnerships
- Defining and Recognizing Medical Homes
- Aligning Reimbursement & Purchasing
- Supporting Practices
- Measuring Results

**MEDICAL HOME REGULATIONS**

- Five Key Strategies to Engage Health Care Payers and Purchasers in a Multi-Payer Medical Home Initiative
- September 2013
- Issue Brief: State Strategies to Avoid Arbitrarily Concerns in Multipayer Medical Home Initiatives
- July 2013
- Care Management for Medicaid Enrollees Through Community Health Teams
- June 2013

more

**Please visit:**

- [www.nashp.org](http://www.nashp.org)
- <http://www.nashp.org/med-home-map>
- <http://www.nashp.org/state-accountable-care-activity-map>
- [www.statereforum.org](http://www.statereforum.org)
- [www.pccpc.net](http://www.pccpc.net)

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