

# **MEDICARE MEDICAL HOME DEMONSTRATION (MMHD)**

## **OVERVIEW**

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## **WHAT IS A MEDICAL HOME?**

**The premise of the medical home concept is that primary care that is comprehensive and managed and coordinated by a personal physician will lead to better health outcomes.**

- **Physician-directed medical practice with a personal physician leading a team in caring for medical home patients; and**
- **Each patient has a ongoing relationship with a personal physician trained to provide first contact, continuous and comprehensive care;**
- **Whole patient orientation, including acute, chronic, and preventive care;**
- **Care is coordinated and integrated across all elements of the complex health care system.**
- **Provides enhanced access**

### **Authorization**

- **Tax Relief and Health Care Act (TRHCA) of 2006, Section 204**
- **Medicare Improvements for Patients and Providers Act (MIPPA) of 2008, Section 133**

## **Specifics**

- **3-Year Demonstration**
- **No more than 8 States**
- **Physician-Based Practices**
- **High-Need Population**
- **Individuals with chronic illnesses that require regular medical monitoring, advising, or treatment.**

## **Demonstration Design**

- **Reviewed statutes, literature (especially of the American Academy of Family Physicians (AAFP), American Academy of Pediatrics (AAP), American College of Physicians (ACP), and American Osteopathic Association (AOA)), and experiences of others**
- **CMS consulted with ACP, AAFP, and American Geriatrics Society (AGS) and others**
- **Medicare Medical Home Demonstration design**
- **Physician Practice Connection (PPC-PCMH-CMS)**
- **AMA/Specialty Society Relative Value Scale Update Committee (RUC) estimated work, office, and professional liability insurance expenses to establish relative value units (RVU)**

## **2 Main Parts of the Medical Home**

- **The Practice**
- **The Physician**

## **Which Practices Are Qualified?**

- **Physician-Based practice**
- **Must qualify as Tier 1 or Tier 2 as measured by PPC-PCMH-CMS Version**
- **Must be able to provide medical home services**
  - **Oversee development & implementation of plan of care**
  - **Use evidence-based medicine & decision-support tools**
  - **Use health information technology to monitor & track health status of patients**
  - **Encourage patient self-management**

## **Medical Home Designation**

- **Medical Home is a term that applies to a physician-based practice.**
- **Has necessary capabilities in place**
- **Practice culture supports Medical Home type care**
- **Describes the responsibilities of the practice**



## **Tier Structure**

- **Two tiers of medical homes**
- **Tier 1: Basic medical home services, lower care management fee**
- **Tier 2: Expanded medical home services, higher care management fee**
- **Both tiers are fully functional and qualified**

## **Tier 1 Requirements**

**16 required capabilities, for example:**

- **Discuss with patients the role of the medical home**
- **Establish written standards for patient access**
- **Use data to identify/track patients**
- **Use integrated care plan**
- **Provide patient education/support**
- **Track tests/referrals**

## **Tier 2 Requirements**

- **All Tier 1 requirements**
- **Plus 3 more including:**
- **Use electronic health record (EHR), certified by the Certification Commission on Health Information Technology (CCHIT), to capture clinical information (for example, blood pressure, lab results, status of preventive services)**
- **Practices that choose to qualify as Tier 1 initially may apply to qualify as Tier 2 practices in subsequent years**

## **Participating Physicians**

- **Work within the Medical Home practice structure**
- **Provide healthcare management services above regular medical care**
- **“Quarterback” of the healthcare management team**

## **Which Physicians Are Eligible?**

- **MD/DO board-certified**
  - **Doctor of Medicine (MD) or Doctor of Osteopathic Medicine (DO) practices providing ambulatory health care, including federally qualified health centers (FQHCs) and small-, medium-, and large-sized practices**
- **Provide first contact and continuous care**
- **Eligible: General internist, family practice, geriatrics, some specialties**
- **Not eligible: Radiology, pathology, anesthesiology, dermatology, ophthalmology, emergency medicine, chiropractors, psychiatry, and surgery**

## **Physician Responsibilities**

- **Each physician in the Medical Home is expected to provide specific services to each patient as necessary**
  - **Provide ongoing support, oversight, and guidance by a physician-led health care team**
  - **Provide integrated coherent planning for ongoing medical care including communication and coordination with other physicians and healthcare professionals furnishing care**
  - **Provide development and/or revision of documented care plans, including integration of new information and/or adjustment of medical therapy**
  - **Undertake tracking of hospital, and other facility admissions, with appropriate follow-up after discharge**
  - **Oversee and track medication changes initiated by others**
  - **Provide reconciliation of medications to avoid interactions or duplications.**
  - **Review medication changes occurring outside of their own E/M visit, including all prescriptions and related communication with other physicians and health care professionals.**
  - **Review reports of patient status from other physicians or health care professionals**
  - **Review results of laboratory and other studies**
  - **Monitor staff to ensure the use of evidence-based medicine and clinical decision support tools to facilitate diagnostic test tracking, pre-visit planning, and after-visit/test follow-up**
  - **Maintain communication (including telephone calls, secure web sites, etc.) with the patient, family, and caregivers for purposes of assessment or care decisions**

### **Which Patients are Eligible/Ineligible?**

- **Medicare fee-for-service beneficiaries**
  - **Part A and Part B coverage**
  - **Medicare is primary insurance provider**
- **At least one eligible chronic condition (86% of beneficiaries)**

#### **Ineligible:**

- **Medicare Advantage**
- **Hospice**
- **Long-term nursing home**
- **Treatment for end-stage renal disease**

## **Location and Sample Size**

- **8 sites (A site is a state or a part of a state.)**
  - **Will include urban, rural, medically underserved sites**
  - **CMS announce sites following approval**
- **Sample across all 8 sites (not each site)**
  - **400 practices (small, med. large, FQHC, RHC, CHC)**
  - **2,000 physicians**
  - **400,000 Medicare beneficiaries**



## **What Are the Benefits to Practices?**

- **Care management fee**
- **Share in savings**
- **Ability to provide better quality care to patients**
- **Improved practice work flow**
- **Improved job satisfaction**

### **What Is the Care Management Fee?**

- **Based on RUC relative value units for physician work, practice expenses, and professional liability insurance**
- **In addition to activities already reimbursed by Medicare**
- **Risk-adjusted, based on hierarchical condition categories (HCC) score of the patient**

### **Per Member Per Month Payments**

<b>Tier</b>	<b>Blended Rate</b>	<b>Patients with HCC Score &lt;1.6</b>	<b>Patients with HCC Score ≥1.6</b>
<b>1</b>	<b>\$40.40</b>	<b>\$27.12</b>	<b>\$80.25</b>
<b>2</b>	<b>\$51.70</b>	<b>\$35.48</b>	<b>\$100.35</b>

## **Next Steps**

- **Recruitment**
  - **Notify all practices in demo sites**
- **Application**
  - **Submission of initial application**
- **Qualification**
  - **PPC-PCMH-CMS**
- **Beneficiary Enrollment**
- **Beneficiary education and agreement**

## **Additional Information/Questions**

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