

MEDICAL HOME DEMONSTRATION

Fact Sheet

September 2008

Background

- Section 204 of the Tax Relief and Health Care Act of 2006 requires the Secretary to establish a demonstration...to redesign the health care delivery system to provide targeted, accessible, continuous and coordinated, family-centered care to high need populations.
- 3-year demonstration providing reimbursement in the form of a care management fee to physician practices for the services of a “personal physician.” The legislation directs CMS to use the relative values scale update committee (RUC) process to establish the care management fee codes for care management fees.
- “High need” patients include those with prolonged or chronic illnesses that require regular medical monitoring, advising, or treatment.

Demonstration Design

- CMS has contracted with Mathematica Policy Research (MPR) to prepare option papers pertaining to defining a medical home and patient eligibility, among other topics.
- We have shared these papers with the American Academy of Family Physicians, the American College of Physicians, the American Academy of Pediatrics, the American Osteopathic Association, the American Medical Association, and others. Their comments indicate a general agreement with the options presented in the papers.
- The option papers will be used to develop a demonstration design paper which we will make public in September.

Physician Eligibility

- Physician practices
 - Includes family practice, internal medicine, geriatrics, general practice, specialty and sub-specialty practices (except where specifically excluded).
 - Excludes radiology, pathology, anesthesiology, dermatology, ophthalmology, emergency medicine, chiropractic, psychiatry, and surgery.

Definition of Medical Home

- Two-tier medical home model with increasing levels of capability
 - Achieving medical home status at either of the tiers represents an expectation that the practice has the capability and the intention to provide a certain level of care management and coordination services to patients in the demonstration.
 - Six general domains and up to 47 specific core capabilities (see attachment).
- Tier 1 or “typical” medical home must have 18 basic medical home capabilities, such as:
 - Uses health assessment plan
 - Uses integrated care plan
 - Tracks tests and provider follow-up
 - Reviews all medications
 - Tracks referrals
- Tier 2 or “enhanced” medical home must meet Tier 1 requirements plus 2 additional capabilities (electronic medical record and coordination of care including follow-up of inpatient and outpatient care), plus three of nine optional capabilities.
- Practices will qualify for medical home status on the basis of documentation submitted using the Physicians Practice Connections/Patient-Centered Medical Home instrument (developed and owned by NCQA), modified as necessary for the Medicare demonstration.
 - NCQA has licensed to CMS without cost for use in the demonstration, including instructions for submission.
 - Can be submitted electronically or on paper.
- Practices that qualify for Tier 1 may move up to Tier 2 by submitting documentation of their additional qualifications.

Patient Eligibility

- Coverage eligibility
 - Medicare Part A & B, fee-for-service
 - Medicare as primary coverage
- Disease eligibility
 - Eligible beneficiaries must have at least one qualifying chronic disease
- Other eligibility
 - Patients who enter nursing home while participating in demonstration (as long as the patient continues to receive primary care services from the medical home)
 - Patients who “recover” from a qualifying chronic condition while participating in medical home

- Exclusions
 - Medicare Advantage enrollees
 - Current hospice patients
 - Current nursing home patients
 - Participants in other Medicare demonstrations

Valuation of Medical Home Services

- Valuation of a monthly care management fee for medical home services by the Relative Value Scale Update Committee (RUC)
 - RUC has provided CMS with its recommendations for the Relative Value Units (RVUs) for the care management fee.

Site Selection

- We expect to announce site selection in December. We anticipate the demonstration will be implemented in all or parts of 8 States.

Implementation Schedule

- We anticipate soliciting for practices to participate in the demonstration in spring, 2009. Payment of the care management fee to participating practices will begin January 2010 and continue for three years.