



# NOTEWORTHY PCMH ACTIVITIES

MEDICARE DEMONSTRATION PROJECT

BCBSM PGIP MEETING  
JUNE 11, 2010

# DEMONSTRATION ANNOUNCEMENT



- Multi-payer Advanced Primary Care Practice (MAPCP) Demonstration announced in September 2009
- Demonstration introduced on June 6, 2010
- Includes Medicare, Medicaid and private insurers in State-based health reform initiatives
- Aimed at improving the delivery of primary care

# DEMONSTRATION ANNOUNCEMENT



- CMS is administering this 3 year demonstration
- MPCC is overseeing the application process
- Deadline for submission of application is August 3, 2010
- Letter of Intent must be submitted no later than June 17, 2010

# *DEMONSTRATION ANNOUNCEMENT*



- The whole state does not need to participate in the demonstration
- Region/community specific

# DEMONSTRATION ANNOUNCEMENT



- Once application has been submitted it will be reviewed by a panel of governmental experts to determine whether Michigan qualifies
- If the number of qualified applications exceeds six, CMS will enter into cooperative agreements with the six unless resources are available and a compelling case can be made to increase the number
- CMS can reduce the number

# DEMONSTRATION ANNOUNCEMENT



- Practices participating in this demonstration are precluded from participating in other Medicare demonstrations
- State applying will be required to submit a written statement that each participating practice agree not to participate in any Medicare demonstration for the duration of this project

# MEDICARE: DEFINITION



- Advanced Primary Care Practice (APCP)
- Medical Home
  - No one definition, model, or set of criteria for identifying APCP will be required
  - Application submitted by MPCC must include a rigorous definition of, and method of implementing, APCP



- Application must identify the practices and the estimated number of Medicare beneficiaries that would participate in the multi-payer initiative the first year
- Describe the anticipated impact of any planned expansion of the multi-payer initiative on the number of participating practices and number of participating beneficiaries

# *MEDICARE: HOW WILL STATE SUPPORT THE INITIATIVE*



- Mechanisms in place to support the implementation of the APCP model
- Describe link to community-based resources such as transportation, nutritional counseling/support)
- Coordinate transitions of care with involvement of the patient's PCP
- Support self-management by patients
- Support practice involvement and practice transformation

# *MEDICARE: HOW WILL STATE SUPPORT THE INITIATIVE*



- No one method of linking APCP with community resources will be required
- Different methods may include sharing of staff (travel teams)
- State-wide health promotion and disease prevention initiatives that address significant causes of chronic illness and avoidable morbidity and mortality must be coordinated/integrated by State

# MEDICARE: DEFINITION



- Utilize a team approach to care with the patient at the center
- Emphasis on prevention, health information technology, care coordination and shared decision making among patients and their providers

# MEDICARE: REIMBURSEMENT MODEL



- CMS will provide enhance payment to participating APCP practices for their Medicare patients commensurate with other participating payers
- Implementing a common payment method across multiple participating payers reduces administrative burden, aligns economic incentives, and provides participating practices with the resources needed to function as APCP

# *MEDICARE: TO QUALIFY FOR PARTICIPATION*



- Multi-payer initiatives in place
- Be conducted under state auspices
- Have promotion of the APCP model as its central purpose
- Include Medicaid and substantial participation by private health plans

# *MEDICARE: TO QUALIFY FOR PARTICIPATION*



- Have substantial support by Primary Care Providers
- Include mechanism for community support of participating practices
- Be coordinated with state health promotion and disease prevention efforts

# *MEDICARE: OPPORTUNITY TO ASSESS IMPACT OF ACP*



- Way in which to check impact of ACP on Medicare, Medicaid and private health plans on
  - Safety, effectiveness, and efficiency of health care
  - Variation in utilization and expenditure not related to differences in health status
  - Ability of beneficiaries to participate effectively in decisions concerning their care

# *MEDICARE: OPPORTUNITY TO ASSESS IMPACT OF ACP*



- Way in which to check impact of ACP on Medicare, Medicaid and private health plans on
  - The delivery of care consistent with evidence-based guidelines in historically underserved areas
  - Utilization of, and expenditures for, services covered by Medicare and Medicaid

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# MEDICARE: HOW MUCH WILL DOCTORS BE PAID



- Traditional Medicare fee-for-service
- State may describe in their application specific methods that will be used to pay participating practices for services that are not otherwise covered under traditional Medicare fee-for-service program
  - Monthly fee
  - Add-on payments
  - P<sub>4</sub>P

# MEDICARE CARE MANAGEMENT FEE



- Fee will not be geographically adjusted
- Adjusted for tier and HCC score
  - HCC score indicates disease burden and predicted future costs to Medicare

# *MEDICARE: HOW MUCH WILL DOCTORS BE PAID*



- The fee depends upon the beneficiary participant's score and the practice's tier
- The blended base monthly management fee for Tier 1 patients will be \$40.40 and for Tier 2 it will be \$51.70.
- Each amount will be risk adjusted according to each patient's severity

# MEDICARE: IS PQRI AFFECTED



- Participating practices will still be able to submit and receive a PQRI bonus

# MEDICARE: MIDDLELEVEL PROVIDERS?



- The enabling legislation requires that the medical home providers must be DO or MD who are board certified

# MEDICARE ADVANTAGE PROGRAMS?



- Excluded from the demonstration
  - CMS does not have individual level claims necessary for analysis of cost savings

# *MEDICARE: INFORMATION*



For more information about the demonstration,  
see the following website:

<http://www.cms/hhs.gov/DemoProjectEvalRpts/MD/itemdetail.asp?itemID=CMS1230016>

# QUESTIONS???

