



Center for Healthcare Research & Transformation

DEMONSTRATION PROJECT:

Patient Centered Medical Home (PCMH)

Case

The patient centered medical home (PCMH) is a model of care delivery that includes an ongoing relationship between provider and patient, and a comprehensive approach to coordination of care. The American College of Physicians (ACP), and the American Academy of Family Physicians (AAFP) have endorsed the medical home as an approach to improve care delivery. Many efforts are in place across the country to transform care to fit this model. While the PCMH has gotten a lot of attention as a means to improve health care delivery and quality, little is known about the capacities of physician organizations to meet or match the ideal state of being a PCMH. Further studies are needed to better define the core functions of the medical home and their optimal implementation.

Project summary

The Center for Healthcare Research & Transformation (CHRT) will work with Blue Cross Blue Shield of Michigan's (BCBSM's) Physician Group Incentive Program (PGIP) to determine the attributes that correlate with progress towards becoming a patient centered medical home (PCMH), and develop a demonstration project with the goal of accelerating progress toward becoming a PCMH.

This demonstration project has three major components:

- **Topography of PCMH implementation in Michigan.** Using existing data gathered by BCBSM from physician groups from across the state, CHRT wants to develop a picture of the baseline capacities of physician organizations with regard to the desired attributes of a PCMH. In addition, CHRT would like to analyze the organizational attributes that correlate with more advanced states toward PCMH.
- **Impact of PCMH initiatives on quality of care and healthcare cost savings.** The BCBSM PCMH initiative offers a unique natural experiment to understand the impact of various facets of a PCMH (e.g. individual care management, extended access, test tracking, E-prescribing, patient-provider agreements, patient registries, and performance reporting) on cost, quality, access, and patient and provider satisfaction. It is CHRT's goal to help analyze the impact of these initiatives prior to the complete rollout of the BCBSM PCMH strategy to all BCBSM PGIP groups. An important part of this project will involve evaluating how to accelerate progress toward becoming a PCMH. One possible approach to the intervention will be to identify groups already more advanced in their development of PCMH components and, through BCBSM, provide enhanced payments to encourage a quicker development of some of these key elements.
- **Taxonomy of barriers and opportunities.** Informed by the results of the topography and impact evaluation, CHRT will also develop a taxonomy of barriers and opportunities to implementing a PCMH. That is, CHRT is interested in understanding what are the major

impediments to fully developing PCMH capacity as well as what environmental or organizational elements are positive influences on development of the PCMH. Methods to identify these barriers and opportunities may include surveys, interview with practice groups, and interviews with practice group leadership.

Objectives

The outcomes that we expect from this initiative include:

- More cost effective care, per member per month.
- Improved quality of care for patients.
- Improved patient satisfaction.
- Improved provider satisfaction.
- Development of a sustainable and operationally feasible reimbursement and operational model.

Proposed Timeline

The proposed project would begin in mid-2008, with a two-year projected timeline including interim process measures and outcome measures.