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# Medical Home Pilots: Washington State Plan for Implementation

Web Cast: Thursday, August 5, 2010  
3:30 – 4:30 pm





# Presenters

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# Today's Agenda

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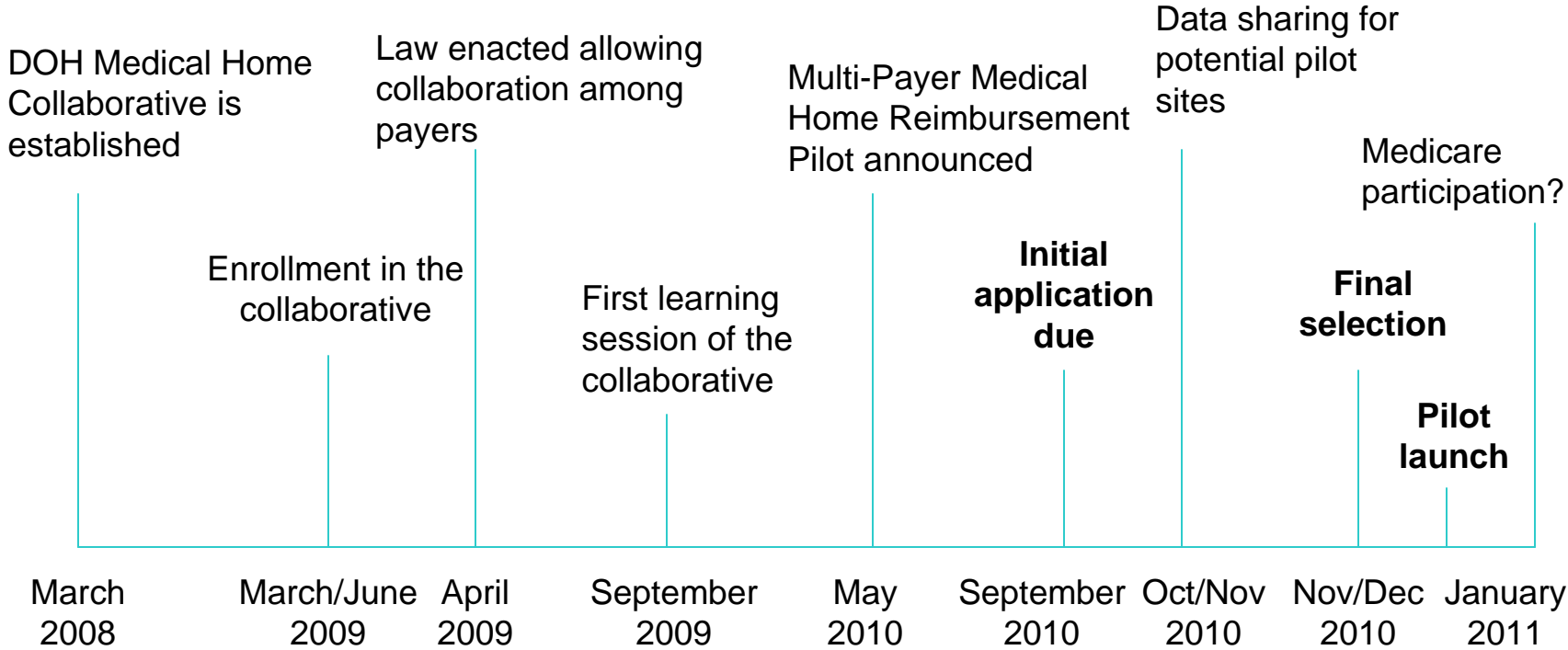
- Introduction
- Background of work
- Payer developments
- Application for pilot
- Next steps
- Questions and answers

# Medical Homes and Health Reform





# Timeline of Pilot and Collaborative



# Washington Patient-Centered Medical Home Collaborative

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- 33 teams
- 24 months, 2009-2011
- Five learning sessions/ 8 full days
- Five site visits by a Quality Improvement Coach
- Monthly webinars and monthly news bulletin
- Ongoing support by e-mail, phone, and website

A blue stethoscope is positioned in the top right corner of the slide, partially overlapping the white background.

# **Multi-Payer Medical Home Reimbursement Pilot Update**

## **Washington State Hospital Association**

Richard K Onizuka, PhD

Health Care Authority

Reena Koshy, MD MPH

Puget Sound Health Alliance

# Some background

- Per legislation, HCA/DSHS/PSHA convening multiple payers, providers, purchasers
- Multiple payers = critical mass
- Pilot is *early step* in larger transition
- Transformative payment reform: pay differently, for what?
- Up front initial investments?

# Current Status



- Up front \$ in exchange for outcomes
- Select advanced practices
- Two payment models for different practice types
- Finding the “sweet spot” for payers, providers
- Scale and scope
- Data collection and aggregation
- Medicare participation?

# Participating Health Plans



- United Healthcare
- Aetna
- CIGNA
- Molina
- Community Health Plan of WA
- Premera Blue Cross
- Regence Blue Shield
- Group Health Cooperative

# Payment Models: Plan E



- Fee for service (FFS) + care management fee (CMF) + shared savings
  - Intended for small to medium sized practices needing capitalization
  - Minimum practice size
  - Additional revenue to practices
  - Will include all payers
  - Limited in scope/size due to initial investment by payers
  - Investments tied to outcomes in ER and hospital use
  - If outcomes not met, reduction of up to 50% of additional investment

# Payment Models: Plan A



- FFS reduction + CMF + shared savings
  - Revenue neutral
  - Intended for clinics that have already made investments and are well positioned to achieve cost and quality incentives
  - Practices may recoup investments from savings; any additional savings will be shared by payers and plans
  - May include all payers
  - Savings shared through increased PMPM

# Some Notes on Outcomes



- Based on *avoidable* ER, hospital use
  - Target: 30% reduction of avoidable ER visits
    - Minimum target about 17% reduction in avoidable ER visits, equivalent to 10% overall reduction
  - Target: 10% reduction in avoidable hospital use
    - Minimum target 2% reduction
- Meeting quality metrics
- Early results show these outcomes very achievable

# Practice Capabilities Linked to Success



- Expanded access (evenings, weekends)
- Use of patient registries for patients with chronic disease
- Well-defined care coordination function within the practice
- Relationship with hospital

# Practice Selection



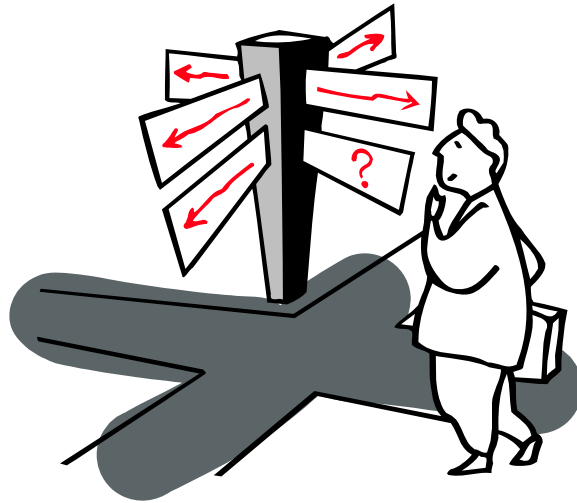
- **Two step process:**
  - Select preliminary practices after review of capabilities and action plan (September)
  - Final selection after data review and discussion on practice specific targets (November)
- **Preference may be given for practices in:**
  - Current Medical Home Collaborative
  - Participation in previous collaborative
  - NCQA PPC-PCMH Level 1 certification

# Next Steps

- Payer commitment to payment models
- Determine methodology for attribution, shared savings, etc.
- Solicit practice pilot sites during Fall
- Provide baseline data to practices
- Final commitment by practices - implementation January, 2011

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# Questions?



# Contact Information

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- If interested in more information, please contact:
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