# INTEGRATING THE PATIENT CENTERED MEDICAL HOME INTO A HEALTH REFORM PROPOSAL

**INTRODUCTION:** Most Health Reform Proposals take a comprehensive approach at addressing the question of how health coverage is paid for, but few address, in sufficient detail, how to improve the product that is ultimately being purchased. Proposals range from shifting the cost burden to government, employers, individuals or insurers; absent are tangible policy suggestions to minimize the burden.

Some advocate quality measures, such as HIT, comparative effectiveness studies, cost transparency, and performance-based reimbursement of physicians. While these reforms would move us in the right direction, without putting into place broad systems to reinforce and evaluate their effectiveness, the utility to physicians will be minimal.

As opposed to proposing individual, band-aid fixes, we put forward the Patient Centered Medical Home (PCMH) model of care. This model fosters the innovation of a comprehensive system to implement the above quality reforms, while basing a reimbursement system on the certifiable achievement of independent, third party quality standards. Our proposal fits in neatly to any reform plan, no matter who the eventual payer is. Indeed we seek not to define the payer, but the method in which care is paid for and providers are compensated.

**THE PCMH MODEL APPROACH:**

The way in which primary care providers are compensated for their services must be fundamentally reformed. Instead of reimbursing doctors on the basis of how many patient face-to-face consultations they conduct, they should be rewarded for offering services associated with the Patient Centered Medical Home (PCMH).

The Health and Human Services Administration, in conjunction with a third-party quality organization (like the National Committee on Quality Assurance), should promulgate rules, under a Congressional mandate, that create a certification system for the PCMH, similar to NCQA's PPC-PCMH.

This will include recognition of services such as:

- Enhanced Access and Open Scheduling
- Adopting and Implementing Evidence Based Guidelines
- Systematic, HIT based tracking of tests, results, screens, preventative therapy
- Performance measures
- Referral tracking, and follow-up
- Alternate forms of patient-physician interaction (email, phone)

Payers, both private, and Medicaid and Medicare, should pay a monthly case management fee to practices, based on the level of Medical Home compliance they achieve. They should also reward practices that have a proven track record of achieving cost savings based on projected numbers, adjusted for patient population health and inflation. Savings will come from emergency room cost avoidance, reduction in unnecessary and redundant specialist referrals and tests, and generally healthier patients.