

## POTENTIAL LEGISLATIVE AND REGULATORY VEHICLES TO ADVANCE PATIENT-CENTERED PRIMARY CARE

### *More Detailed Policy Specifications*

#### Medicare

1. Work with CMS implementation the Medicare medical home demonstration project mandated by H.R. 6408, "The Tax Relief and Health Care Act of 2006" and seek authority from Congress to expand the demonstration.
  - Assure that the pilot will be implemented by January 1, 2008 and that it includes changes in payment methodologies to provide sufficient incentives for care coordination including costs of acquiring health information technology and physician work that falls outside of the office visit.
  - Ask Congress to expand the demonstration to a national pilot so that any practice that meets the qualifications of a patient centered medical home can participate rather than limiting it to practices in eight states.
2. Congress could revise the pay-for-reporting framework created by H.R. 6408 to support patient-centered primary care.
  - Create specific targeted payment incentives for primary care physicians who acquire the structural systems capabilities (e.g. patient registries, secure email, certified EMRs) to support defined patient-centered primary care attributes. Such payments should be sufficient to account for a substantial portion of the initial and sustained costs for small practices of acquiring such systems and take into account the impact of such systems on improving outcomes and lowering costs.
  - Allow physician practices that participate in the [expanded] Medicare Medical Home Demonstration to satisfy the requirements for the pay-for-reporting bonus.
  - Increase the funding for the pay-for-reporting program and direct HHS to dedicate a portion of the funding to provide higher payments to physicians who demonstrate the capability to deliver patient-centered care through the medical home and that regularly report on evidence-based quality and patient satisfaction measures.
  - Congress should eliminate the SGR and assure stable and predictable updates for all physicians including primary care. Seek to include language in any legislation that addresses the Sustainable Growth Rate (SGR) a requirement that CMS development and implement new payment methodologies to support patient-centered primary care.
3. Congress could mandate that a budget-neutral add-on payment to the Medicare office visit fee when supported by electronic health records that have the functionalities required to provide patient-centered and that include reporting on quality measures, as proposed in the bipartisan National Health Information Incentives Act of 2006, H.R. 747. . Budget-neutrality should consider evidence on the system-wide savings that may occur from use of HIT to support patient-centered care.

#### S-CHIP and Medicaid

1. Congress could include legislative language in S-CHIP reauthorization that gives specific authority and funding for states to provide S-CHIP enrollees with access to services through qualified patient-centered medical homes and to revise payment policies to support such models.

2. Congress and CMS could expand federal waiver authority to allow states to obtain waivers to redesign Medicaid, S-CHIP, and Medicare and to expand access to the uninsured with changes that will allow enrollees to have direct access to services through patient-centered medical homes, such as has been proposed by the state of Louisiana and the “Final Report and Recommendations” of the Medicaid Commission released on December 29.

3. Congress could enact legislation to provide dedicated funds to support the ability of states to implement programs to expand health insurance coverage and drive systems improvements, such as was proposed in the bipartisan Health Partnership Act introduced in the 109<sup>th</sup> Congress. Legislation to grant such authority should include specific language to encourage states to submit applications for federal funding that would include access to patient-centered medical homes and the required changes in reimbursement policies to support PC-MHs.

#### Health Information Technology Legislation

Include language that includes initial funding and changes in Medicare reimbursements to help primary care physicians, particularly those in small practices, acquire the certified electronic medical records and other technologies that have the key functionalities to support patient-centered primary care