

Health Care Home (HCH) Payment Methodology

Webinar
3/24/10

Plan for Today

- Place the payment system in context
- Provide an overview and examples of how the payment system will work
- Talk about next steps for implementation
- Ask questions and discuss

Health Care Home Certification

- Standards/criteria developed through extensive stakeholder input process
- MDH accepting letters of intent, administrative rule approved, site visits expected to begin in late April
- Required health care home components in the areas of:
 - Access and Communication
 - Participant Registry and Tracking Care
 - Care Coordination
 - Care Plan
 - Performance Reporting and Quality Improvement (incl. learning collaborative participation)

Who Makes the Payments?

- Minnesota Health Care Programs (MHCP)
 - Fee-for-Service
 - Managed Care
- State Employee Group Insurance Program (SEGIP)
- Private Insurers
 - Individual Policies
 - Small-Group Employer Policies

Opportunity and Goals

- Create alignment across payers and products to achieve “critical mass”
- Lay the groundwork for improved risk stratification
- Minimize administrative burden
- Use multi-payer initiative to drive system-wide delivery system transformation

Patient Complexity: Why?

- The law requires that payments be higher for more complex patients
- Complexity represents the amount of time and work needed to coordinate care
- Complexity includes both medical and psycho-social issues.

Patient Complexity: How?

- Providers will identify patients and assess how complex they are by identifying:
 - Medical conditions that are linked to the most care coordination, *and*
 - Whether the patient (or caregiver) has a non-English primary language or a severe and persistent mental illness

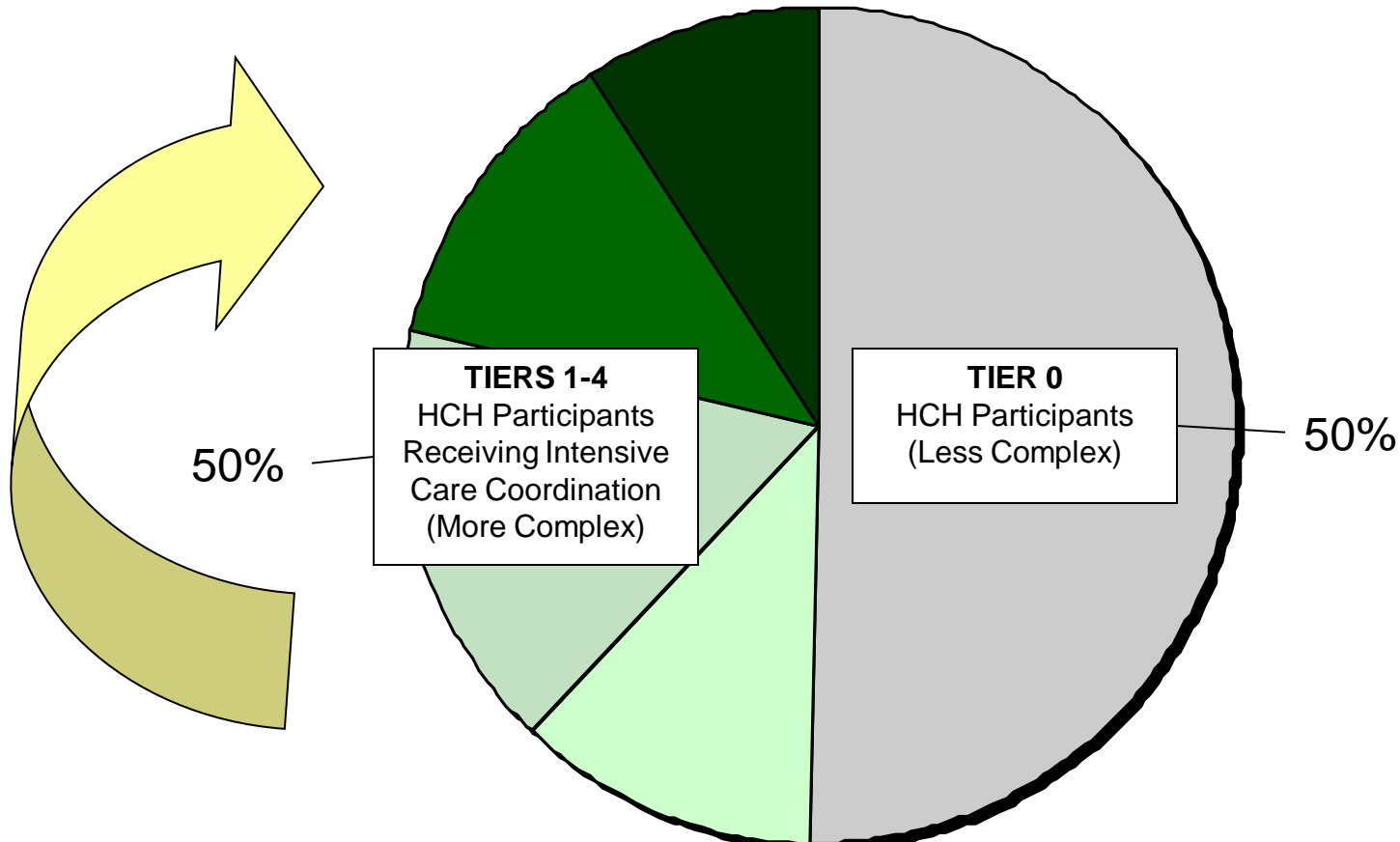
Complexity Tiers

- Based on the number of condition groups (e.g. endocrine, cardiovascular) that providers identify as:
 - Chronic
 - Severe
 - Requiring a Care Team for Optimal Management

Complexity Information Needed for Payment

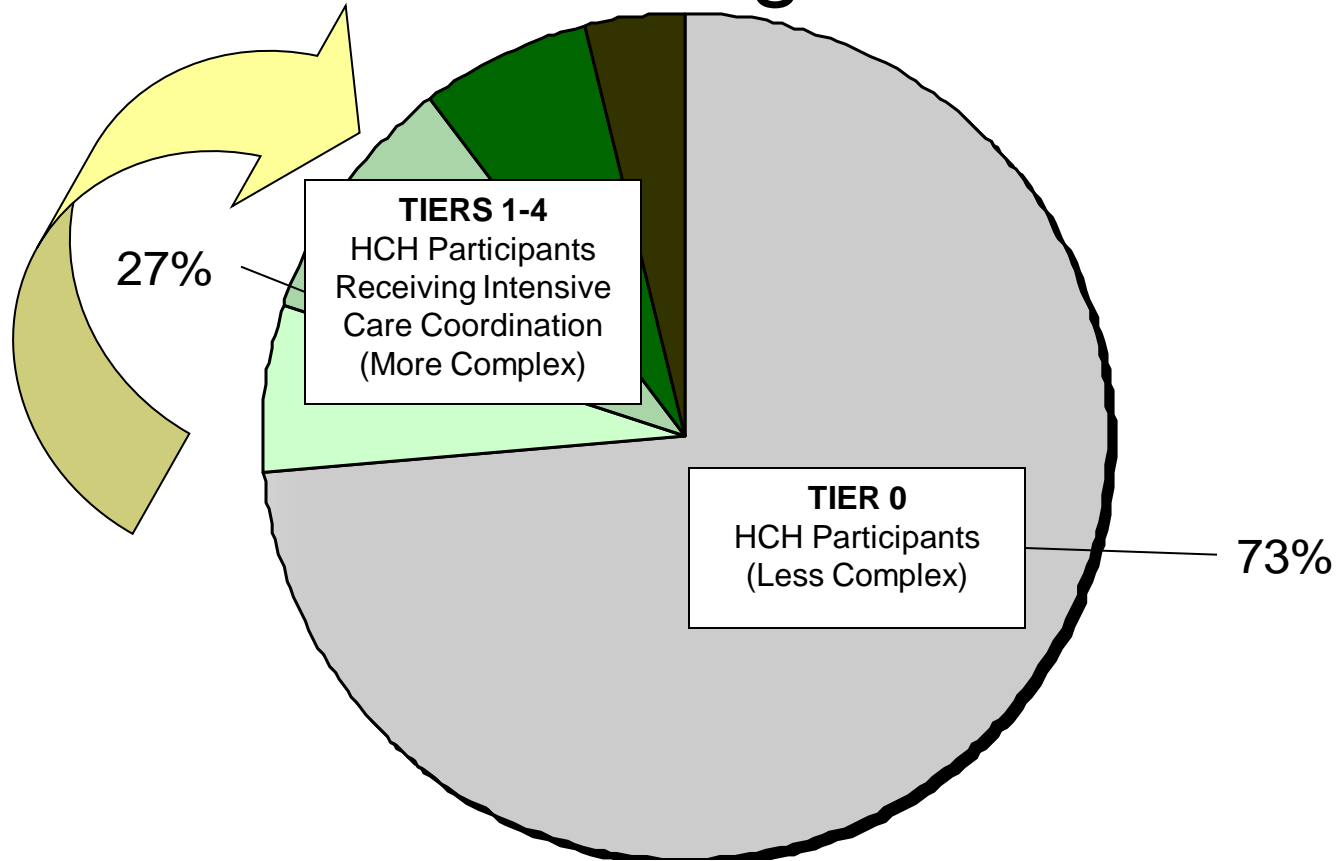
- Patient's Tier Level (based on the count of “major” condition groups)
 - Tier 0 (none)
 - Tier 1 (1-3)
 - Tier 2 (4-6)
 - Tier 3 (7-9)
 - Tier 4 (10 or more)
- Presence of either of the two “supplemental” complexity factors

Estimated HCH Population: MHCP FFS



HCH CERTIFICATION AND OUTCOMES MEASUREMENT

Estimated HCH Population: MHCP Managed Care



HCH CERTIFICATION AND OUTCOMES MEASUREMENT

Payment Process: Guiding Principles

- HCHs do population management. Every patient is part of the clinic's HCH
- HCHs determine which patients need more intensive care coordination that is eligible for payment and which patients need only routine panel management including preventive care, appointment follow-up, etc.
- Clinics implement key process steps for successful care coordination billing

Tier Assignment Tool

Care Coordination Tier Assignment Tool, Version 1.0 Health Care Home Initiative

Patient ID: _____

Date: ____/____/____
month / day / year

Does this patient present with these conditions.....	Condition Is Chronic	Condition Is Severe	Condition Requires A Care Team	SCORE
<input type="checkbox"/> Allergy, Asthma	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Cardiovascular	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Dental	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Ear, Nose, and Throat	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Endocrine	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Eye	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Female Reproductive	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Gastrointestinal/Hepatic	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Genetic	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Genito-urinary	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

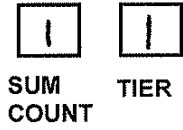
Patient Example: Sarah – Tier 1

- 44 year old female with Type 2 Diabetes (250.92)
- This chronic condition is judged by the clinician to be severe, and the care coordinator must be in communication with an endocrinologist and a nutritionist to manage the condition
- The “Endocrine” category counts as one point because all of the three clinical attributes are met. Sarah is placed in Tier 1.

Patient ID: Sarah

Date: 3 / 5 / 10
month day year

Does this patient present with these conditions.....	Condition Is Chronic	Condition Is Severe	Condition Requires A Care Team	SCORE
<input type="checkbox"/> Allergy, Asthma	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Cardiovascular	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Dental	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Ear, Nose, and Throat	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/> Endocrine	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/> 1
<input type="checkbox"/> Eye	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Female Reproductive	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Gastrointestinal/Hepatic	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Genetic	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Genito-urinary	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Hematologic	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Infections	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Malignancies	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Mental Health/Psychosocial	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Musculoskeletal	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Neurologic	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Nutrition	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Renal	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Respiratory	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Rheumatologic	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Skin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Toxic Effects	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



Derive patient Tier assignments using the table shown below:

SUM COUNT	TIER
0	0
1-3	1
4-6	2
7-9	3
10 or more	4

Patient Example: Lois – Tier Zero

- 51 year old female with Type 2 diabetes (250.0)
- The condition is judged to be both chronic and severe, but Lois has been closely following a medication regimen and clinical plan for years without coordination from the care team required.
- The “Endocrine” category cannot be counted because all three of the clinical attributes are not met. Lois is place in Tier Zero.

Patient ID: Lois

Date: 3 / 5 / 10
month day year

Does this patient present with these conditions.....	Condition Is Chronic	Condition Is Severe	Condition Requires A Care Team	SCORE
<input type="checkbox"/> Allergy, Asthma	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Cardiovascular	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Dental	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Ear, Nose, and Throat	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/> Endocrine	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Eye	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Female Reproductive	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Gastrointestinal/Hepatic	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Genetic	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Genito-urinary	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Hematologic	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Infections	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Malignancies	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Mental Health/Psychosocial	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Musculoskeletal	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Neurologic	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Nutrition	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Renal	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Respiratory	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Rheumatologic	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Skin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Toxic Effects	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



SUM COUNT **TIER**

Derive patient Tier assignments using the table shown below:

SUM COUNT	TIER
0	0
1-3	1
4-6	2
7-9	3
10 or more	4

Patient Example: Gary – Tier 4

- 6 year old child with special needs. Problem list includes:
 - Asthma (493.90) → ALLERGY/ASTHMA
 - Pure Hypercholesterolem (272.0) → CARDIOVASC
 - Iridocyclitis (364.3) → EYE
 - GERD (530.81) → GASTROINT/HEPATIC
 - Opp. Defiant Disorder (313.81) → MNTL HLTH/PSY
 - Synovitis (727.00) → MUSCULOSKELETAL
 - Spina Bifida (741.00) → NEUROLOGIC
 - Feeding Problem (783.3) → NUTRITION
 - Juv. Rheum. Arthritis (714.30) → RHEUM
 - Skin Eruptions (782.1) → SKIN

Gary – Tier 4 (contd.)

- These conditions map to 10 distinct categories, and each of them is chronic, severe, and requires coordination between members of the clinic team as well as school resources, therapists, and other specialists.
- Gary is placed in Tier 4.

Patient ID: Gary

Date: 3 / 5 / 10
month day year

Does this patient present with these conditions.....	Condition Is Chronic	Condition Is Severe	Condition Requires A Care Team	SCORE
<input checked="" type="checkbox"/> Allergy, Asthma	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/> 1
<input checked="" type="checkbox"/> Cardiovascular	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/> 1
<input type="checkbox"/> Dental	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/> Ear, Nose, and Throat	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<input type="checkbox"/> Endocrine	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/> Eye	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/> 1
<input type="checkbox"/> Female Reproductive	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/> Gastrointestinal/Hepatic	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/> 1
<input type="checkbox"/> Genetic	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Genito-urinary	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Hematologic	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Infections	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Malignancies	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/> Mental Health/Psychosocial	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/> 1
<input checked="" type="checkbox"/> Musculoskeletal	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/> 1
<input checked="" type="checkbox"/> Neurologic	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/> 1
<input checked="" type="checkbox"/> Nutrition	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/> 1
<input type="checkbox"/> Renal	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/> Respiratory	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<input checked="" type="checkbox"/> Rheumatologic	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/> 1
<input checked="" type="checkbox"/> Skin	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/> 1
<input type="checkbox"/> Toxic Effects	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

10 **4**

SUM COUNT **TIER**

Derive patient Tier assignments using the table shown below:

SUM COUNT	TIER
0	0
1-3	1
4-6	2
7-9	3
10 or more	4

Coding Structure for Billing

HCPCS Codes

S0280	medical home program, comprehensive care coordination and planning, initial plan
S0281	medical home program, comprehensive care coordination and planning, maintenance

Modifiers

Tier	Patient Complexity Level		Primary Language Non-English	Severe and Persistent Mental Illness
0	Low	(no modifier)	U3	U4
1	Basic	U1	U3	U4
2	Intermediate	TF	U3	U4
3	Extended	U2	U3	U4
4	Complex	TG	U3	U4

Key Payment Process Workflow Steps:

1. Method of screening to determine the patient's clinical eligibility
2. Completed clinical assessment of the patient's risk factors and diagnosis
3. Determines patient's complexity tier and assign the complexity tier for payment and services.
4. Identify the patient's payment source and if eligible for care coordination payments.
5. Inform the patient about the HCH, and participation in care coordination.

Key Payment Process Workflow Steps:

6. Document the patient's decision in the medical record; does the patient agree to participate in care coordination.
7. Flag the patient's complexity tier in the patient management system so everyone in the system is informed that the patient has chosen to participate or not to participate in care coordination.
8. Document the agreed upon start date for care coordination. Select billing codes to start the billing process.
9. Develop ongoing active tracking mechanism for billing and communication workflow.

DHS Rates: MHCP Fee-for-Service

Tier	PMPM Rate
0	N/A
1	\$ 10.14
2	\$ 20.27
3	\$ 40.54
4	\$ 60.81

- DHS will increase the rate by 15% for each of the two supplemental complexity factors.
- The adjusted average PMPM rate across Tiers 1-4 (incl. the supplemental factors) is **\$31.39**.

Next Steps (through 7/1/10)

- Additional Stakeholder Work Group Input:
 - Clinic-Focused Implementation and Training Support
 - Common Monitoring/Analysis Strategy Across Payers
- DHS seeks CMS approval for payment system and rates in MHCP
- Certified HCHs negotiate care coordination rates with private payers

Questions?