



# ‘Medical home’

## Approach Benefits Medicaid Members, Providers

By Lynn Mitchell

*The right care, at the right place, at the right time.*

**T**hat’s the philosophy behind the Oklahoma Health Care Authority’s adoption of a “patient-centered medical home” approach to providing health care for the state’s Medicaid members.

The budgeting and belt-tightening that is sweeping across virtually all sectors of the U.S. economy is nothing new for state agencies charged with administering health care. Agencies like OHCA have been coping for years with health care expenses and prescription drug costs rising far faster than the general rate of inflation. They also have seen the effects of soaring health insurance premiums that have caused some employers to drop or drastically scale back those benefits for their employees.

OHCA, which operates SoonerCare (Oklahoma Medicaid), has made incremental changes year after year to get the most from every health care dollar. “Medical home” is a method of structuring state-subsidized health care delivery by focusing on strengthening the relationship between members and their primary-care providers, encouraging prevention and early intervention in the disease process and creating a more

equitable pay structure for providers who contract with the state to care for SoonerCare members.

The medical home concept has been endorsed by the American Academy of Pediatrics, the American Academy of Family Physicians, the American Osteopathic Association and the American College of Physicians. In March 2007, those four organizations, representing about 333,000 physicians, developed seven joint principles to serve as the underpinnings of a workable patient-centered medical home. OHCA incorporated those principles, evaluated programs from other states and built on successes already achieved in SoonerCare to establish its medical home model.

### 1. Personal physician

In the SoonerCare medical home model, each member chooses a primary care provider, or PCP. The provider can be a physician, such as a family physician, internal medicine physician or pediatrician; a physician assistant; an advanced practice nurse; or a provider at a federally qualified health center, regional health center or Indian Health Service facility. Families may choose one PCP for the entire family, or each member can have a different one.

Having a strong relationship with a PCP is a major component of a patient-centered medical home. SoonerCare members are encouraged to turn to their PCP first, since there is no substitute for an ongoing relationship with a medical professional who knows your medical needs and health history intimately.

### 2. Physician-directed practices

Currently, SoonerCare has more than 1,400 PCPs serving our 600,000-plus members across the state. The PCP does more than just meet the member’s basic health care needs, from checkups and immunizations to urgent and acute care. The PCP also coordinates care for other needs, such as after-hours care and referring the member to a specialist if the person’s condition warrants.

The PCPs’ active role in managing the care of their patients means they have an opportunity to prevent disease or ensure appropriate early treatment for illnesses and injuries. This benefits the member, who hopefully doesn’t become as sick, and the SoonerCare program, because early treatment isn’t as costly and money is freed up to serve more members.

### 3. Whole person orientation, and 4. Coordinated and/or integrated care

Some Oklahomans on SoonerCare have complex or unusual health care needs. SoonerCare’s Health Management Program, which began in February 2008, benefits members with exceptionally complex chronic conditions and their providers. The program is offered to certain members who are at high risk for complications of their disease or who have multiple serious illnesses (for example, diabetes and high blood pressure). Depending on how severe their problems are, they work with a nurse care manager in person or over the phone. The nurse



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care manager helps them improve the way they manage their health and shares feedback on their status with the members' PCP.

Medical practices that treat members with such chronic conditions receive regular mailings on treating diseases and invitations to continuing medical education events. They also can enlist the assistance of a practice facilitator for a month or two. The practice facilitator can help the providers and their staff develop quality improvement techniques, improve their efficiency and create a clinical disease registry tool to track certain diseases across their entire patient population. Practices also receive incentive payments for their participation.

One of OHCA's newest pilot programs is "Special Delivery," a project aimed at encouraging early prenatal care, making sure that pregnant women know what benefits they have and identifying high-risk OB cases for early care management. Since SoonerCare pays for about half of the deliveries that take place in Oklahoma each year, OHCA has a strong interest in helping pregnant women get the care they need to have healthy babies.

## 5. Enhanced access

Access to care is at times an issue among the Medicaid population. People who are unclear about their SoonerCare benefits or whose schedules tend to prohibit daytime appointments at a doctor's office often wind up in hospital emergency rooms, where they have longer waits to get care and may divert resources needed for true emergencies.

Under the patient-centered medical home model, SoonerCare has added new procedure codes to encourage providers to offer after-hours care and other improvements to enhance their availability.

Efforts are also under way to make it easier for Oklahomans to apply for SoonerCare benefits. A recent project to allow pregnant members to electronically enroll their infants at the hospital once they deliver has been a

solid success. OHCA also has received a transformation grant that will eventually allow Oklahomans to apply over the Internet rather than fill out paper applications at county offices of the Department of Human Services. This program, called "No Wrong Door," is expected to roll out in October 2009.

## 6. Quality and safety

The Oklahoma Health Care Authority demonstrates its commitment to helping providers achieve ongoing quality improvement successes in a variety of ways.

OHCA staff members make regular on-site visits to providers to provide training, answer questions and even help trouble-shoot office procedures to improve effectiveness and efficiency. Off-site training sessions are held twice a year at several locations across the state for providers and their employees. All providers receive regular communications from OHCA to keep them updated on available benefits, current changes to program operations and how those changes will assist them in being more effective medical homes.

## 7. Adequate payment

The most recent change involving SoonerCare's medical home involves restructuring the way health care providers are paid for services.

Some providers felt that the previous rate structure, in which providers were paid a capitated monthly fee for their entire panel of SoonerCare members, was inequitable. ("Capitation" refers to a fixed payment for treating an entire panel of patients regardless of whether they were ill and required care.)

With approval of the agency's official health care provider body, the Medical Advisory Committee, and candid input from physicians who volunteered to take part in a Medical Advisory Task Force, SoonerCare developed a new rate structure. Payments under the new structure were to begin as of Jan. 1, 2009, upon approval of our federal partner, the Centers for Medicare and Medicaid Services.

Providers will receive a monthly

case management fee for coordinating care that is smaller than the previous bundled rate, but they also will be paid for the services they provide (commonly referred to as fee-for-service). The monthly per-member payments also vary depending on whether the provider sees children, adults or both.

The payment structure also includes SoonerExcel, in which providers receive quarterly "payments for excellence" for doing child health exams, prescribing generic drugs, screening for breast and cervical cancer, providing inpatient care and participating in a project to decrease inappropriate use of the ER. Providers also receive bonus payments for meeting childhood immunization goals and child health checkup parameters.

The Medical Advisory Task Force met for almost two years to hammer out details of the payment structure. OHCA staff traveled throughout the state for several months in the spring of 2008 to meet with providers and their employees to answer questions and explain the new rates.

Recent data suggest the United States is facing a pending shortage of PCPs across the nation. Reasons noted by providers include low reimbursement from government health programs and burdensome paperwork.

Oklahoma, like other states, is trying to improve the situation. In recent years, OHCA has increased physician rates up to one of the highest in the country. SoonerCare also has taken steps to reduce paperwork for network providers, from a secure Internet billing site that provides real-time claim information to plans for a new online provider contracting process.

All of these changes and enhancements seek to build on a strong foundation of care to our members. Strengthening the bonds between PCPs and the members they care for is the heart of patient-centered medical homes, and SoonerCare is embracing these changes and anticipating positive outcomes in the lives of the members we serve. ■