

The Patient-Centered Medical Home Quick Reference Guide for Employers

What Is It and What Can I Do?



Patient-Centered
Primary Care

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PATIENT-CENTERED PRIMARY CARE is a model of primary care where the relationship between a physician or other licensed health care practitioner and a patient ensures that appropriate care is structured, delivered and coordinated **around the specific needs of each patient**, and offers significant promise for improving health care value. When a consumer or patient has this type of relationship and coordination with their health care practitioner and practice, they are considered to have a “patient-centered medical home.”

In a 2008 Watson Wyatt survey of nearly 2,500 employees, respondents who say they have a primary care doctor are **nearly 2.5 times more likely to have had a preventive health care screening** than those without a primary care doctor. Also, workers with a primary care doctor are more likely to have taken a health risk assessment (27 percent vs. 21 percent), have had a biometric screening (20 percent vs. 8 percent) and to have used a weight management program (20 percent vs. 12 percent) than those without a primary care doctor. Those are compelling differences to employee benefit managers who are looking for as many ways as they can find to improve the use of cost-effective preventive and primary care services.¹



The concept of a “medical home” is not new. It was initially introduced by the American Academy of Pediatrics (AAP) in 1967 and referred to a central location for a child’s medical records, particularly important for children with special health care needs. This concept evolved over time from a centralized medical record **to a method of providing comprehensive primary care for children at the community level.**

In March 2007, the AAP, the American College of Physicians (ACP), the American Academy of Family Physicians (AAFP), and the American Osteopathic Association (AOA) issued the “Joint Principles of the Patient-Centered Medical Home”² in response to several large national employers seeking to create a more effective and efficient model of health care delivery.

¹ Watson Wyatt, “Closing The Gap” 2008/2009 Employee Perspectives on Health Care, p. 10.

² Joint Principles of the Patient-Centered Medical Home, <http://www.pcpcc.net/node/14>.



On November 11, 2008, the American Medical Association (AMA) voted to adopt the “Joint Principles,” citing that “A patient-centered medical home can improve the ability of physicians and other health care workers to provide the best care to patients by better coordinating care.”

To be able to deliver patient-centered primary care, primary care practitioners have to restructure their practices so that they are more accessible, promote prevention and wellness more effectively, proactively support patients with chronic illness rather than treat the symptoms of those illnesses, and, proactively support patients in self-management and decision making. These changes will result in better care and potentially lower costs.

There is significant effectiveness research that suggests that increased adoption and patient use of the Patient-Centered Medical Home (PCMH)

should yield significant measurable benefits.³ Examples of results from this improved delivery of comprehensive, coordinated care in North Carolina, New Jersey, and Pennsylvania have improved quality and reduced costs.³ For employers, there is evidence that primary care-oriented health care results in increased patient satisfaction.⁴ Research has found that a greater orientation towards primary care results in lower per capita health care costs and better outcomes.⁵

Improvement in the delivery of care requires the support and commitment of all stakeholders. Employers as purchasers have an important role to play in this transformation. Employment-based coverage is the most prominent form of health insurance in the United States. The manner in which employer purchasers buy health insurance coverage for their employees and dependents directly influences how health care is delivered, and how patients fare. **Any efforts to address the profound problems in our health care system will require employer involvement and support.** Employers can, and many argue, must take action by:

- creating health insurance product design and health insurer performance requirements that will align incentives with goals of improved quality and efficiency, and
- engage health care providers in joint efforts that will transform health care delivery.

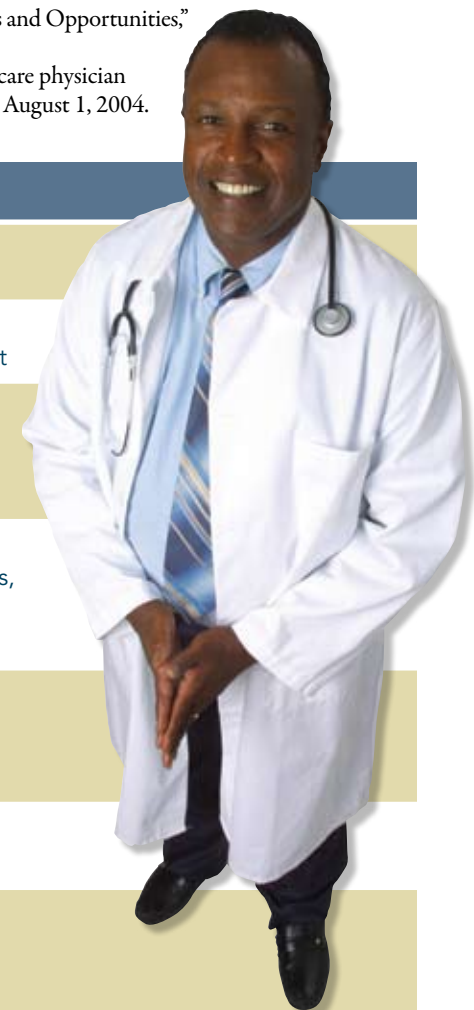
³The Patient Centered Medical Home, A Purchaser's Guide, <http://www.pcpcc.net/node/316>.

⁴Davis K. Learning; From High Performance Health Systems Around the Globe, Invited Testimony: Senate Health, Education, Labor, and Pensions Committee Hearing “Health Care for All Americans: Challenges and Opportunities,” January 10, 2007.

⁵Philips R, Starfield B.; Why does a U.S. primary care physician workforce crisis matter? *American Family Physician*, August 1, 2004.

Seven characteristics of a patient-centered medical home from the Joint Principles

Personal Relationship with Physician or Other Licensed Practitioner	Each person has an ongoing relationship with a personal physician of any specialty, or other licensed health care practitioner trained to provide first contact, continuous and comprehensive care
Team Approach	The personal physician or other licensed health care practitioner, leads a team at the practice level who collectively take responsibility for the ongoing care of patients, including disease and/or case management
Comprehensive/Whole Person Approach	The personal physician or other licensed health care practitioner is responsible for providing for all the patient's health care needs or taking responsibility for appropriately arranging care with other qualified professionals. This includes care for all stages of life; acute care; chronic care; preventive services; and end of life care
Coordination and Integration of Care	Care is coordinated and integrated across all domains of the health care system, (e.g., subspecialty care, hospitals, home health agencies, nursing homes, as well as the patient's community) facilitated by registries, information technology, health information exchange and other means to assure that patient get the indicated care when and where they want it.
Quality and Safety Are Hallmarks	Quality and safety are hallmarks of the medical home. This includes using electronic medical records and technology to provide decision-support for evidence-based treatments and patient, family, physician and practice involvement in continuous quality improvement. Practices advocate for their patients to support the attainment of optimal, patient-centered outcomes
Expanded Access to Care	Enhanced access to care through systems such as open scheduling, expanded hours and new options for communication between patients, their personal physician, and practice staff
Added Value Recognized	Payment of physician practices that appropriately recognizes the added value provided to patients who have a Patient-Centered Medical Home





Many purchasers, providers and insurers agree that purchasers can play a pivotal role in the establishment of PCMHs to advance patient-centered care across the U.S. They cite a number of reasons why this is the case:

- Primary care practices find it compelling to hear directly from employers about their needs for improved quality and decreased cost, and are pleased to find a commonality of interest regarding PCMH.
- While many health insurers are expressing at least cautious interest in PCMH, their efforts increase in scope, intensity and timeliness when employer customers make it a priority. “IBM told plans, ‘you need to do multiple Patient-Centered Medical Home pilots if you want to do business with us.’”
- Employers are one of the few market forces that are able to assemble the type of multi-payer, multi-stakeholder collaborative that is necessary to advance true change in primary care practice.

Employer purchasers can take specific actions to support advancement of patient-centered care through the PCMH model. Recognizing that employers vary in size, and purchasing leverage, the PCMH Purchasers Guide presents a range of options. This allows purchasers to select the actions that seem most appropriate at the present moment, while also identifying other actions that might be considered or planned for the future.

1. Ask contracted insurers/plans to participate in one or more multi-payer Patient-Centered Medical Home pilots that:
 - a. specify obligations of primary care practices;
 - b. incorporate care coordination (case management) resources into the pilot in some fashion;
 - c. use a payment methodology that will enhance payment to primary care practices, and
 - d. perform a rigorous independent evaluation of the pilot with a control group.

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2. Educate employees and dependents about the benefits of affiliating with a primary care provider, and using the provider to help access needed advice and care.
3. Consider benefit modifications that provide incentives for employees and dependents to engage with a Medical Home practice.

Six types of strategies are available to purchasers that seek to advance the Patient-Centered Medical Home.

Strategy 1: Participate in a regional pilot(s)

Strategy 2: Incorporate PCMH RFP language into insurer procurement and performance assessment activity

Strategy 3: Align payment strategy with PCMH adoption objectives

Strategy 4: Build or join coalitions in support of PCMH

Strategy 5: Engage employees

Strategy 6: Integrate PCMH into other corporate health strategies

Purchasers can pursue these strategies independently, and/or in concert with other employer purchasers through a coalition. A number of purchasers have united in their support of the PCMH to form the *Patient-Centered Primary Care Collaborative (PCPCC)*, a coalition tasked with demonstrating and implementing the PCMH in publicly administered health programs, private employer benefit plans and union trusts.

To download a copy of the entire PCPCC Employer/Purchaser Guide to the Medical Home go to: <http://www.pcpcc.net/content/purchaser-guide>.



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