Alaska Patient Centered Medical Home Status Report
July, 2012 through September, 2012

Project Name	Patient Centered Medical Home
To	Josh Applebee, Deputy Director, Health Care Policy, DHSS
cc	Sean Huse, James Waldinger, Garrett Abrahamson, Joe Griffin
From	Brenda McCormick, PCG
Report Period	**7/1/2012 – 9/30/12**

Project Summary

The Alaska Health Care Commission recommended that the State initiate a patient-centric health care delivery model as part of a larger set of recommendations to restructure the health care system in Alaska. The Department contracted with PCG to assist the Alaska DHSS in implementing a Patient Centered Medical Home Pilot Project. A number of decisions need to be made in order to implement the PCMH program. These are the **operational decisions needed to begin** the program:

1. Assess current environment,
2. Select practice standards,
3. Engage the provider community,
4. Determine patient attribution methodology,
5. Determine pilot metrics and goals,
6. Determine pilot reimbursement strategy,
7. Determine the extent of participation from other payers.
8. Engage recipient involvement to affect behavior change in the way that services are accessed and promote healthy behaviors,

Post selection operational pieces:

- Gap analysis of providers selected against the standards through a practice self assessment,
- Reporting - prepare baseline data and utilization dashboard to share with participating providers, aggregate as well as prepare individually for participating providers, determine control group, and monitor success.
- Preparation about how the standards support health home requirements to prepare for the later possibility of health homes adoption,
- Provider workgroup consisting of participating practices and other interested parties,
- Education strategy to achieve practice transformation throughout the pilot and beyond as the program grows,
- Longer term reimbursement strategies post pilot.

Project Highlights for Reporting Period

July through September was a very busy quarter for the planning process. In order to inform decision making for the DHSS, PCG completed the following reports for the Department including:

- National Standards Comparison and customized standards recommendations for Alaska,
- Data Analysis from Medicaid claims,
- Other State Strategies for Medical Home Models,
- Reimbursement Options Memorandum.

Project Highlights for Reporting Period
PCG held a stakeholder meeting and webinar as well as initiated contact with many provider practices to answer questions and generate interest in pilot participation. PCG also met with the Family Practice Association, the Hospital and Nursing Home Association, and the Alaska Primary Care Association to discuss the project and garner support. In addition, PCG and DHSS had conversations with Premera Blue Cross and Blue Shield to recruit their participation in the pilot. Premera has expressed their interest and we believe at this time they will be joining DHSS in the pilot. The primary open question now is the extent to which behavioral health integration will be required of participating practices. PCG is currently researching the extent to which other states have required integration at the Department's request and will be updating the other state strategies report to incorporate the information gathered. Next Steps: • Resolve open questions regarding behavioral health integration, • Develop the provider application, • Determine performance metrics, • Develop utilization report design, • Solidify Premera's involvement, • Release the provider application for participation.

KEY PROJECT TASKS COMPLETED

Deliverables	Description	Next Steps	Est. Complete Date
National Standards Comparison and standards recommendations for Alaska.	PCG provided the Department with a draft comparison report of the most commonly used national standards for PCMH projects. The report describes the elements of each national standard and the comparisons of each.	PCG provided and discussed the report with DHSS and determined that without management of any kind in Alaska currently it would be difficult to require that any national standard be met by practices in the pilot. With that in mind, PCG provided recommendations for a paired back set of standards that providers would be asked to meet.	Initial Report provided – August 6. Paired back set of standards provided- August 17

Deliverables	Description	Next Steps	Est. Complete Date
Data Analysis from Medicaid claims	PCG submitted a data request to DHSS to collect Medicaid recipient data for FY 2011. The data request was submitted to the DHSS on May 2, 2012 and included the following elements. 1. Unduplicated recipient count by geographic unit, age/gender, eligibility category, race/ethnicity, and institutionalized status 2. Recipient count by primary diagnosis 3. Expenditures by service categories, primary diagnosis, and provider type 4. Unduplicated Hospital admissions, readmissions, and emergency department visits 5. Unduplicated recipients with at least 1 primary care encounter 6. Unduplicated recipients receiving prevention services 7. Prevention Quality Indicators (PQI) Admission Rates for Diabetes, Cardiac, and Other Measures Data was provided back to PCG by the state on June 25, 2012. Additionally, the state forwarded a readmission analysis by the Agency for Healthcare Research and Quality (AHRQ) on July 11, 2012. Subsequently, the state provided additional ER visit documentation on September 7, 2012. Collectively, the information provided from the state has allowed PCG to define benchmark spending, diagnosis, readmissions, ER utilization, prevention services, and provider network adequacy by borough.	Use data to develop baseline data to the extent possible for the pilot implementation. Request additional data from DHSS IT as necessary and with consideration for decisions regarding metric use. Share with providers to set goals for year 1 post implementation..	Initial report provided 8-13. After concerns were expressed by the state about the validity of ED data, the data was rerun by DHSS IT. PCG amended the report and resubmitted with the corrected data on September 30.

Deliverables	Description	Next Steps	Est. Complete Date
Other State Strategies	PCG provided DHSS with a report on what other states are doing in country to transition to a PCMH model. Feedback was received in mid September. PCG was asked at that time to expand the information provided with respect to behavioral health integration. PCG is currently researching the topic in more depth and will be amending the report for the state in the next week.	Document and incorporate additional information with respect to behavioral health integration as requested. Provide an amended report to DHSS.	Submitted to DHSS on September 7. New draft amended with additional behavioral integration information October 16.
Reimbursement Options Memorandum	PCG provided a memorandum regarding payment strategies that the state can employ to reimburse providers, using three other states as examples for how the state may structure their payment. PCG was informed that Alaska will be providing an infrastructure payment during the pilot phase but will transition to a longer term reimbursement strategy supporting health care reform principles once the pilot is completed.	PCG is awaiting the state's feedback and next steps regarding the memorandum contents.	Submitted to DHSS on Sept. 21.
Engage Other Payers	PCG and DHSS has had three conversations with Premera Blue Cross and Blue Shield regarding their interest in supporting the pilot as a payer. Premera has indicated a willingness to participate in the pilot and has made a decision to provide reimbursement using health care reform strategies at the onset of the pilot.	Provide additional information to Premera regarding performance goals and metrics.	Conversations held: Aug. 7 Aug. 30 Sept.10

Deliverables	Description	Next Steps	Est. Complete Date
Held Large Stakeholder Meeting in person on-site in Anchorage and also made available through a conference line and webinar to achieve maximum participation.	A stakeholder session was conducted in August to present standards recommendations and introduce possible short and long term reimbursement strategies. The session was well attended and discussion revealed barriers to consider as well as reactions to the standards. Follow up is ongoing with the provider community. Commitments for participation were held back due to the undetermined dollar amount that practices will receive for participation but PCG has now learned the approximate dollar amount that practices will receive and is sharing that information when requested.	Use feedback obtained to customize standards.	Aug 21
Outreach to Provider Community	PCG has been performing outreach to individual practices who attended the stakeholder session with the goal of providing information and answering questions to gauge and engage interest in pilot participation. In addition, PCG had separate meetings with the Family Practice Association and some of its members, the nursing home and hospital association and the Alaska Primary Care Association. All of whom have expressed support for the pilot and have assisted us in engaging their members.	Continue to reach out to providers to garner support and possible participation. Four practices to date have expressed a strong desire to participate.PCG will continue outreach efforts in order to maximize participation to the extent possible.	Throughout August and September and ongoing.

30 Day Outlook			
Determine pilot metrics and goals.	Submit a report with recommendations to DHSS with respect to metrics to determine the success of the pilot with consideration to measures already being collected by practices for other purposes.	Submit report and discuss with the DHSS a recommended set of measures.	Friday, October 19.
Submit draft application to DHSS	PCG is currently preparing a draft application and process for consideration by DHSS.	Submit draft and obtain feedback from DHSS.	October 18

30 Day Outlook			
Update Other State Strategies Report	Provide updated report for other state strategies with the inclusion of additional behavioral health information.	Submit draft and obtain feedback from DHSS.	October 16
Solidify Premera's involvement.	Provide additional information to Premera as needed to obtain final decision to participate.	Schedule another conference call.	October.
Develop utilization report design.	Determine metrics based on DHSS decisions, recommend a report design, and request additional data from DHSS IT to develop baseline data.		November
Determine attribution methodology.	Determine attribution methodology to identify patients for selected practices.		November

Considerations, Comments and Concerns Raised to Date	
Current Projects Underway in Alaska	Known initiatives: • NUKA project • CHIPRA project • Alaska Primary Care Association project • Medicare demonstration recently awarded to Neighborhood health center in Anchorage
Concerns/comments (quotes) raised by some provider practices to date.	Transforming a practice to a certified PCMH is a huge undertaking and very time consuming. In particular rural clinics are doing their best to keep their clinics staffed with PCPs which is only projected to get worse. Commitment to waste reduction is difficult to show especially early on that it makes a difference in decreased hospitalizations/ER usage/etc. I do see a lot of cost in human resources as far as case management/data collection/etc. that would be an added cost for most of us rural clinics.
	This looks unrealistic to get done within a year. We do have to continue seeing patients as well. We first need to get a decent EMR so that is already a huge undertaking for our small clinic. We don't have a case manager and could use one. We do have behavioral health integration. It would be good to know what kind of financial and other assistance it involves.
	This PCMH project is something I am very interested in. Help/assistance and input of many sorts would be welcomed as I am a solo doc with a busy practice.
	I feel my practice is enough of a "home" to my patients and I don't really see a benefit in this program. There are enough outside experts telling FPs how to treat their patients, how to structure pay for hospital work, not to mention federal and insurance experts telling me how to practice.
	I have a lot of PCMH experience from my previous university job as associate medical director for QI and work in QI now in my community hospital. Let me know how I can help/participate...
	What is being suggested here is already in place in many if not most family

	medicine facilities. This program has no added value except to employ more administrative personnel and add to the cost of delivering medical care.

Project Resources Utilized in Reporting Period
Brenda McCormick – PCG Project Manager, Senior Advisor
James Waldinger, PCG Associate Manager
Sean Huse, PCG Manager
Garrett Abrahamson, PCG Consultant
Joseph Griffin, PCG Business Analyst
Julia Sun, PCG, Business Analyst

Respectfully Submitted,

Brenda McCormick
Project Manager, Public Consulting Group