

Department of Defense (DoD) Enhanced Access to Patient-Centered Medical Home (PCMH): Demonstration Project for Participation in the Maryland Multi-Payer Patient-Centered Medical Home Program (MMPCMHP)

1.0 PURPOSE

1.1 The goal of TRICARE participation in the MMPCMHP, administered by the Maryland Health Care Commission (MHCC), is to test if the PCMH model, in qualified primary care practices: (1) provides higher quality, and less costly care for TRICARE beneficiaries who receive care in Maryland; and (2) leads to higher satisfaction for patients, Nurse Practitioners (NPs), and Primary Care Physicians (PCPs). The demonstration seeks to reward medical homes for the additional services while creating a viable economic model for health care purchasers and maintaining administrative simplicity.

1.2 TRICARE will pay claims using the traditional fee for service schedule and a fixed transformation, per TRICARE patient per month, payment for enhanced care coordination and practice transformation, as defined herein. Additional incentive payments, expected to be budget neutral, will be made based upon calculated shared savings and measured quality improvements. The demonstration will be conducted under statutory authority provided in 10 United States Code (USC) 1092 and will continue for two years.

2.0 BACKGROUND

The Military Health System (MHS) defines the PCMH as a model of care adopted by the American Academy of Family Physicians, the American Academy of Pediatrics (AAP), the American College of Physicians (ACP), and the American Osteopathic Association (AOA) that seeks to strengthen the provider-patient relationship by replacing episodic care with coordinated care and a long-term healing relationship. TRICARE participation in the MMPCMHP offers a vehicle for TRICARE to participate in a state-wide initiative, share in PCMH project cost with other payers, promote enhanced provider practice education and training in PCMH concepts funded through Maryland state legislative initiatives as well as evaluate alternatives to current reimbursement methodologies. Additional information is available at <http://mhcc.maryland.gov/pcmh/>.

3.0 DEFINITIONS

The following definitions are applicable to terms used in the demonstration.

3.1 Maryland Health Care Commission (MHCC)

An independent regulatory agency whose mission is to plan for health system needs, promote informed decision-making, increase accountability, and improve access in a rapidly changing health care environment by providing timely and accurate information on availability, cost, and quality of services to policy makers, purchasers, providers, and the public. The Commission's vision for Maryland is to ensure that informed consumers hold the health care system accountable and have access to affordable and appropriate health care services through programs that serve as models for the nation.

3.2 Fixed Transformation Payment

The semi-annual lump sum payment made by the TRICARE Management Activity (TMA) to a practice.

3.3 Shared Savings or Incentive Payment

The payment a practice receives which is derived from the difference between a practice's historical medical expenses and the total medical expenses per patient in the current year, adjusted for inflation. Incentive payments are subject to further revision by TRICARE.

3.4 Medical Expenses

Carrier reimbursements and patient liabilities for hospital inpatient services, hospital outpatient services, freestanding medical facility services, health care professional services, nursing homes care, Skilled Nursing Facility (SNF) care, Home Health Care (HHC), hospice services, and Durable Medical Equipment (DME). TRICARE expects to include pharmacy costs as part of "medical expenses" and will be using pharmacy costs as part of the shared savings calculation for analysis purposes.

3.5 Physician Practice Connections Patient-Centered Medical Home (PPC-PCMH)

The PPC-PCMH program operated by the National Committee for Quality Assurance (NCQA) in accordance with standards published at: <http://www.ncqa.org/tabid/631/default.aspx>.

3.6 Participating Patient

A qualifying individual who is a person covered under TRICARE and is a patient of a participating practice.

3.7 Patient Enrollment List/File

The list of all of a practice's participating patients who have been attributed to the Program. TRICARE's Managed Care Support Contractor (MCSC) will generate this list and provide it to the relevant participating practice.

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3.8 Practice

A primary care practice or federally qualified health center organized by or including pediatricians, general internal medicine physicians, family medicine physicians, or NPs.

4.0 MCSC ROLE

The MCSC shall attribute/assign patients to the demonstration, make fixed transformation payments and make shared savings or incentive payments to the participating practices based on guidance in [paragraph 5.0](#).

5.0 DEADLINES AND MILESTONES

Within 30 business days after the **Federal Register** notice period ends, and every six months thereafter, MHCC will provide the MCSC and TMA a National Provider ID (NPI) List ([Figure 18.14-1](#)) of MMPCMHP participating providers. The NPI List will contain the individual NPI, the provider's name, the practice size, and NCQA Recognition Level.

5.1 Within 20 business days of receipt of the NPI List, the MCSC will verify eligibility, attribute/assign TRICARE Prime and TRICARE Standard beneficiaries to the PCMH Demonstration project, calculate fixed transformation payments, and submit completed [Figure 18.14-2](#) and [Figure 18.14-3](#) to TMA for approval.

5.1.1 Attribution and Assignment

To attribute TRICARE Prime and TRICARE Standard beneficiaries to the PCMH Demonstration project.

5.1.1.1 For TRICARE Prime Enrollees

The MCSC will assign/attribute beneficiaries to the PCMH Demonstration project based on current TRICARE Prime enrollment with the participating practices on the NPI List.

5.1.1.2 For TRICARE Standard Beneficiaries

The MCSC will assign/attribute beneficiaries based on evidence of Evaluation & Management (E&M) services provided by participating practices/providers on the NPI List during the previous year. TRICARE for Life (TFL) beneficiaries and dual eligible beneficiaries will be excluded from the demonstration. The MCSC shall:

- Count the number of visits (all same day services count as one) for the E&M codes (Current Procedural Terminology (CPT)¹ codes 99201 - 99205; 99211 - 99215; 99381 - 99387; 99391 - 99397; Office Consult 99241 - 99245) for patients using each MMPCMHP practice or practice site.

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- Select the practice with the highest number of visits in the year as the attributed practice.
- If there is a tie, the MCSC shall attribute the beneficiary to the practice with the most recent visit.

5.1.1.3 The MCSC shall complete [Figure 18.14-2](#) for each attributed patient.

5.1.2 Fixed Transformation Payment Calculation

To calculate the fixed transformation payment:

- Payment will be non-financially underwritten.
- For each fixed transformation payment, the MCSC will use [Figure 18.14-1](#) and [Figure 18.14-4](#) to determine the specific payment for each practice.
- The MCSC will select the Physician Practice Site Size, NCQA Recognition Level and determine the per patient transformation payment.
- The MCSC will multiply the payment listed by the number of TRICARE Prime and TRICARE Standard patients who are attributed to the practice. Information from this process and [Figure 18.14-1](#) will be used to create the Patient Enrollment File ([Figure 18.14-3](#)).
- The MCSC will submit completed [Figure 18.14-2](#) and [Figure 18.14-3](#) to the Contracting Officer's Representative (COR) and to TMA Contract Resource Management (CRM) for approval (see Section G of the contract under Demonstrations).
- Within two business days after TMA approval of fixed transformation payment calculations, the MCSC will send fixed transformation payments to practices.

5.1.3 Every six months thereafter, for the duration of the PCMH Demonstration, the MCSC will repeat steps in [paragraphs 5.0](#) through [5.1.3](#).

5.2 Shared Savings or Incentive Payments

Shared savings or incentive payments can be earned by participating practices and are calculated as listed below. Practices that meet the annual performance criteria specified in [Figure 18.14-5](#) and [Figure 18.14-6](#) will be qualified to receive the defined percent of any savings generated by the Practice during TRICARE Demonstration Years 1 and 2, as shown on [Figure 18.14-7](#). Practices shall report the criteria defined in [Figure 18.14-5](#) and [Figure 18.14-6](#) to MHCC. MHCC will provide information to TMA. TMA will calculate the difference between a practice's historical medical expenses and the total medical expenses per patient in the current year, adjusted for inflation. This difference will serve as the basis of the shared savings or incentive payment calculation. A control group will be used for comparison. Should there be no savings, the practice will not be eligible for

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an incentive payment, nor will it be required to repay the fixed transformation payments. Payments are non-financially underwritten.

5.2.1 Shared Savings or Incentive Payment Calculation

To calculate the shared savings or incentive payment:

- TMA will notify the MCSC of the shared savings achieved for each practice. TMA will provide the MCSC information (Items #1 through 4) in [Figure 18.14-8](#).
- Within 10 business days of notification of the shared savings achieved, the MCSC will prepare the incentive payments for eligible practices, and will contact the COR and TMA CRM for approval to release payments (see Section G of the contract under Demonstrations). Within two business days after TMA approval of shared savings payment release, the MCSC will send fixed transformation payments to practices.
- Within five business days of payment, the MCSC will submit a copy of [Figure 18.14-8](#) (Items #1 through 5 completed) to TRICARE Regional Office-North (TRO-N).

5.2.2 Every year thereafter, for the duration of the PCMH Demonstration, the MCSC will repeat steps in [paragraph 5.2](#).

FIGURE 18.14-1 NPI LIST - SUBMITTED BY MHCC TO THE MCSC

1. Individual NPI
2. Organization NPI
3. Federal Tax ID
4. Practice Registration Number
5. Practice Size (1=< 10,000 Patients, 2=10,000-<=20,000, 3=+20,000 and above)
6. NCQA Recognition Level
7. Provider First Name
8. Provider Last Name
9. Practice Site Name
10. MMPCMHP Practice Location/Address
11. Current NCQA Recognition

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FIGURE 18.14-2 PATIENT ENROLLMENT FILE - SUBMITTED BY THE MCSC TO EACH PRACTICE

1. Sponsor's Social Security Number
2. Patient Date of Birth
3. Patient Last Name
4. Patient First Name
5. Patient Middle Initial
6. Patient Street Address
7. Patient City
8. Patient State
9. Patient ZIP Code
10. Individual NPI
11. Organization NPI
12. Provider First Name
13. Provider Last Name
14. Practice Site Name
15. PPSM amount (semi-annual)

FIGURE 18.14-3 PATIENT ENROLLMENT FILE

PRACTICE NAME	NUMBER OF BENEFICIARIES ENROLLED	NUMBER OF MONTHS COVERED	PAYMENT (OR RECOMMENDED TO BE) SENT TO MMPP PRACTICES

FIGURE 18.14-4 LEVEL OF PCMH RECOGNITION

PHYSICIAN PRACTICE SITE SIZE (NUMBER OF PATIENTS)	LEVEL 1+ (1)	LEVEL 2+ (2)	LEVEL 3+ (3)
1. < 10,000	\$28.08	\$32.04	\$36.06
2. 10,000 - 20,000	\$23.40	\$26.70	\$30.06
3. > 20,000	\$21.06	\$24.06	\$27.06

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FIGURE 18.14-5 QUALITY MEASUREMENT CRITERIA

GROUP ONE CRITERIA (MUST MEET AT LEASE 30% OF THE CRITERIA)				
NATIONAL QUALITY FORUM (NQF) MEASURE	DEVELOPER	RECOMMENDED MEASURE TITLE	REPORTED BY	
			PEDIATRIC PRACTICES	ADULT PRACTICES
0001	American Medical Association (AMA)	Asthma Assessment	YES	YES
0002	NCQA	Appropriate Testing for Children with Pharyngitis	YES	
0013	AMA	Core: Hypertension: Blood Pressure Measurement		YES
0018	NCQA	Controlling High Blood Pressure		YES
0024	NCQA	Alternate Core: Weight Assessment and Counseling for Children and Adolescents	YES	
0028a	AMA	Core: Preventive Care and Screening Measure Pair: a. Tobacco Use Assessment		YES
0028b	AMA	Core: Preventive Care and Screening Measure Pair: b. Tobacco Cessation Intervention		YES
0034	NCQA	Colorectal Cancer Screening		YES
0036	NCQA	Use of Appropriate Medications for Asthma	YES	
0038	NCQA	Alternate Core: Childhood immunization Status	YES	
0041	AMA	Alternate Core: Preventive Care and Screening: Influenza Immunization for Patients ≥ 50 Years Old		YES
0043	NCQA	Pneumonia Vaccination Status for Older Adults		YES
0047	AMA	Asthma Pharmacologic Therapy	YES	YES
0059	NCQA	Diabetes: HbA1c Poor Control		YES
0061	NCQA	Diabetes: Blood Pressure Management		YES
0067	AMA	Coronary Artery Disease (CAD): Oral Antiplatelet Therapy Presc. for Patients with CAD		YES
0075	NCQA	Ischemic Vascular Disease (IVD): Complete Lipid Panel and LDL Control		YES
0081	AMA	Heart Failure (HF): Angiotensin-Converting Enzyme (ACE) Inhibitor or Angiotensin Receptor Blocker (ARB) Therapy for Left Ventricular Systolic Dysfunction (LVSD)		YES
0105	NCQA	Antidepressant medication management: (a) Effective Acute Phase Treatment, (b) Effective Continuation Phase Treatment		YES
0421	Quality Improvement Program (QIP)	Core: Adult Weight Screening and Follow-Up		YES
0575	NCQA	Diabetes: HbA1c Control (<8%)		YES

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FIGURE 18.14-6 REDUCTIONS IN UTILIZATION

GROUP TWO CRITERIA (ADULTS MUST MEET 2 OF 4, PEDIATRICS MUST MEET 1 OF 2)			
		ANALYZED FOR	
		PEDIATRIC PRACTICES	ADULT PRACTICES
Year 1	2% reduction from the baseline in the 30-day readmission rate	N/A	YES
	2% reduction from the baseline in the Ambulatory Care Sensitive Condition (ACSC) hospitalization rate	N/A	YES
	2% increase from the baseline in total primary care practice visits	YES	YES
	2% decrease from the baseline in Emergency Room (ER) visits per 1,000	YES	YES
Year 2	3% reduction from the baseline in the 30-day readmission rate	N/A	YES
	3% reduction from the baseline in the ACSC hospitalization rate	N/A	YES
	3% increase from the baseline in total primary care practice visits	YES	YES
	4% decrease from the baseline in ER visits per 1,000	YES	YES

FIGURE 18.14-7 SHARED SAVINGS AVAILABLE BASED ON THE ATTAINMENT OF GROUP ONE AND GROUP TWO CRITERIA

	GROUP ONE CRITERIA		GROUP TWO CRITERIA	
	PEDIATRIC PRACTICES	ADULT CARE PRACTICES	PEDIATRIC PRACTICES	ADULT CARE PRACTICES
YEAR 1				
50% share of savings	Meet thresholds for the 5 measures.	Meet thresholds for the 18 measures.	Meet thresholds on 2 measures.	Meet threshold on 4 of 4 measures.
40% share of savings	Meet thresholds for 4 measures.	Meet thresholds for 15 measures.	Meet thresholds on 1 of 2 measures.	Meet threshold on 3 of 4 measures.
30% share of savings	Report on 3 measures.			
YEAR 2				
50% share of savings	Meet thresholds for the 5 measures.	Meet thresholds for the 18 measures.	Meet thresholds on 2 measures.	Meet threshold on 4 of 4 measures.
40% share of savings	Meet thresholds for 4 measures.	Meet thresholds for 15 measures.	Meet thresholds on 1 of 2 measures.	Meet threshold on 3 of 4 measures.
30% share of savings	Meet thresholds on 3 measures.	Meet thresholds on 12 measures.	N/A	Meet threshold on 3 of 4 measures.

FIGURE 18.14-8 SHARED SAVINGS OR INCENTIVE CALCULATIONS/PAYMENTS

#1	#2	#3	#4	#5
PRACTICE NAME	NUMBER OF BENEFICIARIES ENROLLED	CALCULATED COST SAVINGS	PAYMENT TO BE SENT TO MMPP PRACTICES	PAYMENT SENT TO MMPCMHP PRACTICES

- END -