The Montana Patient-Centered Medical Home Program
The PCMH Initiative History

- Stakeholders convened by Montana Medicaid with a 2009 NASHP grant asked CSI to take over the initiative
- CSI led the group as a neutral party to address payment options, anti-trust laws, other state multi-payer initiatives and recognition processes
- The working group established a definition for PCMH in Montana and recommended recognition standards for practices
The PCMH Initiative History

• The CSI formalized the stakeholder working group as an official state advisory council

• Advisory council includes health care providers, private and public insurers, and consumer advocates

• The council’s work:
  – Finalized a set of metrics to measure quality improvement by providers and practices
  – Finalized a framework for payment for a guide for payers and providers in creating contracts for PCMH
  – Finalized a bill draft for the 2013 legislative session
Framework for Payment

The advisory council has recommended a draft framework for payment that would:

• Offer incentives to providers to invest in the PCMH infrastructure
• Provide payment for care management, control of chronic disease and other “non-procedures”
• Reward improvement in access, patient experience, and prevention
• Help identify and close gaps in care and reduce total cost of care by preventing ER visits and hospitalizations
• Measure and improve quality outcomes
• Reimburse for additional administrative costs in setting up the new delivery system
Framework for Payment

Components of Payment

• Fee for service continues

• Participation in PCMH
  – Per member, per month (PMPM) for investment in transformation

• Chronic disease management
  – Additional monthly payment for chronic disease patients and other care coordination (double the PMPM for patients without a chronic disease)

• Quality improvement bonus
  – For measuring and meeting performance benchmarks
PCMH Bill

The advisory council recommended legislation for the CSI’s 2013 legislative package. The bill:

- Establishes the insurance commissioner has the administrator for the program and a stakeholder council to advise her.
- Codifies the definition of PCMH
- Outlines the powers and duties of the Insurance Commissioner, including rule-making power and the duty to recognize PCMH provider groups
- Outlines the standards for the development of PCMHs, with the ability to add Montana specific standards in rule
PCMH Bill

• Sets clear expectations for PCMHs that will help payers, providers, and patients achieve better health outcomes and lower costs

• Provides a sufficient “safe harbor” from anti-trust restrictions, through ongoing state involvement in the oversight of PCMHs

• Provide government oversight in a way that allows input from all interested parties

• Allow payers and providers to share the cost of transforming a medical practice into a PCMH without violating anti-trust laws
Implementing the Montana PCMH Act

• Administrative rules were published at the end of September 2013.
• Appointed the stakeholder council on November 8, 2013.
• Approved which accrediting organizations meet Montana’s standards.
• In the process of qualifying medical practices now.
• Working now to incorporate Montana specific standards to measure quality improvement.
• Educate the public and promote PCMH across Montana.