

The Vermont Medical Home Model: Market Implications of Medical Home for Behavioral Health Organizations



On October 6, 2009, the Centers for Medicare and Medicaid Services (CMS) announced it will establish a demonstration program enabling Medicare to join Medicaid and private insurers in innovative state-based advanced primary care initiatives. CMS aims to begin implementing the program early in 2010 with the demonstration taking place over the course of three years. Demonstration grants will affect the design of the care delivery system in each of the selected geographic markets. Behavioral health provider organizations should take action now in order to maintain or expand market advantage during these planned events.

The Vermont medical home model has been selected to serve as a proxy for the new CMS medical home demonstration grants. The model includes an all-payer component, which means that private insurers and Medicaid agree to use similar medical home measures developed by the National Committee for Quality Assurance (NCQA) and similar reimbursement methods for all primary care medical homes. The Vermont model includes Community Care Teams (CCT) funded by all participating payers.

A CCT is a multidisciplinary local team that includes nurse coordinators, medical social workers, behavioral specialists, dieticians, and others; core resources providing care support across practices for prevention, health maintenance, and chronic disease; guideline-based care coordination for individual consumers; and guideline-based population management. The CCTs work within each county department of health and include behavioral specialists assigned to either CCTs or to participating primary care practices. The all-payer funding available to primary care practices includes enhanced provider payment based on how each practice scores against National Committee on Quality Assurance - Patient Centered Medical Home (NCQAPCMH) standards.

What Effect Do These Changes Have on the Behavioral Health Market?

Behavioral health provider organizations can expect both negative and positive effects to the all-payer medical home service delivery systems. On the negative side of the equation, there will be an unfunded mandate to coordinate activities and care with other treating providers. This poses a significant threat to current billable case management services for population groups who enroll in medical homes. There may also be an increase in behavioral health services delivered in primary care settings.

On a positive note, there are opportunities to expand preventive programs, such as smoking cessation and substance abuse prevention programs. Additionally, the referral source base may increase as more evidence-based assessment tools are utilized. Another positive factor is the potential for reduction in variations surrounding methods of reimbursement among all payer sources, which may reduce internal administrative time.

Finding Market Advantage in the Medical Home

There are a number of opportunities to become partners in a medical home model with potential to offer care coordination expertise to primary care physicians in treating a chronic population. To do this, your organization will need to invest in electronic medical records and e-prescribing, and will need to work with

regional health information exchanges.

The continuum of care your organization provides can contribute to the performance of primary care practices. You may consider subcontracting with primary care offices to provide non-physician staff on-site at the PCP practice location—and get paid directly from the PCP for the cost of staff time, including both non-physician licensed staff and care management staff. The PCP can bill these services to Medicare as “incident to” billing. Many community provider organizations are doing this with demonstrable success. In addition, don’t rule out telemedicine, as it may be a vehicle for you to both insert your service offerings into PCP offices or a way to obtain PCP services on-site at your facility. However, to do this you must educate your staff on the NCQA Medical Home Certification requirements and incorporate the requirements into your operational improvement plans.

The movement to new systems of care is well underway. The recent proposed health plan amendment to the State Medicaid Option Promoting Health Homes and Integrated Care includes an expansion of the list of eligible providers for this demonstration to include community mental health centers and clarification that Medicaid beneficiaries with “at least one serious and persistent mental health condition” are eligible to receive services through the State Medicaid Option Promoting Health Homes and Integrated Care demonstration. Now is the time to move behavioral health organizations to a state of medical home preparedness to both improve your organizational market position and the health of the communities you serve.

For More Information on Medical Homes

- The Medical Home Model is On the Rise: Opportunities for Prevention & Increased Synergy Among Provider Organizations. (August 2009). Brown, Dee. *OPEN MINDS, The Behavioral Health & Social Service Industry Analyst*. Available: www.openminds.com/circlehome/eprint/2009/080109/080109h.htm.
- There Is No Place Like Home: What Does the “Patient-Centered Medical Home” Mean to BH Providers? (March 2009). Brown, Dee *OPEN MINDS, The Behavioral Health & Social Service Industry Analyst*. Available: www.openminds.com/circlehome/eprint/2009/030109/030109d.htm.

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Brown, Dee, M.S.M. (2009, December). The Vermont Medical Home Model: Market Implications of Medical Home for Behavioral Health Organizations. OPEN MINDS, The Behavioral Health & Social Service Industry Analyst 21:9, 4.

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