

# Implementing a Medical Home Program

Derry Medical Center P.A.

Thomas E. Buchanan

Administrator

# About Derry Medical Center

- Independent PCP group – 27 providers
- 37,000 active patients, 90K Visits per year
- EMR since 2003
- Full time Dieticians and Diabetes Specialists
- Provide hospital care thru “Rounder” Program

# Challenges in Primary Care as an Independent Practice

- Reimbursement rates are too low
- Hospital ownership of PCP is the dominant model in Primary Care in NH
- More emphasis on Hospital reimbursement than PCP fees, resulting in market distortion
- Predominant view is that “PCPs can’t make it without being employed”
- RVU model of reimbursement is flawed

# Our PCPs View Medical Home as:

- The right way to practice primary care
- An extension of many initiatives we have already started: Diabetes management and education, nutrition counseling, adherence to preventative guidelines
- A model that focuses on treating and preventing chronic disease. Medical Home is a building block
- A model that leverages our investment in IT

# Progress to Date

- We have a team of clinical and administrative staff which has formalized policies and treatment guidelines for several chronic diseases
- We submitted an application in April to NCQA for Level III certification. Hundreds of hours were invested in preparing the NCQA application
- We hold weekly meetings with physicians and staff to review protocols and documentation standards

# Challenges

- Current reimbursement doesn't cover costs, let alone a formal medical home program
- Payment during the pilot period is inconsistent among the payers. Program has to apply to all patients; can't be payer specific
- The cost issue in health care is also a function of the lack of competitive alternatives
- Personal Responsibility

# Challenges (cont'd)

- A medical home program costs real money
  - Physician Time: documentation and care coordination
  - Increased Staff: quality assurance and data collection
  - IT Resources: robust EMR and reporting capabilities

# Policy Considerations

- Medical Home must have a measurable impact on cost and access
- Very hard to implement without EMR
- Many barriers to success: employment conflicts, costs, referral guidelines
- Current PCP payment rates are inadequate
- A Standard Medicare office visit pays \$62, which is \$25 below actual cost!
- Any payment reform model needs to address PCP viability