CHCS Center for Health Care Strategies, Inc.

Medicaid Health Home Program Design Strategies

Themes from Call #1: Aligning Health Homes with Existing Programs and Infrastructure

The following insights were gathered during the first call in a series of health home program design calls hosted by the Center for Health Care Strategies (CHCS). The series is open to 16 states participating in CHCS initiatives -- Arizona, California, Colorado, Illinois, Maine, Michigan, New Jersey, New Mexico, New York, North Carolina, Ohio, Oklahoma, Oregon, Pennsylvania, Tennessee and Washington.

Identifying Existing Program Building Blocks

As states begin to explore the opportunity of Section 2703 of the Affordable Care Act (ACA), they are consistently using health homes as an opportunity to enhance existing infrastructure and "take it to the next level." States are evaluating existing building blocks as potential starting points for health home programs and providers. Existing building blocks include:

- Medical home programs;
- Care management programs;
- Targeted case management programs;
- Disease management;
- Pay for performance programs;
- Special needs plans; and
- Risk-based management care and primary care case management programs, among others.

Initial Considerations for Building on Existing Programs

As part of this initial process, states are comparing and contrasting existing programs to the requirements for health homes and asking questions such as:

- Are existing programs providing any, some or all of the required health home services?
- Where do gaps exist between services being delivered now and what must be delivered under a health home program?
- Who is currently providing services similar to the required health home services? Where are they providing services and to how many Medicaid beneficiaries?
- What are the current qualifications for providers rendering these services and are there additional qualifications that would be needed to become a health home provider?

With limited funds available for infrastructure development, states are approaching health homes as an opportunity to prioritize investment in existing programs and phase in health homes over populations or geographic locations or both. For example, states are considering which existing programs:

- Require little additional investment to become health homes versus programs that would require significant new supports?
- Could be "taken to scale" and sustained over time as health homes versus programs that are specific to a certain region/population and less likely to expand?
- Are likely to yield a "quicker win" in terms of impacting costs and improving quality?

Medicaid Health Home Program Design Strategies

Themes from Call #1: Aligning Health Homes with Existing Programs and Infrastructure

- Use interventions based in evidence and best practices that are likely to yield successful results?

Other common themes noted by participating states include:

- In many cases, awaiting administrative, legislative, or budgetary approval before moving forward aggressively;
- Rolling out health homes in an incremental fashion – by subpopulation and/or by geographic region;
- Anticipating multiple models of health home design based on the needs of specific target populations, not necessarily rooted in primary care;
- Contemplating how to implement health homes in managed care environments;
- Considering how to incorporate electronic health records, meaningful use, and health information technology into provider qualifications and payment models (e.g. tiering); and
- Striving to serve eligible beneficiaries in "familiar venues, with familiar providers and familiar services."

Health Homes Program Design Call Series

Summaries of themes from each call will be available on CHCS' website at www.chcs.org. Future calls will focus on operationalizing health homes in managed care delivery systems, identifying health home providers, defining health home services, discussing reimbursement strategies, and other topics.