

## **Governor Hassan's Commission on Medicaid Care Management**

April 3, 2014

Governor Maggie Hassan  
State House  
107 North Main Street  
Concord, NH 03301

Dear Governor Hassan,

As its third recommendation, the Governor's Commission on Medicaid Care Management urges the establishment of Patient Centered Medical Homes as the basis for providing primary care to New Hampshire's Medicaid enrollees many of whom have complex health conditions.

The Governor's Commission on Medicaid Care Management recognizes the timely convergence of both need and opportunity to provide more integrated and coordinated services for the most vulnerable and high risk individuals served by the New Hampshire Medicaid Program. While all of these individuals have regular and often complex preventive, chronic conditions, and acute care management requirements, they also have associated behavioral health, community support, and long term care needs. At the present time with rare exceptions, meeting these needs and the associated utilization of services unfold in a fragmented manner which compromises efficient access, promotes redundancy, and creates conflicting and confusing recommendations and interventions. The results are well documented – poorer health and social outcomes for individuals, reduced well-being for these populations, and increased costs of care.

The Commission has been witness to presentations and testimony describing innovative and successful practices involving the integration of behavioral health services with primary health care and the application of the Health Home model for the coordination of long term supports and services with both primary health care and behavioral health.

The Commission believes that the opportunity exists through the care management process to take advantage of these proven new practices to meet the complex needs of vulnerable individuals in a more proactive, coordinated, and efficient manner. However, a prerequisite to the realization of this opportunity is the on-going transformation of New Hampshire's system of primary care services towards high-quality patient centered medical homes. Primary care settings must have the functionalities of a medical home such as care coordination capacity, communication links both vertically in the health care system and horizontally in the community, and the ability to track the well-being of patient populations in order to play an effective role in Health Homes and more integrated models of behavioral health service delivery.

As a result, the Commission believes that the following recommendation is foundational to the further realization of a truly integrated and effective system of supports and services for the Medicaid population as well as for all New Hampshire citizens.

Please feel free to contact me for further information. Thank you very much.  
Sincerely,

Mary Vallier-Kaplan  
Chair, Governor's Commission on Medicaid Care Management  
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## **Governor's Commission on Medicaid Care Management**

### **Recommendation #3**

**The Governor's Commission on Medicaid Care Management hereby recommends ongoing system transformation that embraces the Patient-Centered Medical Home (PCMH) practice model as a principal primary care service delivery model of the New Hampshire Medicaid Care Management Program.**

**April 3, 2014**

**The Commission recommends that the Governor request Department of Health and Human Services to develop and deploy a plan for enhancing PCMH capacity across the State and that this plan shall:**

- **Clearly articulate a definition of the PCMH model of care in keeping with generally accepted concepts (<http://www.pcmh.ahrq.gov>) to a level of specificity that will support ongoing system transformation;**
- **Inventory existing PCMH capacity and develop a clear understanding of the variation in capacity across the state;**
- **Identify opportunities for enhancing existing system capacity and developing PHMCs in areas of need;**
- **Identify opportunities for enhancing provider compensation or instituting other payment reform options that promote the developments of PCMHs;**
- **Identify opportunities to encourage all payers to embrace PCMHs and collaborate in developing system capacity state-wide;**
- **Address how DHHS will review, evaluate and report on progress toward implementing PCMHs and;**
- **Discuss how DHHS will work with the Medicaid Managed Care Organizations (MCOs) to implement the plan, assuring that efforts for providing PCMHs for Medicaid patients are encouraged equivalently to efforts on behalf of privately insured patients.**

**The Commission recommends that the Governor request DHHS to explore funding opportunities to support this system transformation and innovation as may be available through the national Center for Medicaid and Medicare Innovation, or other sources of funds for health system transformation.**

### **Rationale:**

The Commission makes this recommendation concerning the implementation of PCMHs because:

- **The Commission acknowledges the aspirations of DHHS to develop strong PCMH capacity, using best practice protocols, across the state, over time. This is a clearly identified strategy in the existing contracts with MCOs. The upcoming contracting**

process presents an opportunity to renew and strengthen the DHHS commitment to this primary care delivery model.

- The Commission and DHHS identified promising PCMH implementation efforts within Medicaid Care Management programs in other states that may serve as examples of how to define PCMH, how to gradually increase PCMH capacity, and how to use contracts to incentivize MCOs and providers to transform the delivery system. DHHS is currently reviewing these programs for their potential to be replicated in New Hampshire.
- The Commission reviewed the well developed DHHS Medicaid Care Management Quality Plan. There is an opportunity to add specific language to the Quality Plan to benchmark and measure progress toward developing PCMHs and to align PCMH functions with service quality measures already identified in the plan.
- The Commission heard testimony from health system delivery innovators around the State of New Hampshire regarding the successful implementation of PCMHs. There are many well established PCMHs already operating across the State. There is an opportunity to enhance and further the progression of these transforming systems.
- The Commission acknowledges that there is wide variation in PCMH capacity amongst providers with some providers already having certification from nationally recognized accrediting organizations, and other providers not yet on this journey. This variation could present implementation challenges.
- The Commission further acknowledges that there are private payers who are already reimbursing providers for PCMH services. This presents an opportunity for collaboration toward a common system transformation goal.
- The Commission has been following the planning process for Medicaid Managed Care Implementation Step II as defined by DHHS. The Step II plan calls for improvements in care coordination and care management and implementation of Health Homes. The Commission considers the successful development of robust PCMHs as fundamental to future efforts to develop the care coordination and care management approaches as anticipated in Step II.
- The State of New Hampshire has a well documented commitment to community-based services that coordinate care at a local level. The PCMH model embraces community-level interventions that support patients across a continuum of service needs.
- Decreasing the cost of health care is of primary importance in the implementation of the Medicaid Managed Care Program. PCMHs are shown to promote cost savings as they help patients receive care in the most appropriate setting and they support the use of preventative services. The populations of New Hampshire residents who are eligible for Medicaid are amongst the most vulnerable residents in the state. PCMHs have been shown to successfully support people with the greatest need to help improve or maintain health care conditions, thereby keeping health care costs low.