FAQs: Medical Home Models

Q1: What are medical homes?

Medical homes are typically team-based primary care practices that provide the majority of their patients' health care needs either directly or through coordination with other providers. Medicare and other insurers that support medical homes often pay monthly care management fees or provide other resources to support certain activities designed to enhance care quality and streamline the provision of care.

CMS offers a range of medical home models in Medicare that vary by key design features, including levels of financial risk, up-front payments for infrastructure costs, and beneficiary involvement. To learn more about each model and compare key features, see our Medical Home Side-by-Side comparison tool.

Q2: What are the different types of Medicare medical home models?

Federally Qualified Health Center (FQHC) Advanced Primary Care Practice (APCP)

In the FQHC APCP model, which ended in 2014, CMS paid each participating FQHC monthly care management fees per Medicare beneficiary to support activities and services associated with requirements for becoming a "Level 3" patient-centered medical home, as recognized by the National Committee for Quality Assurance (NCQA).

Multi-Payer Advanced Primary Care Practice (MAPCP)

In the MAPCP model, which ended in 2016, participating state agencies were responsible for aligning several aspects of their medical home program across multiple insurers, including Medicare, Medicaid, and commercial insurers. These aspects included care management fees, medical home activity requirements, quality standards, and payment incentives.

Comprehensive Primary Care (CPC) Initiative

In the CPC model, which ended in 2016, CMMI (the Center for Medicare and Medicaid Innovation) convened multiple payers—including Medicare, Medicaid, and commercial insurers—to align care management fees, quality goals, and efficiency incentives across payers. CMMI also provided data feedback to medical homes on the spending and service use of their Medicare patients. Practices had the opportunity to share in regional savings. This model was the framework for the current CPC+ model.

Independence at Home (IAH)

The IAH model focuses on providing primary care services to chronically ill beneficiaries in their own homes. IAH practices do not receive monthly care management fees, but are eligible to share in savings with Medicare for meeting quality and spending targets.

Comprehensive Primary Care Plus (CPC+)

Like its predecessor (CPC), the CPC+ model convenes multiple payers—including Medicare, Medicaid, and commercial insurers—and aligns payments and incentives across payers. CPC+ offers varying levels of risk, care management fees, advance payments, and financial incentives for meeting quality and utilization benchmarks that, if not met, can be recouped by CMS. CPC+ also includes hybrid provider payments, which combine quarterly up-front payments with discounted per-visit payments.

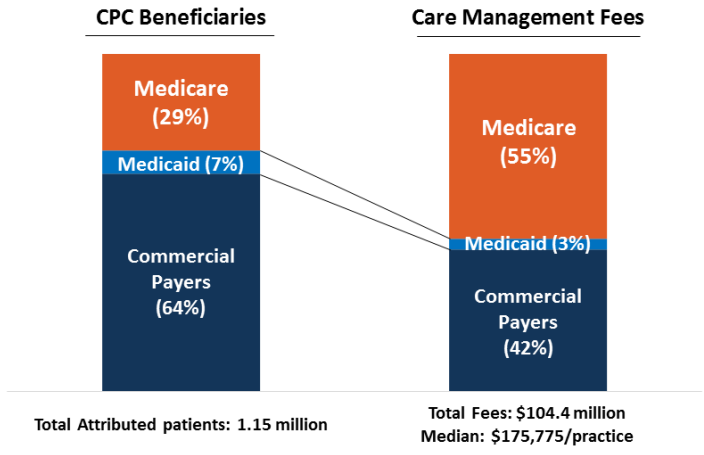
Q3: What is the evidence on savings for Medicare medical home models?

Most medical home models incurred net costs to Medicare after accounting for care management fees. While the CPC model came close to breaking even in its third year relative to benchmark spending (i.e., savings on services were offset by similar spending on care management fees), net Medicare spending totaled $51 million in its fourth and final year, with additional Medicare payments for shared savings (*also see* **Figure 1**). In the MAPCP model, two of eight states achieved statistically significant net Medicare savings relative to comparison groups, with Michigan accounting for the largest share, by far (**Figure 2**). The FQHC APCP model generated the same or higher spending relative to comparison cohorts. The smallest model, IAH, had modest net Medicare savings relative to its overall benchmark ($8 million in 2014), with about half of IAH practices earning shared savings bonuses.

For specific results and more details about each model, see the Medical Home Side-by-Side comparison tool.

Figure 1

Medicare paid more than half of all care management fees for CPC medical homes in 2015, but accounted for less than one third of all patients—reflects higher expected medical complexity among Medicare beneficiaries

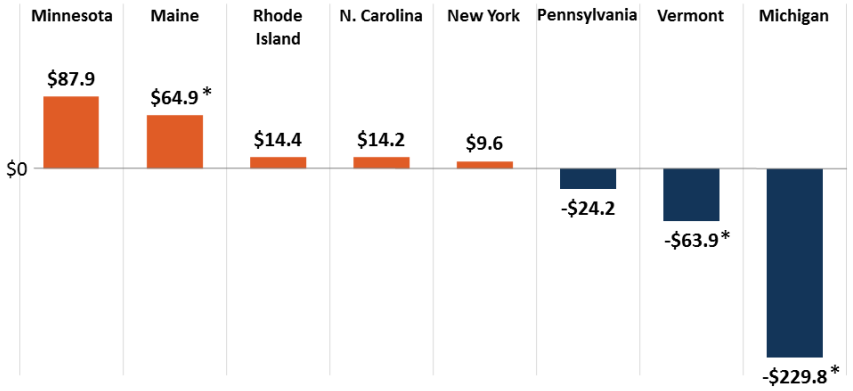


SOURCES: CMS, "Comprehensive Primary Care Initiative Fast Facts" (2016) and Mathematica Policy Research, *Evaluation of the Comprehensive Primary Care Initiative: Third Annual Report*, December 2016.

Figure 2

Two states in the MAPCP medical home model achieved statistically significant net Medicare savings; Michigan accounted for the largest share, by far (2011-2014)

Net Medicare spending in millions, relative to comparison group:



NOTES: *Statistically significant difference from comparison group ($p < 0.10$). Comparison groups were comprised of beneficiaries in non-MAPCP patient-centered medical homes, except in Minnesota, for which the comparison group was comprised of beneficiaries *not* in a patient-centered medical home.
SOURCE: RTI International, *Evaluation of the Multi-Payer Advanced Primary Care Practice (MAPCP) Demonstration*, June 2017.

Q4: What is the evidence on quality for Medicare medical home models?

Quality results varied across and within medical home models, but for the most part did not reveal major overall differences from control groups. For 2016, the vast majority of CPC practices (97%) met quality goals with slight improvements noted on clinical quality and patient experience measures from the previous year.

The MAPCP evaluation reported that there was little evidence that MAPCP models provided beneficiaries with improved access to care relative to a comparison group. The FQHC APCP models performed the same or better on diabetes care relative to a control group, but the same or worse on other quality measures. For the IAH model, CMS reported lower hospital readmission rates than a control group in the first two years, and in the second year, all IAH practices improved on at least two of six quality measures based mostly on standards of care. For further details on quality results by model, see the Medical Home Side-by-Side comparison tool.

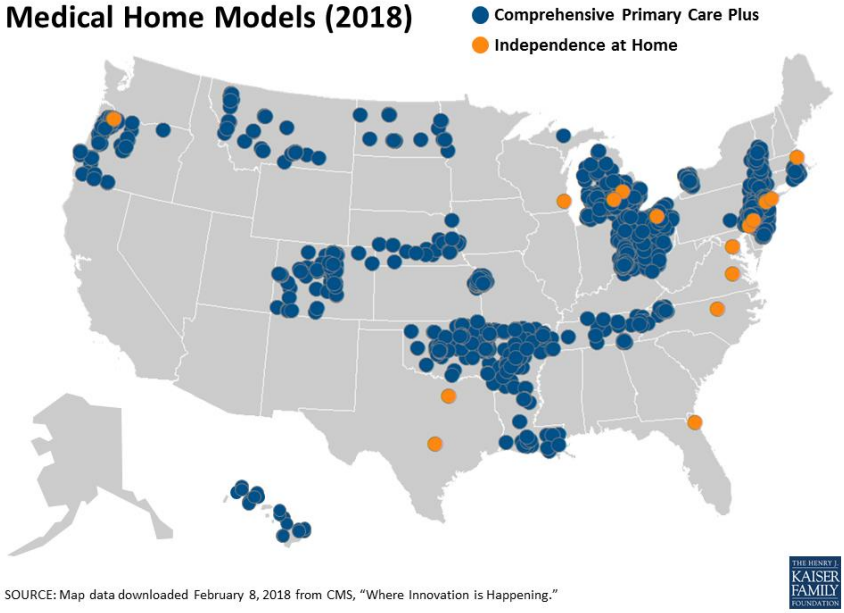
Q5: Are doctors in Medicare medical home models eligible for automatic bonuses under MACRA?

In 2015, Congress enacted the Medicare Access and CHIP Reauthorization Act (MACRA), which changed the Medicare payment system for physician services. Under MACRA, physicians who are affiliated with "advanced alternative payment models" (APMs) are eligible for automatic 5-percent bonuses on their Medicare payments. CPC+, the newest medical home program in Medicare, is the only medical home model that qualifies as an advanced APM. Therefore, physicians, nurse practitioners, and other health professionals who were affiliated with the 2,900 medical practices that participated in the CPC+ model in 2017 will qualify for an automatic 5-percent bonus on their Medicare billing starting in 2019.

Q6: Where are Medicare medical homes located?

For 2018, CMS reports that over 2,900 medical practices are participating in the CPC+ model and another 16 are participating in the IAH model. Combined, these models are operating in 26 states and the District of Columbia (**Figure 3**). In general, CPC+ practices are clustered on both coasts, in Hawaii, and in the Midwest. About half of IAH practices are located in the northeast of the country.

Figure 3



Q7: How many beneficiaries are in Medicare medical home models?

For 2017, CMS reports that over 1.7 million Medicare beneficiaries are attributed to medical practices participating in the CPC+ model. Additionally, another 10,000 beneficiaries are attributed to practices participating in the IAH model. CMS attributes beneficiaries to medical homes based generally on their primary care provider's affiliation with the medical home, but beneficiaries are free to seek services from any Medicare provider in or out of the medical home. To learn more about the number of beneficiaries in previous models, and how medical home models compare, see the Medical Home Side-by-Side comparison tool.

Q8: What are the start and end dates for the Medicare medical home models?

The FQHC APCP, MAPCP, and CPC medical home models have all ended. The currently-running IAH and CPC+ models are scheduled to operate through September 2019 and December 2022, respectively. The IAH model was extended for two additional years (2017 to 2019) in February 2018 with the passage of the Bipartisan Budget Act of 2018.