

# MEDICAL HOME

“A Medical Home is not a building, a house, or a hospital. It is an approach to providing focused, comprehensive, coordinated primary care to patients. A medical home provides care through a collaborative approach that puts patients and their doctors in control of health care decisions (rather than remote third parties). It is “care management” for better health, and not “managed care” for better profits. A medical home forms a treatment partnership with patients and links them to appropriate resources within their communities (social services and specialty care included) which patients may need to participate in their treatment plans, to engage in preventive and wellness behaviors, and to better deal with chronic conditions”.

*Jack McRay, AARP & Medical Home Task Force member*

The Medical Home Task Force (authorized in SB1986 in 2009) studied the Medical Home model of healthcare in Oklahoma, North Carolina, Pennsylvania, and Washington. The best features that were common to each plan and that fit the Florida Medicaid landscape were incorporated into this bill.

Our problem in Florida, like most states, is increasing Medicaid enrollment/need in a time of decreasing resources/access. Solution choices are to decrease benefits, eligibility, or payments; or to increase the health of the population by better care management. Oklahoma and North Carolina chose the last option and have successfully managed with the Medical Home Model to save those states hundreds of millions of dollars while patient care improved. On the advice of the Medical Directors in both Oklahoma and North Carolina, this should be possible in 6 to 12 months in Florida. It turned out that healthy patients overall cost less.

Oklahoma and North Carolina have almost universal participation of primary care and specialty physicians so that access is no longer an issue. Wait times for appointments and surgery are equal for all patients, Medicaid or private pay. Both states can now pay physicians at rates almost equal to Medicare. (The Florida Medipass program now pays physicians 55% of the Medicare rate.) The anticipated savings from a medical home program in Florida can be re-invested to raise our rates to help improve access to care. An added benefit to this approach is that the healthcare dollars will stay in the community and not leave the state to shareholders.

The plan in Florida is to use the AHCA hospitalization and ER data to identify the rural areas in the state with the largest amount of uncoordinated care (already done by the FSU Medical School). Primary care physicians will be recruited in these areas to participate in the Medical Home pilot project as this is where the largest savings will occur. The FQHC's, medical

schools, and existing primary care networks in the urban areas endorse the plan and are ready to start as are the FMA, FOMA, and FHA.

Like politics, all health care is local. The patients will come from the existing Medipass plan. Networks of providers (hospitals, clinics, home health agencies, nursing homes, etc.) will have a local base and the model will take shape by regions from the bottom up, not top down. There will be a statewide Advisory Board between AHCA and the local networks to oversee the statewide development of the Medical Homes model.

A key element in both states is the “care manager” who works for the network and is based at the hospital to check the ER and hospital admissions daily. She/he follows up on each patient to be sure they get timely appointments with their PCP so they don’t come back to the ER. In both states the hospitalizations and ER visits have gone down significantly, enough to fund the entire program by the decreased utilization at the hospital. Hospitals that commit to this program and fund salaries for the care managers and other overhead expenses will be eligible for a credit against the 1.5% tax all hospitals pay into the Medicaid program.

The University of South Florida will be asked to do a quarterly analysis of the utilization data to make adjustments to the financial model and to compare the Medical Home model to the managed care models that already exist.

Many people believe that having a ‘*Medical Home*’ is just good medicine and some question the need for a program like this to accomplish what should already be the standard of care. Physicians work, however, within a large and complex health care system that is fragmented and in some cases, dysfunctional. The medical home model changes the environment for physician-patient relationships and gives physicians the support they need to coordinate services and improve patient outcomes.

I have attached an outline, the bill, and several background documents for you to review. Should you have any questions about the bill or the plan for implementation, please call any time.

Sincerely,

A handwritten signature in black ink that reads "Ed Homan". The signature is written in a cursive, flowing style.

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