

December 16, 2013

Senators Gloor and Wightman
Legislative Districts 35 and 36
PO Box 94604
Lincoln, NE 68509-4604

Re: Patient Centered Medical Home Participation Agreement

Dear Senators Gloor and Wightman,

Nebraska's hospitals support your efforts to promote the creation of Patient Centered Medical Homes (PCMHs) by using consistent requirements and measurements to promote the efficient transformation of primary care practices into patient centered medical homes.

Several hospitals across the state are in various stages of forming PCMHs. One, Crete Area Medical Center, has had a certified medical home for some time and has experienced significant success in health outcomes and cost containment. Throughout those efforts, the goal is to reform the delivery of health care services in order to improve the overall health of individual patients, patient populations, and to reduce expenditures through high quality evidence based care provided at the appropriate time and in the appropriate place.

Nebraska's hospitals applaud your efforts to encourage the use of payment mechanisms that recognize value beyond the fee-for-service payment. Hospitals agree that payments should be linked to clinical, financial and patient satisfaction measures in accordance with the goals of PCMHs and they appreciate your inclusion of flexibility for the providers and payers to negotiate agreements in accordance with each PCMH program cycle. Simultaneously, hospitals look forward to working with you to ensure that variation between payers is minimized and that adequate reimbursements from public and private payers ensure the future success of PCMHs.

Implementation of health care reform and the transformation in the way providers deliver care will continue to have the constant attention of policymakers, hospital leaders and other health care providers as they navigate their way through the nuances of delivery system changes, insurance marketplaces, value-based purchasing programs, bundled payments, accountable care organizations and population health. The participation agreement signed by insurers and primary care providers is a step in the right direction. As more providers work together with similar goals focused on value instead of volume, new models of care such as PCMHs may be one of the new norms.

I welcome the opportunity to continue working with you on this important topic. As always, my best wishes are included.

Sincerely,



Laura J. Redoutey, FACHE
President

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