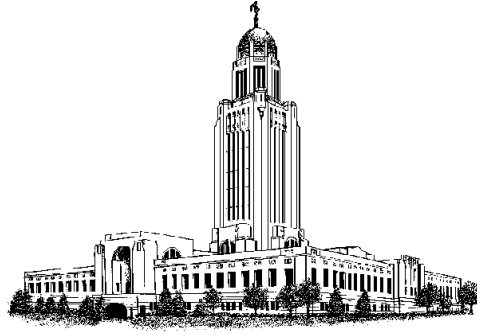


Nebraska State Legislature

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Participation Agreement to recognize and reform payment structures to support Patient Centered Medical Home

Facilitated by Senator Mike Gloor and Senator John Wightman

In 2013 we recognize health care delivery and health care insurance is in the upheaval of major reform and health care will endure ongoing transformation in both the public and private markets. This agreement is recognized as only pertaining to Patient Centered Medical Home as defined and agreed upon in this document.

The goal of both health care providers and health insurers participating in this agreement is to reform the delivery of health care services in order to improve the overall health of individual patients, patient populations, to promote an improved consumer experience, and to control or reduce expenditures through appropriate, evidence based, comprehensive care.

We, the undersigned insurance companies and physicians/health care providers agree to support and promote the creation of Patient Centered Medical Homes (PCMH) in Nebraska by using consistent requirements and measurements to promote the efficient transformation of primary care practices into patient centered medical homes.

The effective date of this agreement is January 2014 through January 2016. Insurers will have active PCMH contracts with approximately 10 clinics by the end of 2014 and approximately 20 clinics by the end of 2015. Insurers with contracts covering only a subset of the state's geography would have a number of clinics approximating the percentage of the state's population they reach in the counties they cover (e.g., if their geographic coverage area encompasses 40% of the state's population, they would have 4 clinics per year). All parties agree to work in good faith toward compliance and fulfillment of this agreement.

Definition: In Nebraska, a patient centered medical home, or PCMH, is defined as a health care delivery model in which a patient establishes an ongoing relationship with a physician directed team to provide comprehensive, accessible, and continuous evidence-based primary and preventive care, and to coordinate the patient's health care needs across the health care system in order to improve quality, safety, access and health outcomes in a cost effective manner.

In the event that a health insurer, as part of their PCMH program requires that a PCMH be certified or recognized as such, or to attain certification or recognition, insurers will accept the following standards:

- NCQA PCMH certification
- JACO PCMH certification
- Nebraska Medicaid PCMH Pilot Program, Tier I and II standards
- URAC certification
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In the event that a health insurer, as part of their PCMH program, requires that a PCMH clinic submit clinical measures to determine clinical outcomes, the measures will be selected from those listed in the following charts:

- Adult (see attached chart)
- Pediatric (see attached chart)

Health insurers have the option to use measures for their PCMH program outside of these clinical measures as long as they are clearly communicated, agreed upon by providers, and do not require the PCMH clinics to submit data.

Payment:

Insurers offering a medical home program must utilize payment mechanisms that recognize value beyond the fee-for-service payment. Payments should be linked to clinical, financial and/or patient satisfaction measures in accordance with the goals of the Patient Centered Medical Home. Payments shall be directed toward the clinic's full covered panel of patients and not confined to a subset of diseases. The design and details of the payment mechanism will be left up to each individual health plan to determine through an agreement with the provider or provider group to be negotiated in accordance with the PCMH program cycle.

Nothing in this agreement shall guarantee that a clinic is included in an insurer's PCMH program by meeting the basic criteria. Nothing in this agreement shall preclude the development of alternative innovative models by an insurer for its group and/or individual policies, or alternative models and payment mechanisms to support PCMH.

Progress Report: Participating payers are asked to report annually, by letter, successes realized and challenges faced in their efforts to comply with this agreement. The report should include the number of PCMH contracts signed.

Date of Signing: December 18, 2013

Participants: Please sign with name and title

Senator Mike Gloor

Senator John Wightman

Blue Cross Blue Shield of Nebraska

Nebraska Academy of Family Physicians

Coventry Health Care of Nebraska

Nebraska Medical Association

Arbor Health Plan

Nebraska Chapter of the American Academy of Pediatrics

CoOpportunity Health

UnitedHealthcare