

Resolutions 9 and 11-P, Direct Primary Care Medical Home, Annual Meeting 2013
(Action)

To: Board of Directors

From: Peter Ricci, MD, Chair, Committee on Physician Practice Evolution
Alan Aboaf, MD, Vice-chair, Committee on Physician Practice Evolution

Date: November 29, 2013

Recommendations

The question before the BOD is the Committee on Physician Practice Evolution's recommendations regarding three of the four resolved clauses found in 2013 Resolutions-9-P and 11-P regarding the Direct Primary Care Medical Home (DPCMH). CPPE makes no recommendation as to whether or not the Colorado delegation to the American Medical Association should be directed to bring a resolution to the AMA to allow for use of health savings accounts to help fund DCPMHs given the other recommendations and conclusions outlined below.

1. That CMS encourage health plans to contract with physician practices that utilize a direct primary care medical home model. This model offers one promising way for some physician practices to enhance access to quality, cost-effective and patient-centered care. The model concurs with CMS policy in support of the patient-centered medical home (185.992 Joint Principles of the Patient-Centered Medical Home) and policy in support of development and adoption of new payment models that appropriately align compensation with both individual and system performance (185.994 Health Care Reform Systems of Care).
2. CMS does not need to support legislation that would establish that the direct primary care medical home model is not health insurance and is therefore not subject to insurance regulation. Legislation is unnecessary per the author's intent:
 - Under existing state law a DCPMH already qualifies as a network provider. Nothing currently prohibits a DCPMH from contracting with a health plan to provide specific primary care services;
 - Only qualified health plans that are licensed by the state and can assume risk may sell products on the Connect for Health Colorado. Any product sold on or off of the state insurance exchange must cover the federal essential health benefits including certain specialty care, hospitalization and emergency services. Since a DCPMH can only provide a portion of those health benefits, and since the author's stated intent was not to assume risk, a DCPMH must partner with a qualified health plan (QHP) in order to secure the necessary "wrap-around" services.
3. Because a DCPMH is a provider network and not a QHP, and only qualified health insurance plans can be sold on the insurance exchange per state law, CMS does not need to support legislation that would enable the sale and purchase of DCPH product offerings on Connect for Health Colorado. Moreover, a DCPMH would have to provide the full range of essential

health benefits per federal law. Health plan representatives expressed strong support for partnering with DCPMHs and are looking for new opportunities to explore new payment methodologies. Connect for Health Colorado expressed similar thoughts. The Division of Insurance indicated that a DCPMH would not have to assume risk if they partnered with a qualified health plan.

Background: On November 13 the Committee on Physician Practice Evolution held a special meeting to discuss two resolutions from the 2013 Colorado Medical Society (CMS) Annual Meeting regarding the direct primary care model. Both RES-9-P and RES-11-P were referred to the CMS board of directors for decision. CMS leadership asked the Committee on Physician Practice Evolution to make recommendations to the board regarding this issue.

CPPE convened experts, including resolution authors, physicians within direct primary care medical homes, and representatives from health plans, the Division of Insurance, the federal government and Connect for Health Colorado, in an effort to gather and better understand all of the facts and perspectives regarding this issue.

RES-9-P supports the DPCMH model. It directs CMS to encourage payers to work with direct primary care medical homes to create “wrap-around” health coverage, to introduce legislation to clarify that DPMHs are not health insurance and should not be regulated as insurance, and to work with AMA to support the use of health savings accounts for periodic payment to primary care physicians. While RES-9-P and RES-11-P are nearly identical, the exception is that RES-11-P also directs CMS to support legislation to enable the purchase and sale of DPCMHs on the state health insurance exchange (Connect for Health Colorado).