

Contact:
313-549-9884
newsroom@bcbsm.com

Michigan Blues' Patient-Centered Medical Home model succeeding

Early data shows measurable progress in keeping patients healthy and avoiding costs

June 4, 2010, DETROIT — Blue Cross Blue Shield of Michigan's innovative Patient-Centered Medical Home program is meeting its goals for improved care and cost management. Preliminary data shows that PCMH-designated doctors are succeeding in managing their patients' care to keep them healthy and prevent complications that require expensive medical services to treat.

In addition, physicians have made great progress on implementing capabilities into their practices to allow them to operate as Patient-Centered Medical Homes.

"The PCMH program was designed in partnership with physicians as a way to strengthen the primary care system, better manage patients' care and help patients take an active role in promoting their own good health," says Thomas L. Simmer, M.D., senior vice president and chief medical officer, Blue Cross Blue Shield of Michigan. "Preliminary data shows that this PCMH model of care is beginning to have an impact."

Preliminary analysis of 2009 claims data shows:

- PCMH practices have a 2 percent lower rate of adult radiology usage than non-PCMH practices, and a per member per month cost that is 1.2 percent lower.
- PCMH practices have a 1.4 percent lower rate of adult ER visits than non-PCMH practices, and a per member per month cost that is 0.6 percent lower.
- PCMH practices have a 2.6 percent lower rate of adult inpatient admissions than non-PCMH practices, and a per member per month cost that is 2.6 percent lower.
- PCMH practices have a 2.2 percent lower rate of pediatric ER visits than non-PCMH practices, and a per member per month cost that is 4.2 percent lower.

BCBSM first designated physician practices as Patient-Centered Medical Homes on July 1, 2009. Before the launch, physician organizations and physician practices worked with BCBSM for several years to structure the PCMH model and measurement methods for the program.

Of the 68 capabilities that were part of the Blues Patient-Centered Medical Home program in 2009, designated PCMH practices had an average of 59 capabilities in place by the end of 2009, compared to an average of 44 the prior year.

"These physicians have put a tremendous amount of work into transforming their practices to implement the capabilities that underlie Patient-Centered Medical Homes," says Simmer.

For example, PCMH practices should provide patients with 24-hour telephone access to the physician practice. While it often requires process changes for the medical practice, the benefits to patients of 24-hour access means they are more likely to receive the care they need in the

appropriate setting, decreasing their use of the Emergency Department for nonemergency conditions.

This PCMH program is the largest in the nation, with 1,200 designated doctors in 45 communities across the state. In total 5,800 doctors have been working toward designation. This means BCBSM's Patient-Centered Medical Home program can positively impact close to 2 million Michigan residents. The program's size and success has already attracted national attention.

"National leaders are looking to our program here in Michigan to see what is working, making Michigan a leading state in health reform efforts," says Simmer. "Representatives from URAC and the Veteran's Administration have already conferred with the BCBSM program directors to learn more."

In the BCBSM Patient-Centered Medical Home model, physicians receive an enhanced fee for office visits, allowing them to spend more time with patients to keep them healthy, or to better manage a chronic condition.

This program encourages more coordination between primary care providers and specialists to ensure appropriate tests are ordered and results shared, avoiding duplication of service. A major goal of the program is to better manage patient care, reducing unnecessary tests, drug prescriptions, doctor visits, and avoidable hospital admissions and emergency department visits.

"Physicians and physician organizations have enthusiastically supported this program, because they see that it is the right direction for primary care," says Simmer. "In fact, when we announce the Patient-Centered Medical Home designated practices for 2010, we expect to see a substantially larger number than last year. Physicians are motivated and working hard to transform their practices to fit the PCMH model of care."

BCBSM's Patient-Centered Medical Home program is part of Value Partnerships, a collection of collaborative initiatives among physicians, hospitals and the Michigan Blues, all aimed at improving quality and safety in medical care.

For more information, [download the Fact Sheet about PCMH](#) (PDF).

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