Authority

This Demonstration will be conducted in accordance with the Secretary’s demonstration authority under section 1115A of the Social Security Act, which was added by section 3021 of the Affordable Care Act and establishes the Center for Medicare and Medicaid Innovation. The Act states that “The Center for Medicare and Medicaid Innovation shall test payment and service delivery models … to determine the effect of applying such models under the applicable title … on program expenditures under such titles and the quality of care received by individuals receiving benefits under such title.” The statute defines “The term ‘applicable title’ means title XVIII, title, XIX, or both.”

Purpose

The 3-year Demonstration is designed to evaluate the effect of the advanced primary care practice model, commonly referred to as the patient-centered medical home, in improving care, promoting health, and reducing the cost of care provided to Medicare beneficiaries served by FQHCs.

Eligibility Requirements

FQHCs:

- FQHCs must have provided primary care medical services to at least 200 eligible Medicare beneficiaries in the most recent 12-month period (“look-back” period), including those with both Medicare and Medicaid (dual eligible) coverage. CMS has reviewed administrative data and determined which FQHCs have met this criterion.
- All participating FQHCs MUST be listed in the Provider Enrollment Chain and Ownership System (PECOS) file and be able to receive electronic funds transfer (EFT). FQHCs that have not recently submitted an 855A form are not listed in PECOS and, therefore, will not be eligible to participate in the demonstration.
- **FQHCs that currently do not receive claims payment through EFT must submit the necessary form to receive EFT or they will not be eligible to participate in the Demonstration.**
- FQHCs must be submitting claims for payment to National Government Services or to Noridian Administrative Services, the jurisdiction 3 Medicare Administrative Contractor (MAC).

Medicare Beneficiaries:

- Beneficiaries, including dually eligible Medicare/Medicaid beneficiaries, must be enrolled in the Medicare Part A and Part B fee-for-service program, during the look-back period, and must not be currently in hospice care or under treatment for end-stage renal disease.
- Beneficiaries enrolled in Medicare Advantage are not eligible to participate in this Demonstration.
• Attribution of beneficiaries to an FQHC will be based on Medicare administrative data for beneficiaries for whom CMS has a claim in the look-back period.
• Beneficiary eligibility is verified each quarter prior to payments being made. Participating FQHCs will receive an updated roster of attributed beneficiaries along with the quarterly fee payment.

Payment

• Participating FQHCs will receive a monthly care management fee of $6.00 for each eligible Medicare beneficiary attributed to their practice to help defray the cost of transformation into a person-centered, coordinated, seamless primary care practice. This payment, which will be made quarterly, is in addition to the usual all-inclusive payment FQHCs receive for providing Medicare covered services.
• The fee will be paid automatically without the need to submit a claim.
• Payment can only be made via Electronic Funds Transfer (EFT)

Application and Review Process

A. Application Website

CMS is using a web-based application process for this Demonstration. Eligible FQHCs will find an application form and instructions on the demonstration web site located at www.fqhcmedicalhome.com. Applications should be completed and submitted electronically. Each individual FQHC must submit an application form to be considered for participation in the Demonstration. Applications for multiple sites will not be accepted.

The application form has several sections to collect baseline data on practice characteristics and agreements, including general background questions, agreement and acceptance with terms and conditions, a supplemental survey questionnaire, as well as a PCMH readiness assessment. All sections and questions need to be completed to be considered for participation in this Demonstration.

B. Application Timetable/Milestones

The recruitment period will begin Monday, June 6, 2011 and applications will be accepted until 11:59PM (ET) on Friday, August 12, 2011.