

CARE MANAGEMENT FOR HIGH COST BENEFICIARIES SUMMARY – FEBRUARY 2009

The Care Management for High Cost Beneficiaries (CMHCB) Demonstration was approved to provide disease management services for thousands of beneficiaries by awarding six organizations with populations in sizes from 1,800 to 15,000. The 3-year demonstration tests provider-based intensive care management services as a way to improve quality of care and reduce costs for fee-for-service beneficiaries who have one or more chronic diseases and generally incur high Medicare costs. The sites were chosen in different areas of the country, with the primary focus on disease states of congestive heart failure (CHF), diabetes, and/or chronic kidney disease (CKD).

CMHCB is a 3-year demonstration that tests provider-based intensive care management services. CMS pre-selects beneficiaries for the demonstration projects according to eligibility criteria, but participation in the demonstration is voluntary. Program services are intended to increase adherence to physician prescribe care, reduce unnecessary hospital stays and emergency room visits, and help participants avoid costly and debilitating complications. There are 4 remaining sites in the demonstration, three of which have been granted extensions of the demonstration for 3 additional years subject to monthly operational monitoring and quarterly financial evaluations of performance. The demonstration would only be extended 1 year at a time based on financial status of yearly projected savings. One of the sites agreed to lower their fee and not take fees for the 1st 6 months of the extension, as a condition for continuation. The two other sites are showing savings that exceed the required savings target of 5% on the original cohort and 2.5% on the refresh cohort.