Primary Care Case Management option for CT's HUSKY program

What is Primary Care Case Management (PCCM)?

Primary Care Case Management (PCCM) is a way of running Medicaid managed care used successfully by thirty other states. PCCM does not involve HMOs and serves as an important alternative to HMOs in contracting and providing access to care. In PCCM, consumers are linked to a Primary Care Provider who coordinates their health care. Providers are paid on a fee-for-service basis, and receive additional dollars to compensate for care management responsibilities. PCCM is a form of the patient-centered medical home model, featured in national health reform bills. The medical home model has been adopted by Medicare, most large private payers, and features prominently in the CT Comptroller's plan for the new state employee plan contracts.

Why does CT need PCCM?

Connecticut spends over $800 million each year on three HMOs to provide health coverage to over 390,000 children and their parents or caregivers[i]. Since its inception, this program has encountered a growing list of problems. A recent actuarial analysis commissioned by the Comptroller found $50 million in overpayments in one year[ii]. A secret shopper survey in 2006 found that HMO provider panel lists were deeply flawed[iii]; unfortunately that study has not been repeated and the administration has no intention to revisit the startling results. In 2007, barely half of HUSKY children received checkups and over one in ten did not get any health care at all from the program[iv]. We are paying for every one of them to receive care.

Other state Medicaid programs do not experience the same troubles as HUSKY. Very few CT providers participate in the HUSKY program[v], but 95% of physicians in Maine participate in their Medicaid program[vi]. Maine pays their providers significantly lower rates than CT does[vii], but they administer their program through Primary Care Case Management (PCCM), not HMOs. When Oklahoma switched from HMOs to PCCM in 2004, the state saved $85.5 million in medical costs in the first full fiscal year and the number of participating providers increased by 44%. They found that outpatient visits went up and ER visits went down. After PCCM, quality of care improved in 14 of 19 standardized measures including checkups for children, appropriate asthma medications, and dental care[viii]. Georgia also uses PCCM administer their Medicaid program; nearly all Georgia providers accept Medicaid patients. Maine's provider rates are significantly lower than CT's, Georgia's are somewhat lower than ours and Oklahoma's are approximately the same.

CT needs an alternative to HMO-based administration for HUSKY. Without a viable alternative, both HUSKY families and taxpayers are held hostage to whatever rate increases, including administrative costs, the HMOs demand. Because there is no HMO between the state and families, PCCM affords the state better transparency in tracking both finances and care utilization. States with PCCM programs have found equal or better patient satisfaction levels.

The core of PCCM, care coordination, supports the patient-provider relationship that is the basis of good care.

Does CT have a PCCM program?

Yes, but enrollment has been very low. In 2007, over strong lobbying by DSS and the HMO Association, PCCM was passed into law. Unfortunately implementation of PCCM, renamed HUKSY Primary Care by DSS, has been problematic. More than a year after implementation the program has only 388 members. DSS has testified that this very low level of enrollment was intended and they have no plans to expand their marketing activities. In contrast to promises to a joint working group of advocates, providers and DSS staff, DSS arbitrarily chose to limit availability of the program to only four communities in the state.

Advocates have struggled to overcome many challenges created by DSS including limiting provider applications to a very short application timeframe, only allowing enrollment of current patients of those providers, refusing to print brochures for providers or consumers, and reversing agreements with the advocate/DSS working group and limiting the program to only four small communities. The lack of resources for marketing PCCM, especially compared to the millions of dollars granted to HMOs for marketing, has been a particular problem. It has taken enormous effort on the part of advocates to overcome each of these artificial barriers imposed by DSS including media coverage, legislative, and administrative advocacy at both the state and federal levels.[ix]

In response to concerns about the unfairness of HMO resources devoted to marketing, including free ice cream and haircuts, billboards, radio and TV ads, and raffles for school supplies and uniforms, rather than devote similar resources to PCCM marketing, DSS has decided after more than a decade to limit marketing by the HMOs. Marketing guidelines prohibit providers from telling their clients about PCCM, but they can respond to questions about it if asked. To address this contradiction, the advocates purchased and distributed to providers buttons that say “Ask Me About PCCM.” Advocates have also produced and distributed hundreds of posters, brochures and FAQs about PCCM for both providers and consumers, conducted regular outreach events and media outreach.

What is needed to get this option to all HUSKY families?

- Implement PCCM statewide by July 1, 2010. Every HUSKY family deserves to have this option.
- Offer PCCM as an option to HUSKY Part B children, allowing them access to this important alternative to HMOs
- Hire an independent ASO to administer PCCM
    - Advocates and volunteers have devoted enormous time and energy to marketing and accountability in this program. It is time for the state to take responsibility for these functions that DSS is not willing or able to perform.

    - The ASO hired must be completely independent of, and ineligible to become, one of the HUSKY HMOs to ensure that PCCM remains an alternative.
- Remove the irrelevant and intimidating Freedom of Information requirement on PCCM providers.
- Require DSS to conduct a secret shopper survey of each HUSKY program annually
- Commission regular, independent audits of HUSKY program finances
    - A modest investment by the Comptroller yielded evidence of $50 million in HMO overpayments

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[i] DSS, EDS monthly reports
[ii] HUSKY Capitation Rate Review, Milliman for the Office of State Comptroller, May 2009, http://www.osc.state.ct.us/reports/health/dssaudit.pdf
[iii] Mystery Shopper Project, Mercer for DSS, October 25, 2006.
[iv] CT Voices for Children reporting to Medicaid Managed Care Council.
[v] Pre-publication survey results, CT Health Policy Project.
[vi] Brenda McCormick, Maine Bureau of Medical Services
[vii] Stephen Zuckerman, Aimee Williams, and Karen Stockley, "Medicaid Physician Fees Grew By More Than 15 Percent From 2003 to 2008, Narrowing Gap With Medicare Physician Payment Rates," Health Affairs, April 2009.

[viii] SoonerCare 1115 Waiver Evaluation: Final Report, Mathematica for Oklahoma Health Care Authority, January 2009, http://www.crossroads.odl.state.ok.us/cgi-bin/showfile.exe?CISOROOT=/stgovpub&CISOPTR=7865&filename=8157.pdf
[ix] Medicaid Managed Care Council and PCCM Subcommittee meetings