HB 1235

Department of Legislative Services

Maryland General Assembly
2014 Session

FISCAL AND POLICY NOTE
Revised

House Bill 1235 (Delegates Bromwell and Hammen)
Health and Government Operations Finance

Community Integrated Medical Home Program

This bill establishes a Community Integrated Medical Home Program (CIMHP) and a CIMHP advisory body in the Department of Health and Mental Hygiene (DHMH).

The bill takes effect July 1, 2014.

Fiscal Summary

State Effect: General fund expenditures for DHMH increase by $37,500 in FY 2015 and $12,500 in FY 2016 for contractual personnel to staff the advisory body. To the extent DHMH is awarded a federal grant to implement CIMHP, federal fund revenues and expenditures increase by a significant amount as early as FY 2015 (not shown); otherwise CIMHP is likely not implemented as discussed below.

(in dollars)	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Revenues	$0	$0	$0	$0	$0
GF Expenditure	37,500	12,500	0	0	0
Net Effect	($37,500)	($12,500)	$0	$0	$0

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect

Local Effect: Any impact on local health departments is anticipated to be minimal.

Small Business Effect: None.

Analysis

Bill Summary: "Community integrated medical home" means a certified participating patient centered medical home (PCMH) integrated with community-based services and

supports provided by certified entities to address social as well as medical determinants of health.

Community Integrated Medical Home Program

The mission of CIMHP is to (1) keep Maryland families healthy through the use of innovative mapping tools that allow better targeting of resources to those in need; (2) coordinate comprehensive services provided by a participating PCMH with public health resources in local communities across the State; and (3) provide complementary support for qualified individuals between office visits. CIMHP must be administered jointly by the Maryland Health Care Commission (MHCC) and DHMH.

Community Integrated Medical Home Program Advisory Body

The advisory body must make recommendations concerning (1) the model, standards, and scope of services for CIMHP; (2) the essential elements for implementing CIMHP; (3) the extent and nature of the relationship between CIMHP and PCMHs; and (4) how CIMHP can be financially self-sustaining.

MHCC and the Secretary of Health and Mental Hygiene, in consultation, must appoint the members of the advisory body and determine the frequency and location of meetings. The advisory body must include interested stakeholders representing provider organizations, consumer advocacy organizations, health professional associations, health occupations boards, and Medicaid managed care organizations.

By October 1, 2015, DHMH must submit a report to the Governor and specified committees of the General Assembly on the recommendations of the advisory body and the development of CIMHP based on those recommendations.

Current Law: Chapters 5 and 6 of 2010 established the Maryland Patient Centered Medical Home Program (see Title 19, Subtitle 1 of the Health-General Article). Carriers, including managed care organizations, are authorized (but not required) to pay a PCMH, including specified incentives, for coordinated covered medical services provided to covered individuals. Carriers may share medical information about a covered individual who elects to participate in a medical home with the individual's medical home and other treating providers. Chapters 5 and 6 are scheduled to terminate December 31, 2015.

MHCC must conduct an independent evaluation of program effectiveness in reducing health care costs and improving health care outcomes and report its findings to specified committees by December 1, 2014. According to DHMH, this evaluation (to be conducted by IMPAQ, Inc. under contract to MHCC) will assess the impact of the patient centered medical model on improving quality of care and patient/provider satisfaction in

primary care and examine the impact of the model on total health care costs and on reducing health care disparities.

Background: Maryland is 1 of 25 states to receive a State Innovation Models (SIM) grant under the federal Patient Protection and Affordable Care Act. Maryland has received a $2.37 million planning grant from the Center for Medicare and Medicaid Innovation (CMMI) to develop the new CIMHP. Through this program, primary care providers will lead a team of health care professionals focused on coordinating personalized care that meets the complex needs of patients. Community Integrated Medical Homes (CIMHs) will engage with enhanced local health improvement coalitions, which will offer complementary supports to high-risk patients, identify and respond to hot spots of health needs, and monitor community and population health. Maryland plans to apply for a model testing award from CMMI of up to $60.0 million to fund implementation of CIMHP over a four-year period. DHMH anticipates that CMMI will issue a request for proposals for model testing in as early as spring 2014. The bill is intended to serve as the framework for implementation *if and when* Maryland receives a SIM implementation grant.

State Fiscal Effect: DHMH's Health Systems and Infrastructure Administration (HSIA), the recipient of the SIM planning grant, has developed the details of a CIMH model and devised an innovation plan to guide CIMH implementation. HSIA indicates that the advisory body established under the bill will work to finalize these plans and form the basis for the forthcoming proposal to CMMI. HSIA advises that existing personnel are all assigned to specific grant deliverables; therefore, HSIA would hire a contractual employee through an existing memorandum of understanding with the University of Maryland, Baltimore County's Maryland Institute for Policy Analysis and Research to staff the advisory body.

Thus, DHMH general fund expenditures increase by $37,500 in fiscal 2015, which reflects the bill's July 1, 2014 effective date, and $12,500 in fiscal 2016, for one part-time (50%) contractual position to staff the advisory body and submit the required report by October 1, 2015.

HSIA advises that, if and when DHMH receives a SIM implementation grant, additional staff will be required to implement CIMHP. The exact number of such personnel and the associated expenditures cannot be reliably estimated at this time, but they would be funded with federal grant dollars. This analysis assumes that, if DHMH is not awarded a SIM implementation grant, the bill's provisions regarding CIMHP would not be implemented. Otherwise, general or special fund expenditures would have to increase significantly.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of Budget and Management, Department of Health and Mental Hygiene, Maryland Insurance Administration, Department of Legislative Services

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