

FOR IMMEDIATE RELEASE

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New Affordable Care Act support to improve care coordination for nearly 200,000 people with Medicare

Today, the Department of Health and Human Services (HHS) announced the Federally Qualified Health Center Advanced Primary Care Practice (FQHC ACP) demonstration project, a new Affordable Care Act initiative that will pay an estimated \$42 million over three years to up to 500 FQHCs to coordinate care for Medicare patients. This demonstration project, operated by the Centers for Medicare and Medicaid Services (CMS) in partnership with the Health Resources Services Administration (HRSA), will test the effectiveness of doctors and other health professionals working in teams to improve care for up to 195,000 Medicare patients. This initiative is part of a broader effort by the Obama Administration, made possible by the Affordable Care Act, to improve care and lower costs.

“FQHCs provide essential primary care services to seniors and others in underserved communities,” said CMS Administrator Donald Berwick. “This project will go a long way toward creating comprehensive and coordinated healthcare opportunities for the many people with Medicare who rely on FQHCs as their primary medical providers.”

The FQHC Advanced Primary Care Practice demonstration will show how the patient-centered medical home (PCMH) model can improve quality of care, promote better health, and lower costs. Participating FQHCs are expected to achieve Level 3 PCMH recognition, help patients manage chronic conditions, as well as actively coordinate care for patients. To help participating FQHCs make these investments in patient care and infrastructure, they will be paid a monthly care management fee for each eligible Medicare beneficiary receiving primary care services. In return, FQHCs agree to adopt care coordination practices that are recognized by the National Committee for Quality Assurance (NCQA). CMS and HRSA will provide technical assistance to help FQHCs achieve these goals.

“The transformation to a patient-centered medical home is designed to improve the coordination of care for Medicare beneficiaries by helping doctors and other health professionals work in teams” said Dr. Mary Wakefield HRSA Administrator. “FQHCs in this project can increase access to important primary care services and thus reduce the need for costly hospitalizations or emergency department visits.”

The FQHC ACP project is just one part of a wide-ranging effort by the Obama Administration to improve the quality of health care for all Americans, using important new tools provided by the Affordable Care Act. In addition to this demonstration, the Partnership for Patients is bringing together health care providers and other key stakeholders committed to keeping patients from getting injured or sicker in the health care system and to improving transitions between care settings. CMS will invest up to \$1 billion to help drive these changes. Also, CMS has proposed rules to allow Medicare to pay new Accountable Care Organizations (ACOs) to improve coordination of patient care that would be expected to result in better care and lower costs.

FQHCs that have provided medical services to at least 200 Medicare beneficiaries in the previous 12-month period will be invited by letter to apply to participate in the demonstration. Applications for the project will be accepted from June 6, 2011 through August 12, 2011, and the demonstration will be conducted September 1, 2011 through August 31, 2014.

Details about the demonstration and the application process can be found on the CMS web site at: www.cms.gov/DemoProjectsEvalRpts/MD/ and linking to the demonstration web page or by visiting the CMS Innovation Center website at <http://innovations.cms.gov/>

Questions about this CMS demonstration should be directed to: fqhc_mh_demo@cms.hhs.gov

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Note: All HHS press releases, fact sheets and other press materials are available at <http://www.hhs.gov/news>.