

## **Primary Care Medical Homes: Policy Issues for Consideration**

Policymakers across the country are pursuing initiatives to establish medical homes as a response to rising health care costs, gaps in preventative coverage, and poor management of chronic conditions. Establishing a medical home model may assist in the goal of providing accessible and quality health care to state residents, while maximizing limited resources. This fact sheet defines medical homes and explores policy options associated with their implementation.

### Medical Homes

A medical home (often used interchangeably with “health care home”) describes a system of care whereby a primary care physician works with patients, families, and other health care professionals to assist patients in identifying and accessing all needed medical and non-medical services. This approach focuses on preventive care, the management of chronic illnesses, and reducing the need for costlier care such as emergency room visits and hospitalizations.

The American Academy of Pediatrics defines a medical home as a partnership between families and physicians to provide primary care which is accessible, continuous, comprehensive, family-centered, coordinated, compassionate, and culturally effective.<sup>1</sup> In a medical home model, care may be provided in a variety of locations, such as physicians’ offices, hospital outpatient clinics, school-based and school-linked clinics, community health centers, and health departments. The role of a medical home is to:

- coordinate care,
- avoid duplication of services,
- promote the timely use of health care services, and
- direct patients to the most appropriate source of care.

In contrast to the care obtained in emergency rooms, walk-in clinics, and other urgent care facilities, care provided under a medical home model is often less costly and more effectively coordinated. Additionally, medical home models increase patient satisfaction by providing services in local communities and by involving the families in health care decision-making.

### Implementing Medical Homes Systems

As state governments examine different implementation strategies, there are a number of design issues to consider. They include:

- *Creating a statewide model:* A state medical home model should include strategies for building linkages between primary care providers, families, and community programs. The model should also contain plans to coordinate health services, improve monitoring and data collection, and provide training and education to health providers and families.

- *Increasing accessibility to primary care services:* State government plays a large role in assuring access to primary and preventative services, especially for the state's most vulnerable. The state must consider organizing health services so they are easily accessible to families; expand the community-based health care infrastructure and increase access to services in rural areas.
- *Increasing partnerships with stakeholders:* Implementing a system of medical homes requires the cooperation and participation of multiple agencies (e.g., social service organizations, primary care providers, family groups, specialty care providers and policymakers). Together, these stakeholders can share data, identify existing resources and create referral networks. Ideally, state officials would provide the leadership necessary to build and maintain these crucial relationships.<sup>2</sup>

### Policy Considerations

Prior to implementing a medical home model, policymakers need to consider the following issues:

- *Having insurance does not assure access to a medical home:* According to the National Association of Community Health Centers, many insured Americans lack access to a health care home because they live in communities with an acute shortage of primary care physicians.<sup>3</sup> Furthermore, increasing access to insurance or implementing a medical home model will not necessarily guarantee access to health care in all parts of a state.
- *Current projections indicate a future shortage of primary care physicians:* In addition to areas that currently face provider shortages, projections indicate that the future supply of physicians will be inadequate to meet the needs of an aging U.S. population.<sup>4</sup> No matter how well designed or implemented, a medical home model will have little positive effect on individuals without a regular primary care provider so long as the number of physicians does not meet demand.
- *The uninsured are particularly affected by the lack of access to medical care:* Even if Federally Qualified Health Centers (FQHCs), rural health centers and free clinics could serve all those seeking care, these providers are often unable to offer a true medical home to the uninsured. Without regular access to medical home-type health care, the uninsured will not experience any significant health improvements under a medical home model.

### Summary

The medical home model offers the promise of a system of care which would prevent sickness, manage chronic illness, and reduce the need for avoidable, costlier care such as emergency room visits and hospitalizations. Challenges exist for policymakers attempting to effectively implement such a model of care. Prior to implementation, issues such as an inadequate supply of physicians, a shortage of qualified medical homes, and the lack of access to care by the uninsured must be addressed for a medical home model to succeed.

### References

<sup>1</sup> American Academy of Pediatrics, "Children's Health Topics: Medical Home." Available at <http://aap.org/healthtopics/medicalhome.cfm>

<sup>2</sup> The Association of State and Territorial Officials (ASTHO), "State Policy Options to Establish Medical Homes for Children and Youth" (Issue Report), ASTHO, 2005. Available at <http://www.astho.org/pubs/ISSUEREPORTRMedicalHomesforChildren72104.pdf>

<sup>3</sup> National Association of Community Health Centers (NACHC), "Fact Sheet: America's Health Centers: Serving as Health Care Homes," NACHC, 2007.

<sup>4</sup> R Cooper et al, "Economic and Demographic Trends Signal an Impending Physician Shortage," *Health Affairs* 21 (2002):140-154.