

Part B Insider (Multispecialty) Coding Alert

Demonstration Projects: CMS Launches Chronic Care Demonstration Project

Look for your ESRD, CHF or diabetes patients to receive a little extra help

Your patients with long-term illnesses could soon be receiving a little extra help with adhering to their plans of care.

The **Centers for Medicare & Medicaid Services** unveiled a solicitation for 10 regional organizations to run large "chronic care improvement projects" serving 150,000 to 300,000 traditional Medicare beneficiaries each. Patients with congestive heart failure, complex diabetes and chronic obstructive pulmonary disease will be encouraged to join.

Because patients won't need to change their physicians, chances are that some of your patients will join the program if one starts in your area. The Medicare Prescription Drug, Improvement, and Modernization Act of 2003 authorized the demonstration, announced in the April 23 Federal Register. More information about the demonstration is available at www.cms.hhs.gov/medicarerereform/ccip.

CMS also has a complete list of other demonstration projects at www.cms.hhs.gov/researchers/demos. Projects currently underway include:

- * an ESRD disease management demonstration, which stopped taking new applications on Oct. 2. This project offers a bundled payment with along with fee-for-service reimbursement, and payments are based on quality indicators.
- * another study of care for chronically ill beneficiaries study. This one includes most prescription drugs, and CMS has already chosen three organizations to implement the demonstration: CorSolutions of Rosemont, IL; XLHealth of Baltimore, MD; and HeartPartners SM , a Santa Ana, CA joint venture. As with the other chronic care study, all the participants in this study remain under the care of their own physician, and retain their rights to all the services Medicare offers. The contractors started choosing beneficiaries in February 2004.
- * case-mix adjusted payments for renal dialysis services. CMS must develop a case-mix adjusted payment system for ESRD services and run a three-year project involving up to 500 ESRD facilities starting January 2006.
- * coverage of self-administered drugs and biologicals that may be prescribed as replacements for drugs and biologicals which Medicare currently covers. Up to 50,000 beneficiaries can enroll and the demonstration can cost up to \$500 million.
- * a five-year project to examine the factors that may lead to improved health care, including financial incentives, best practice guidelines, outcomes benchmarking, culturally and ethnically sensitive care, and examinations of regional variations in service and outcomes.
- * consumer-directed outpatient services for chronic patients, allowing patients to direct their own health care needs and services, starting no later than January 2006.