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# Medicare to Start Paying Doctors Who Coordinate Needs of Chronically Ill Patients

By ROBERT PEAR AUG. 16, 2014

WASHINGTON — In a policy change, the Obama administration is planning to pay doctors to coordinate the care of Medicare beneficiaries, amid growing evidence that patients with chronic illnesses suffer from disjointed, fragmented care.

Although doctors have often performed such work between office visits by patients, they have historically not been paid for it.

Starting in January, Medicare will pay monthly fees to doctors who manage care for patients with two or more chronic conditions like heart disease, diabetes and depression.

“Paying separately for chronic care management services is a significant policy change,” said Marilyn B. Tavenner, the administrator of the Centers for Medicare and Medicaid Services. Officials said such care coordination could pay for itself by keeping patients healthier and out of hospitals.

With the new initiative, Medicare will adopt some of the techniques devised by health maintenance organizations to manage the care of their patients. About 30 percent of the 54 million Medicare beneficiaries are in H.M.O.s and other private health plans run by companies like Kaiser Permanente and Humana, but 70 percent are still in the traditional fee-for-service Medicare program.

Doctors will draft and help carry out a comprehensive plan of care for each patient who signs up for one. Under federal rules, these patients will have access to doctors or other health care providers on a doctor's staff 24 hours a day and seven days a week to deal with "urgent chronic care needs."

The Obama administration rejected pleas from doctors to relax or delay "the 24/7 requirement," saying it was essential.

Two-thirds of Medicare beneficiaries have at least two chronic conditions, and they account for 93 percent of Medicare spending, said Kimberly A. Lochner, a statistician at the Department of Health and Human Services.

As part of the new service, doctors will assess patients' medical, psychological and social needs; check whether they are taking medications as prescribed; monitor the care provided by other doctors; and make arrangements to ensure a smooth transition when patients move from a hospital to their home or to a nursing home.

Doctors can expect to receive about \$42 a month for managing the care of a Medicare patient. Care management services can be provided only if patients agree in writing. Patients will pay about 20 percent of the \$42 fee, the same proportion as for many other doctor services.

Medicare wants to require doctors managing care to use electronic health records so they can more easily exchange information with other health care providers treating a patient.

Kenneth E. Thorpe, chairman of the department of health policy at Emory University, said, "The rising prevalence of chronic conditions, including diabetes and obesity, accounts for much of the growth in Medicare spending in recent years."

The new care management services can be provided not only by doctors but also by nurse practitioners, physician assistants and certain other health professionals. Medicare officials said they expected doctors and other providers to focus on sicker patients with four or more chronic conditions.

“This is time-consuming and challenging work,” said Dr. Matthew J. Press, an assistant professor of health care policy at Weill Cornell Medical College in New York. In a recent article in *The New England Journal of Medicine*, he described his experience coordinating care for a 70-year-old man with bile duct cancer in the liver.

Over 80 days, Dr. Press said, 10 doctors helped care for the man, who had five procedures and 11 office visits before a surgeon removed his tumor. Dr. Press, the patient’s primary care doctor, communicated 40 times with the other clinicians and 12 times with the patient or his wife.

Poor coordination can cause medical errors — if, for example, doctors are unaware of abnormal laboratory test results or drugs that a patient is taking. “Patients can be harmed when the many moving parts of their care are out of sync,” Dr. Press said.

Care is sometimes so disjointed that when a patient shows up for a consultation with a specialist or for a diagnostic procedure, no one knows exactly why the examination or second opinion was requested, doctors say.

Judith A. Stein, who assists beneficiaries as director of the nonprofit Center for Medicare Advocacy, welcomed the new help for those with chronic illnesses.

“It shows that people do not have to leave traditional Medicare and go into a private Medicare Advantage plan to get coordinated care,” Ms. Stein said. “In that way, it puts the two options on a more equal footing.”

Dr. Reid B. Blackwelder, president of the American Academy of Family Physicians, said many family doctors were already coordinating care for Medicare patients, and he predicted that more would do so when the government began paying separately for the service.

A version of this article appears in print on August 17, 2014, on page A23 of the New York edition with the headline: Medicare to Start Paying Doctors Who Coordinate Needs of Chronically Ill Patients.