



## KanCare Health Homes Payment

Effective July 1, 2014 there will be Health Homes in KanCare. One type of Health Home will serve KanCare members with serious mental illness (SMI) beginning July 1, 2014. The other type of Health Home will serve people with asthma or diabetes (including pre-diabetes or metabolic syndrome) who are also at risk of developing another chronic condition or who have some clinical indication that their asthma or diabetes is not well-controlled (chronic conditions – CC).<sup>1</sup> The Health Homes serving the CC target population will be implemented in 2015. Both types of Health Homes will provide six core services to members in a model that is a partnership between KanCare managed care organizations (MCOs) – Lead Entities – and community providers – Health Home Partners (HHPs).

Each type of Health Home has a series of four per member per month (PMPM) payments made by the Kansas Department of Health and Environment (KDHE) to the Lead Entities for Health Homes. The Lead Entities will share this PMPM with the HHPs they contract with for Health Homes. KDHE will make the monthly PMPM payment to the Lead Entities retrospectively each month for each Health Home member who is provided at least one Health Home service in the month. No payment can be made if no Health Home services are provided.

The Lead Entities will contract with HHPs to provide some or all of the six core Health Home services. Some services may be provided jointly by the MCO and the HHP and some services may be provided by the MCO. All of this will be negotiated and described in their contract. Payment will also be negotiated. Most often, the MCO will pay the HHP an agreed-upon PMPM, but other arrangements (e.g., shared savings model, incentive payments for outcomes) may be negotiated. The State will review and approve such non-PMPM payment arrangements.

The four levels for each Health Home PMPM were created by combining KanCare Rate Cohorts that contain members who are similar in their utilization of case management and other services. KanCare Rate Cohorts are groups of members who are similar in their eligibility category and overall utilization of services; therefore members are placed in one of the four levels as a result of their KanCare eligibility, not as the result of provider or MCO determination. Generally, a Health Home member will remain in the same payment level unless their Medicaid eligibility category changes.

### SMI Health Home PMPM Rates, Effective July 1, 2014:

Level	Rate
Level 1	\$117.21
Level 2	\$153.51
Level 3	\$185.17
Level 4	\$327.48
Average	\$171.79

<sup>1</sup> For complete information about Health Homes target population criteria, refer to the relevant Health Homes Program Manual found at [http://www.kancare.ks.gov/health\\_home/providers\\_materials.htm](http://www.kancare.ks.gov/health_home/providers_materials.htm)



Chronic Conditions (CC) Health Home PMPM Rates, Effective July1, 2014:

Level	Rate
Level 1	\$108.31
Level 2	\$142.61
Level 3	\$208.46
Level 4	\$421.25
Average	\$147.89

I/DD Target Case Management Providers

MCOs and/or HHPs must include the targeted case management (TCM) provider as part of the Health Home team for any member who has an intellectual or developmental disability (I/DD). The MCO or the HHP must:

1. Contract with the TCM provider if the I/DD member wishes to continue the relationship with that provider.
2. Provide a PMPM of no less than \$137.32 to TCM providers serving I/DD Health Home members in the SMI Health Home.
3. Provide a PMPM of no less than \$208.75 to TCM providers serving I/DD members in the CC Health Home.

The payments will only be made if a HH service is provided in the month. The TCM provider will be responsible for various components of the six core Health Homes services and these will be determined at the time the Health Action Plan is developed.