Medicaid Health Homes for Enrollees with Chronic Conditions

The Patient Protection and Affordable Care Act (ACA) included the establishment of a Medicaid state plan option, called Health Homes, to improve care coordination for those with chronic conditions. Beginning in January 2011, the federal government provides 90 percent of the cost of this initiative to each participating state for the first two years of implementation. In addition, state planning grants are available to assist states in program development. The programs can be focused on specific high-need chronic care populations or within specific geographic areas of the state. As of December 2012, 25 states have taken action to establish a Health Home program.

What providers are eligible to participate in Health Homes?

Eligible providers include physicians, clinical practices or clinical group practices, rural clinics, community health centers, community mental health centers, home health agencies, or any other entities or providers that are determined by the state to be qualified to be a health home for eligible individuals with chronic conditions on the basis of documenting that it:

- Has the systems and infrastructure in place to provide health home services; and
- Satisfies qualification standards to be established by the Secretary of Health and Human Services (HHS).

What set of services are required from eligible Health Home providers?

Home Health providers are required to provide the following set of services: comprehensive care management; care coordination and health promotion; comprehensive transitional care, including appropriate follow-up from inpatient to other settings; patient and family support; referral to community and social support services, if relevant; and use of health information technology to link services, as feasible and appropriate.

How are Health Home providers reimbursed?

The federal government provides states a temporary enhanced Medicaid reimbursement for certain services delivered through the Health Home. Each state that chooses to participate in this program must include a provider payment methodology in its program application to the Secretary of HHS. States are provided with considerable flexibility to choose a payment methodology.

What Medicaid enrollees are eligible to receive Health Home coverage?

Patients eligible for these programs must be covered by Medicaid or by a related state waiver and have at least two chronic conditions, one chronic condition and be at risk of having a second chronic condition, or one serious and persistent mental health condition. Furthermore, they must designate an eligible Medical Home service provider.