

1 **AN ACT** *to create* 49.45 (24g) (f) of the statutes; **relating to:** expanding the physician
2 practice payment pilot program.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

JOINT LEGISLATIVE COUNCIL PREFATORY NOTE: This draft was prepared for the Joint Legislative Council’s Special Committee on Infant Mortality.

2009 Wisconsin Act 28, the biennial budget, required the Department of Health Services (DHS) to develop a proposal to establish a Medicaid (MA) physician practice payment pilot program. Under the program, DHS increased MA reimbursement to providers that are recognized by the National Committee on Quality Assurance as a patient-centered medical home; or were determined to perform well with respect to aspects of care that are specified in the act. DHS is required to pay monthly per-patient coordination fees to participating providers. DHS may not implement the increases in reimbursement rates, or pay monthly per-patient care coordination fees before July, 2011. The “physician practice payment pilot program” was implemented as the “medical home pilot”, described below.

In the fall of 2009, DHS issued a request for proposals for the BadgerCare Plus HMO contract for Southeast Wisconsin. Separate contracts were awarded to 4 HMOs to provide services in the 6 Southeast counties. The contracts required: (1) a medical home pilot for high-risk pregnant women; (2) a poor birth outcome assessment; (3) a Memorandum of Understanding with prenatal care coordination providers in their service area; and (4) coordination with community-based agencies.

The contract provisions regarding the medical home pilot for high-risk pregnant women specify that member criteria are women who are pregnant, on the high-risk registry compiled by DHS, identified by a health care provider as being eligible for the high-risk registry, or under age 18 who live in high-risk areas of Milwaukee, Racine, or Kenosha or who have a chronic health condition. The contract provisions regarding the medical home pilot also include specific provisions designed to improve birth outcomes, including a \$1,000 incentive payment for every birth to an eligible member in the pilot and an additional \$1,000 for a

