



# The Case for Outsourcing Chronic Care Management

ROI studies show care provided by nurses and CMAs yields best return, while off-site teams minimize required investment.



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In the year since the Centers for Medicare & Medicaid Services (CMS) approved payments to support chronic care management (CCM), practices across the U.S. have been evaluating their options. A sufficient number have implemented CCM programs so that researchers have begun evaluating best practices and return on investment. This white paper looks at the growing evidence that CCM yields the best results, both in terms of patient outcomes and revenue to the practice, when the practice partners with an off-site CCM provider.

First, a quick review of CCM and the background of the CMS decision. In January 2015, in response to data provided by the Centers for Disease Control and Prevention, **the CMS took steps to address the needs of a growing population of chronically ill Medicare patients.** Such patients can be the most expensive participants in the healthcare system, since they tend to rely more heavily on ERs and become hospitalized more often. The CDC has estimated that about 85% of Federal healthcare dollars are allocated to the treatment of chronic conditions. For just the top seven most prevalent chronic diseases, the estimated cost of treatment in 2013 was \$1.3 trillion.

Care management for these chronically ill patients has been proven to improve outcomes and reduce costs. Care plan development, medication reconciliation, coordination of care with other providers (such as specialists), arrangement for social services, remote patient monitoring and other services all have benefits to patients and help to contain costs. And yet, physicians were allowed by CMS to bill only for the time they spent with patients during office visits.

That changed in January 2015 when CMS introduced CPT code 99490 to encourage wider CCM availability to patients. **Healthcare providers may now bill for non-office care given to Medicare patients with two or more chronic conditions.** (The list currently includes nearly 30 conditions, and is evolving. Visit [www.cms.gov](http://www.cms.gov) or ask your Wellbox representative for the most current list.) The CMS has responded not only to cost concerns, but also to patients' expressed preference to receive as much care as possible in their homes rather than in hospitals or offices.



## Who can provide CCM services?

While CPT code 99490 can only be billed by one provider per patient, the profile of those care providers is broadly defined by CMS and includes:

- Physicians (regardless of specialty)
- Advanced practice registered nurses
- Physician assistants
- Clinical nurse specialists
- Certified nurse midwives
- Certified medical assistants

Eligible practitioners must act within their State licensure, scope of practice and Medicare statutory benefit. Services provided directly by an appropriate physician or non-physician practitioner, or other clinical staff "incident to" the billing physician practitioner, counts toward the minimum service time required to bill for CCM services per calendar month.

Non-clinical staff time cannot be counted towards the minimum CCM monthly services; however, CCM services may be recorded by non-clinical staff.

Which providers are not eligible to bill Medicare for CCM? Other non-physician practitioners and limited-license practitioners (e.g., clinical psychologists, social workers) are precluded from billing 99490. Also, non-clinical staff time may not be counted toward billable hours of CCM.

## Requirements, Billing and Reimbursement

*The average reimbursement for 99490 is \$43 per patient per month.*

To bill for CCM, practices must meet specific requirements, the most important being the development of a care management plan, followed by provision of at least 20 minutes of non-visit-based chronic care services per month. The average reimbursement for 99490 is \$43 per patient per month. If in a given month, a patient is both seen at the office and receives non-face-to-face care management, both incidents are billable that month.

However, as noted in a recent article in *The Annals of Internal Medicine*<sup>1</sup>, “CCM reimbursement presents both an opportunity and a dilemma for practices... Delivery of CCM services may take time away from routine patient visits and require hiring additional staff. Thus, although the CCM payment could result in nearly \$500 in annual revenue per eligible Medicare patient, practices may hesitate to seek these payments because much of this revenue may be offset by costs incurred to meet CMS requirements.”

In the AIM article, data was presented that compared the revenue impact of CCM when provided by healthcare professionals with a variety of credentials: physicians, registered nurses, licensed practical nurses and certified medical assistants. The researchers drew on national compensation standards for these roles. They then calculated the headcount needed for a “typical” primary care, family or internal medicine practice to deliver CCM to a panel of eligible Medicare patients<sup>2</sup>. Finally, they factored in the CMS’ published compensation rate for CCM.

## Physicians outsourcing CCM see impact in their practices

Shortly after CPT code 99490 was approved for non-face-to-face care, the following primary care providers opted to outsource their chronic care management to Wellbox™.

Here’s what they have seen in the first year:



“Patients appreciate the monthly phone call and extra services now available to them,” says Peter Weigel, M.D., an internist in Westfield, NJ. “The extra revenue from Wellbox CCM is a nice incentive also,” Dr. Weigel adds.







“Patients appreciate the increased monitoring and attention, especially when their monthly phone calls are covered by Medicare,” says Suresh Nair, M.D., also an internist, based in Louisville, KY. “In fact, most patients don’t even have a co-pay.”



“The certified medical assistants staffing the Wellbox Chronic Care Coordination Center are capable, compassionate professionals who serve as an extension of the care our patients expect from our practice,” says Robert Yerrington, M.D. of the Well-Power Health Center in San Antonio, TX.

The researchers (comprised of five MDs and an MBA) then calculated net revenue, defined as the difference between all fee-based reimbursements for CCM services minus the costs of service delivery. Costs included equipment, materials, salaries, benefits and associated overhead, i.e., office space for the additional staff. A summary of their findings is represented in the chart below:

CCM Provider	Net Revenue per Patient per Year (95% Confidence Index)	Net Revenue to Practice per Year if 50% of eligible Medicare patients enroll in CCM (95% Confidence Index)
 MD	\$142	\$28,940 (range from -\$9,017 to \$66,897)
 RN	\$332	\$79,197 (range from \$39,340 to \$119,054)
 LPN	\$372	\$89,110 (range from \$44,856 to \$133,364)
 CMA	\$385	\$92,317 (range from \$46,470 to \$138,165)

Source: Annals of Internal Medicine, "Medicare CCM Payments and Financial Returns to Primary Care Practices: A Modeling Study," October 20, 2015 (2015; 163:580-588. DOI: 10.7326/M142677).

"Many practices could experience a net revenue loss if physicians exclusively provide [CCM] services due to the opportunity costs of forfeited face-to-face visits...Our findings highlight the critical nature of non-physician staff in the delivery of CCM services," the AIM authors report. "Payment may therefore incentivize practices to transition to team-based models," they say. There are compelling reasons to consider basing that CCM outside the practice office.

## The Wellbox Chronic Care Coordinator and your practice

Each practice that opts to deliver CCM through Wellbox is assigned a dedicated Chronic Care Coordinator. That Coordinator gets to know the patients, and is a consistent voice on the phone each month, representing the practice to the patient.

Monthly check-in calls may include:

- review of medications
- discussion of test results
- exercise and therapy options
- scheduling regular or unanticipated office visits with the primary provider
- referrals to specialists, as needed
- topics the doctor recommends

Patients are also encouraged to raise questions or concerns that may have arisen since their last call or office visit.

After each call, the Coordinator updates the patient record in the EHR so the physician can review, and direct care as he or she decides. The physician can listen to an audio recording, if preferred.

The Coordinator also facilitates coordination of care between the primary doctor and other providers. These may include specialists, such as cardiologists or endocrinologists; hospitals or other healthcare facilities where patients have received care; home-care providers, and others.

## Why Outsource CCM?

As the AIM article outlines, establishing a CCM program is a labor-intensive process, typically requiring the recruiting and training of certified staff who will need ongoing training, technology and EHR systems to track care plans and document monthly calls. They need to be available to patients 24/7. And they will need office space.

Instead of taking on the challenges of creating an in-house program, healthcare providers have the opportunity to outsource these services with Wellbox™, the CCM service from Wellbox.

The Wellbox Chronic Care Coordination Center, based in Jacksonville, Florida, is staffed by certified medical assistants, RNs and MDs. A seamless extension of the practice, Wellbox is available to patients 24/7, supporting continuity of care.

To ensure participating practices are fully compensated, Wellbox provides an all-inclusive method for tracking and billing for CPT code 99490. Whether the practice uses Hello Health's EHR (top-rated for ease of use) or continue with another EHR already in place, Wellbox will integrate with the necessary technology and provide features that are essential to a successful CCM rollout:

### Comprehensive care coordination

- Identifies eligible patients within the practice
- Personalized care plan development for each patient
- Focus on patient experience and empowerment
- After-hours support
- Concierge-level services
- Patient satisfaction, measured in near real-time

### Practice personalization

- Documentation locally into the practice's system; no third-party data port or data mine
- Focus on quality and quantity
- Effective patient tracking and care plan continuity, with "call masking" that makes Wellbox feel like an extension of the practice
- Every call recorded and available for playback by physician or staff

### Compliance

- Encounters and all documentation entries meet compliance guidelines for performance of CCM per the CMS.

## What's ahead for CCM?

CMS regulation of chronic care management continues to evolve since its introduction in January 2015. Among the changes anticipated in the near future:

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JANUARY 2016

While they were not permitted to bill for CCM in 2015, Rural Health Clinics will become eligible to bill for CPT code 99490 starting in January 2016. This is an indication of how the population covered by CCM is expanding.

2016

Remote monitoring can count toward the time per month for CCM, but it cannot be the exclusive source of care management. As wearables and other technologies become more popular and affordable, this will be more prevalent.

2016 / 2017

Options for care management are expanding, and may one day encompass CPT codes 99495 and 99496 for transition of care. At present, transitions must be done face-to-face with the physician, but Medicare is reviewing this standard. Stay tuned!

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## The Enrollment Process

CCM can add up to significant new, incremental revenue for a practice, especially if the team is configured with an intelligent mix of physicians, nurses and medical assistants.

CCM cannot be billed, however, until patients enroll in the service.

Practices that rely on Wellbox get a customized enrollment campaign that begins by identifying all eligible patients and then reaching out to those patients via mail and phone to educate them about the value of CCM. The CMS allows each eligible patient to select just one provider to deliver CCM services, so timely outreach is key.

Patients must then visit the office, and while there provide a written agreement to receive CCM from that particular practice. The agreement includes the beneficiary's authorization for the electronic communication of the patient's medical information with other treating providers as part of care coordination.

CMS further requires documentation in the beneficiary's medical record that all elements of the CCM service were explained and offered to the beneficiary, and note the beneficiary's decision to accept or decline the service. The patient must receive a written or electronic copy of the care plan, and there must be documentation in the electronic medical record that the care plan was provided to the beneficiary.

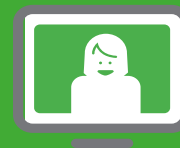
The patient must be told that they have the right to stop the CCM services at any time (effective at the end of a calendar month) and the effect of a revocation of the agreement to receive CCM services. The patient must understand that only one practitioner can furnish and be paid for these services.

Finally, the patient needs to be aware of their cost-sharing obligation. About 90% of patients pay nothing out of pocket for CCM. However, the patient is among the one in 10 beneficiaries who relies solely on the Medicare program for healthcare coverage, he or she may have a small co-pay for each monthly CCM call.

## What's in for the patient?



Within a week of completion of the enrollment documents, the patient gets his or her first phone call from the Chronic Care Coordinator.



Together, they review the care plan, establish an ongoing call schedule and get the patient set up in the optional patient portal.



In just a few weeks, CCM becomes a consistent aspect of the patient's experience of the healthcare delivered by the practice.

## Key Takeaways

Practices that are interested in providing chronic care management to their eligible Medicare patients should consider the following:

1.

CCM services can and should be delivered by a team that comprises a **variety of healthcare providers**, with the preponderance of billable hours delivered by LPNs and medical assistants.

2.

When evaluating in-house versus outsourced approaches to CCM, weigh **the costs of additional staff and space, as well as ongoing training and support**. Wellbox team members receive continual training in evolving CMS regulation for CCM.

3.

Patients may receive CCM services from just one practice, so timely and effective **enrollment activity** is essential to building a sufficient panel to support fiscal viability.

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1. Annals of Internal Medicine, "Medicare CCM Payments and Financial Returns to Primary Care Practices: A Modeling Study," October 20, 2015 (2015; 163:580-588. DOI: 10.7326/M142677).
  2. Per the MGMA Cost Survey for Single Specialty Practices: 2013 Report Based on 2012 Data specific to the specialty of family medicine. Includes Medicare A/B and Medicare Advantage. Medicare percentages vary widely from state to state.



The Wellbox™ solution provides an all-inclusive method for tracking and billing the Chronic Care Management code.

Call or email today for an analysis of the specific implications of CCM for your practice.

[info@wellbox.care](mailto:info@wellbox.care)

844.602.1690

[www.wellbox.care](http://www.wellbox.care)