It Takes a Neighborhood:
Creating the Structure for the Medical Home

Lebanon, NH – The medical home has great potential to improve the delivery of coordinated health care to patients. But significant obstacles still exist in making the transition from model to reality, writes Dr. Elliott S. Fisher in the September 18th issue of the New England Journal of Medicine.

A lack of incentives for providers to share information, unclear evidence that patients and physicians will embrace the medical home concept, and questions about whether the medical home will actually result in reduced health care spending, are barriers that must be addressed, according to Fisher. Fisher, MD, MPH, is Director of the Center for Health Policy Research at the Dartmouth Institute for Health Policy and Clinical Practice, as well as a professor of Community and Family Medicine at Dartmouth Medical School, and Co-Director of the VA Outcomes Group.

“The notion of a medical home makes intuitive sense and indeed has great promise. But unrealistic expectations about this approach abound, and insufficient attention is being paid to several important barriers to the clinical and financial success of the medical home model,” writes Fisher.

The medical home is intended to improve the delivery of primary care and the management of chronic disease by creating a continuous relationship with a health care provider or team of providers who help patients navigate the health care system.

But, says Fisher, the success of the medical home model depends not only on the primary care physicians themselves, but also on other providers -- physicians and hospitals -- that must work with the medical home itself to ensure effective communication and coordination of care. Success will be more likely if primary care reforms such as the medical home model are aligned with reform strategies that foster shared accountability among all providers for measurably and transparently improving the quality of care and reducing its cost.”

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Fisher recommends three key steps to ensure the successful implementation of the medical home model:

1. Provide incentives to providers for standardization of information systems to make sharing of patient records seamless across a localized practice network. Currently, providers are rewarded for establishing electronic medical records systems, but there are no such rewards for integrating systems across providers.

2. Broaden performance measures to include evaluations of patients’ experiences with care, routine assessments of whether the health and quality of patients’ lives are actually improved, and the total costs for all patients in the medical home network.

3. Explore ways of integrating medical home payments with other approaches to payment reform that foster shared accountability and rewards among providers across the continuum of care. This would provide a needed incentive for providers in the network to work together to improve coordination and reduce costs.

The third goal is particularly important, according to Fisher, who, as co-author of the Dartmouth Atlas, has spent years documenting variations in intensity and cost of care: “It is far from clear how spending more on medical homes will lead to overall lower spending. In current medical home models, primary care physicians have no real leverage to persuade specialists to change their practice in keeping with the goals of the program. To the extent that the income of other providers continues to depend on service volume, it is unlikely that either specialists or hospitals will respond to fewer visits and stays from medical home patients by allowing their incomes to fall.” Thus, advocates of the medical home “need to recognize the underlying determinants of health care spending.”

Success of the medical home will require aligning the interests of physicians and hospitals toward the improvement of patient care. Writes Fisher: “To deliver on its promise, the medical home needs a hospitable and high-performing medical neighborhood.”

Dr. Fisher’s article, Building a Medical Neighborhood for the Medical Home, appears in the Perspective section of the September 18, 2008 edition of the New England Journal of Medicine.