

MASSACHUSETTS' BUDGET MANDATES PAYMENT FOR COMPREHENSIVE ASTHMA CARE

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Submitted by [childrenshospit...](#) on 26 July 2010 - 11:33am

It seems many of us are struggling with the same challenges: How do we provide evidence-based interventions and treatments that can successfully manage asthma without sustainable financing? How do we convince policymakers and payers to invest in models and new approaches to asthma care that will not only improve health outcomes, but also are cost-effective?

We wanted to share our recent success in Massachusetts in creating a funding mechanism for asthma programs. The FY 2011 state budget includes a provision directing Medicaid to establish a bundled payment for asthma care that allows providers to design and deliver tailored interventions to children with asthma, including but not limited to patient education, environmental assessments, mitigation of asthma triggers and purchase of necessary durable medical equipment. (You can find the language in section 154 on page 297 of the budget http://budget.digital.mass.gov/bb/gaa/fy2011/os_11/h154.htm.)

Children's Hospital Boston and many other organizations involved in the Massachusetts Asthma Action Partnership have for years advocated for legislation that would require private and public insurers to reimburse providers for these services. However, it has been very difficult to advance this legislation over the opposition from insurers and at times impossible due to imposed moratoria on any new "mandated benefits."

This year we decided to take a different approach. Given that nearly 70% of the patients served by the Community Asthma Initiative at Children's are enrolled in the Medicaid program (similar to the population of other asthma programs in MA), we decided to target our efforts toward Medicaid. The bundled payment approach is consistent with the state's vision of reforming the health care payment system. We can also attribute our success in part to the work of the New England Asthma Regional Council in documenting and publicizing the health and cost benefits associated with best practices in asthma management in their business cases (www.asthamregionalcouncil.org). Having data from our program and a compelling case that providing education and environmental interventions can reduce unnecessary health care utilization and drive down costs delivered a winning ticket this budget season – at a time when legislators are desperate for solutions that align quality and costs.

In order to develop a successful demonstration program that builds on work already underway in Massachusetts, the language requires the Executive Office of Health and Human Services to collaborate with providers. We propose that EOHHS convene stakeholders representing relevant state agencies, health care providers, Medicaid managed care plans, local public health departments, and community-based organizations. This group would help inform the development of the bundled payment by examining the following issues: how to build on the existing infrastructure; the definition of "high risk" pediatric asthma; the scope of services covered under the payment; pilot site selection criteria; the set of measures utilized to evaluate progress; expected outcomes and cost analysis; data needs; and operational challenges. We will post updates on this process, as the work evolves.

Are any other programs working with their Medicaid Offices around reimbursement?

For more information about Children's Hospital Boston's Community Asthma Initiative, visit <http://www.asthmacommunitynetwork.org/node/3316>.

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Submitted by [seanmccormick](#) on 27 July 2010 - 1:31pm

Clean Air Council is part of a group in Philadelphia (The Fighting Asthma Disparities Workgroup) that is moving in this direction.

Thank you for posting this. Very helpful, and encouraging!