



Chronic Care Management: Reimbursement Models

Chronic Care Management (CCM) is a billable service in the Medicare Physician Fee Schedule and cannot be billed directly by a pharmacist. However, in partnership with a primary care team the pharmacist can fulfill many of the required elements of CCM. This document describes several reimbursement models for that type of partnership. These should be discussed between partners and documented in a formal agreement, such as a Business Agreement.

CCM Coverage

Medicare: Patients eligible for this service include those with two or more chronic conditions that place the patient at risk of death or functional decline. Medicare patients, including those who are dually eligible, qualify for this service. There is no specific CMS guidance on which diagnoses meet this definition, however CMS has stated it intends for CCM to be broadly available. Patients in a long-term or skilled nursing facility are not eligible.

Options to consider for Business Agreement reimbursement mechanism:

Per Minute

- Settle on a fixed amount per minutes spent on CCM services for month. This documentation could be useful since CCM requires a minimum of 20 minutes of non-face-to-face care coordination.

Per Patient per Month

- Settle on a fixed amount per patient seen per month
- 70/30 is a good starting point for negotiation, 60/40 is also reasonable. Depends on how the responsibilities will be split.

Shared Savings

- If partnering with an ACO, depending on their risk model, you could contract to receive a portion of their shared savings. The reimbursement would vary based on the partnerships success in improving outcomes.
- If partnering with Primary Care, do they have individual contracts with health plans that provide them with shared savings if they meet quality metrics? You could contract for a portion of those, instead of a more traditional FFS model

This guide provides a summary of many resources related to CCM requirements and services. Nothing in this guide should be construed as legal advice, especially related to billing and payment for services.