Value-Based Payment
Maternity, Delivery, and Infant Care

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Variety of connected initiatives

- Delivery System Reform Incentive Payment (DSRIP) program
- Value-based payment
  - Value-based payment for children and adolescents
  - Value-based payment for maternity care
- Bureau of Social Determinants of Health
- First 1,000 Days on Medicaid includes other sectors – education, child welfare, child care, etc.
- Governor calls on insurance companies to cover maternal depression
With goal of improving outcomes and controlling costs, New York State is undertaking significant reforms in its Medicaid program.

NYS Medicaid recognizes the outsize role that social determinants of health (SDH) play in health outcomes and now requires that health care providers and payers address at least one SDH when they enter into certain value-based payment arrangements.
Why this matters

- Medicaid is largest single payer for medical services, so can drive how systems respond.
- Shift to paying for “value” rather than volume (per visit or per procedure), so need to determine how to measure value
- Evidence-based interventions
- Opportunities for community-based organizations that address SDH
Medicaid and Children

- Children = largest group covered by Medicaid
- New York State = leader in covering children.
Special role that Medicaid plays for young children and moms
Cross-sector nature of outcomes
Early Childhood: the most important years are the most publicly under-funded


90% of public expenditures are after age 5, after up to 90% of brain development has occurred. *New York Times*: In 2008, federal & state govts spent more than $10,000 per K–12 child per year. By contrast, 3–5 year-olds = $5,000, and children 0–3 = $300/year.
Medicaid Matters

- Medicaid covers 51% of births/newborns
- Children in their first 1,000 days of life depend on Medicaid: 59% of children 0-3 in NYS are covered by Medicaid
- Covers 41% of NY children; that’s 2.3 million kids
- Covers nearly one million (926,048) NY children five years old and under
1. For general child population, value will be driven by emphasizing quality and long-term outcomes, not cost-cutting in areas where investment may already be insufficient.

2. Need clear child-focused goals and outcomes to drive payment and delivery system reform.
3. Adoption of outcomes across child-serving sectors will yield better outcomes

4. Primary care can drive change, especially in earliest years of life

5. Brain science tells us social determinants and family systems must be included
North Star Goal pre-term to 1 Month = Optimal birth outcomes for mother and child

North Star Goal 1 month to 1 year = Optimal physical health and a secure attachment with primary caregiver
Develop a 10-point plan for how Medicaid can improve health/development of children ages 0 to 3 that is:

- **Affordable** – Reasonable cost to state Medicaid
- **Cross-sector** – Collaboration beyond health care
- **Feasible** – Able to be implemented in near term through Medicaid levers
- **Evidence-based** – Proposed interventions or approaches are backed by strong evidence
- **High Impact** – Likely to improve children’s “North Star” goals, reduce disparities, and encourage systems change
Pediatricians and family physicians play an important role in the early years. Over 90% of young children are seen by a primary care physician at least once per year. (https://www.medicaid.gov/medicaid/quality-of-care/downloads/2015-child-sec-rept.pdf)

Health care system has unique opportunity for early identification and connection of families to resources to strengthen health, education, child welfare, family economic security, and other outcomes.
Values of Children’s VBP and First 1K

- Emphasis on crucial role of caregivers
- Outsize role of SDH
- Understanding that current investment may be insufficient to achieve desired outcomes
- Need to seek and measure outcomes beyond health/medical
- Evidence-based programs and processes
- Expectation of cross-sector collaboration and communication