Significant Activity in Health Systems

• Implementation of Affordable Care Act (ACA)
• New York Medicaid Redesign
• NYS Medicaid Waiver -- DSRIP
• Medicaid Managed Care
• Increased focus on quality and outcomes
• Patient-Centered Medical Homes, Accountable Care Organizations, Health Homes
• Electronic Health Records implementation
• Efforts to integrate BH and PC
Waiver Background

April 2014- Federal Centers for Medicare and Medicaid Services (CMS) approved NY Medicaid $8 billion waiver over five years.

- Reinvest $8 billion in federal savings generated by Medicaid Redesign Team (MRT) reforms.
- Purpose:
  - Transform the state's health care system,
  - Bend cost curve
  - Ensure access to quality care for Medicaid members
FACTS about NYS

- Total Medicaid Spending: $53.3 billion (2012, KFF)
- Medicaid enrollees: 5.6 million, 29% of the state’s population
- 46% of all births are financed by Medicaid
- Poor ranking in avoidable hospital use
- Population groups with complex medical, behavioral, and long term care needs drive high volume of high cost services including inpatient and long term institutional care
Delivery System Reform Incentive Payment Program (DSRIP)

- Restructure health care delivery system.
  - Delivery System Reform Incentive Payment (DSRIP) program: $6.42 B
  - Interim Access Assurance Fund (IAAF): $500 M
  - Medicaid Redesign Projects: $1.08 B

- Achieve 25% reduction in avoidable hospitalizations
Five key themes of DSRIP

1. Collaboration

2. Project Value Drives the Money
   a. Transformation ➔ number and types of projects
   b. Number of Medicaid members served (attribution)
   c. Application Quality

3. Performance-Based Payments

4. Statewide Performance Matters

5. Lasting Change
   a. Long-Term Transformation
   b. Health System sustainability
Goals of Waiver

- Transform health care safety net
- Reduce avoidable hospital use
- Improve health and public health measures
- Cost-efficient Medicaid program with better outcomes
- Leverage payment reform to ensure long term delivery system reform
- Financial support for some safety net providers
Applications accepted from collaborative/partnership (Performing Provider System or PPS) which includes:

- Hospitals
- Health Homes
- Skilled Nursing Facilities
- Diagnostic & Treatment Centers (D&TCs) and Federally Qualified Health Centers (FQHCs)
- Behavioral Health providers
- Home Care agencies
- Other key stakeholders
Local Partnerships to Transform the Delivery System

Partners should include:

- Hospitals
- Nursing Homes
- Clinics & FQHCs
- Behavioral Health Providers
- Home Care Agencies
- Other key stakeholders

Identify community health needs, healthcare challenges and quality objectives.

Develop programs and investments that address those needs, with measurable metrics and milestones.

Transform the healthcare delivery system by working together to improve quality and health outcomes while lowering cost.

NYS DOH Graphic
Role of PPS

Identify a lead entity to:

- Apply to State on behalf of PPS
- Spearhead the DSRIP efforts of a region
- Responsible for comprehensive community needs assessment
- Meet all reporting requirements on DSRIP project plan implementation, including milestones and outcomes.
Stakeholder and Community Engagement

- Community needs assessment is essential element of engaging the community.

- Needs assessment should shape and decide the DSRIP priorities to be implemented.

- Time is of the Essence: PPS’ conducting needs assessments now through early fall

- Final Applications due December 16, 2014
Funding

PPS apply for funding from one of two DSRIP pools:

- The Public Hospital Transformation Fund—open to major public hospital system applicants as designated by DOH.
- The Safety Net Performing Provider System Transformation Fund—open to all other DSRIP eligible providers.

Funds will be allocated between the two pools based on applications submitted.
<table>
<thead>
<tr>
<th>DSRIP Safety Net Definition</th>
<th>Other Providers</th>
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<tbody>
<tr>
<td><strong>Hospitals</strong></td>
<td></td>
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<tr>
<td>Public, Sole Community, or Critical Access or ≥ 35% outpatient volume is Medicaid, uninsured and dual eligible members and ≥ 30% inpatient volume is Medicaid, uninsured and dual eligible members or ≥ 30% of all Medicaid, uninsured and dual eligible members in a county served by a hospital</td>
<td>≥ 35% of patient volume in key lines of business are Medicaid, uninsured and dual eligible members</td>
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<tr>
<td><strong>Vital Access Provider Exception:</strong></td>
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<tr>
<td>• Community will not be served</td>
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<tr>
<td>• Uniquely qualified provider</td>
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<tr>
<td>• Health Homes</td>
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</table>
Challenges/concerns about safety net definition

- Some providers serving a high percent of uninsured patients and/or operating in rural areas object to definition

- Behavioral health providers that are either not Medicaid providers and/or provide non-Medicaid services (such as rehab or housing) initially excluded
Projects

DSRIP Projects must be:

- New and innovative for the PPS.
- Substantially different than other CMS funded initiatives.
- Designed to address one or more significant health issues within the PPS service area.
- Transformative and designed to reduce hospitalizations by 25% over 5 years.
Domains (types of Projects)

PPS must select between five (5) and eleven (11) projects from the following domains:

**System Transformation**
- Create Integrated Delivery System (required)
- Implement care coordination/transitional care
- Connecting Systems
Domain (cont’d.)

Clinical Improvement
- Behavioral Health (required)
- Other clinical areas

Population-Wide
- Promote Mental Health/Prevent Substance Abuse
- Prevent Chronic Diseases
- Prevent HIV and STDs
- Promote Healthy Women, Infants and Children
The 11th project

- Uninsured (UI) and support outreach and engagement of non-utilizing (NU) and low-utilizing (LU) Medicaid populations

- The 11th project - Increase patient and community engagement related to health care and resources to help populations above gain access to primary and preventive services
A complete list of all projects under each domain can be found at: State of New York Department of Health Delivery System Reform Incentive Payment (DSRIP) Program Project Design Grant Application Instructions Appendix B.
Project Valuation

Calculation that determines amount of funding
Determined by three (3) major components:

1) Transformation: Each project has an index score (out of 60 points) based on project’s potential to transform the system.

2) Number of Medicaid members “attributed” to PPS.

3) Application Quality: Independent assessor will score projects
Attribution

Attribution is how Medicaid members will be assigned to a single PPS based on member’s:

- Geography,
- Historical health care usage, and
- Primary care provider assignment

Attribution will determine funding amounts and outcome metrics for projects.
Pay for Planning. The first year is referred to as Year 0 (zero) and is the planning and pre-implementation phase.

Selected PPS receive a planning grant (range of $500,000) to:

- Engage stakeholders and consumers,
- Conduct a community needs assessment, and
- Articulate expected outcomes from the project plan and alignment with DSRIP goals.
Pay-for-Performance. DSRIP is a pay-for-performance program based on the project values and success to meet specific metrics.

Payments based on success of individual PPS and the success of all the PPS projects overall.
Statewide benchmarks the State needs to meet federal CMS requirements, including:

1. Statewide performance on delivery system metrics
2. Success of projects statewide on project-specific and population-wide quality metrics
3. Growth in Medicaid and inpatient/emergency room spending
4. Implementation of State’s managed care contracting and meeting goal of 90% of managed care payments to providers using value-based payment
Awards

December 16: DSRIP Project Plan application due

December 18: Applications posted; public comment period begins

January 20, 2015: Public comments due

Early February: Independent Assessor recommendations made public

Mid-February: Oversight and Review Panel reviews assessor recommendations; makes final recommendations to NYSDOH

Early March: NYSDOH- final determination.
Opportunities to Inform DSRIP

Invested community stakeholders can (should!) inform the State and PPS’ on important issues like:

- Providers that must be in PPS
- PPS leadership
- Active participation in community needs assessment to inform DSRIP projects
- Keep community members involved; community members can inform DSRIP process
Formal opportunities include:

- State public comment periods
- Direct interaction with a PPS
- Link community members/groups into PPS engagement
- Help PPS engage community members during community needs assessment and ongoing
Opportunities (cont’d.)

- Stakeholders can assure broad community participation:
  - Make meetings accessible (logistically, language and time)
  - Provide education material
  - Capture feedback and incorporate it
  - Share back to community members
In conjunction with Medicaid Redesign, the State is undertaking other comprehensive health improvement and planning initiatives:

- State Health Innovation Plan (SHIP or ‘the Plan’) - overarching roadmap for health system reform
- Prevention Agenda 2013-17: NYS’s public health oriented health improvement plan
- Population Health Improvement Plan (PHIP) - tying it together, by region
State Health Innovation Plan (the Plan)

- The Plan - Five pillars to achieve Triple Aim
  - Improve access to care for all New Yorkers, without disparity
  - Integrate care to meet consumer needs seamlessly
  - Transparent health care cost and quality
  - Value-based payment
  - Promoting population health

- The Plan - also identified three “enablers”:
  - Workforce strategy
  - Health information technology
  - Performance evaluation and measurement
The Plan

- **Model Testing:** Test ability of state governments to accelerate transformation with stakeholder input to achieve delivery system reform and provide better care at lower cost.

- **Awards:** Expected @ $20 - $100 M/per state, over 48 months based on criteria.

- **Goals of the Plan:** Identify and stimulate promising innovations in health care delivery and finance that improves outcomes.

- **Multi-payer support:** Key to long-term success.
Prevention Agenda 2013-2017: New York State's Health Improvement Plan

- Roadmap to improve health of New Yorkers;
  Five priority areas:
  - Prevent Chronic Disease
  - Promote a Healthy and Safe environment
  - Promote Healthy Women, Infants and Children
  - Promote Mental Health and Prevent Substance Abuse
  - Prevent HIV, STDs, Vaccine-Preventable Diseases and Healthcare-Associated Infections

- Reduce health disparities
Population Health Improvement Program (PHIP)

- Promote Triple Aim
  - better care
  - better population health and lower health care costs

- Support and advance:
  - the New York State Prevention Agenda 2013-2017
  - the State Health Innovation Plan (SHIP)
DOH proposed 11 regions; but applicants may propose different regions –

Statewide coverage must be achieved

One designation per region

Designation of regions will factor existing community health planning infrastructure

Regions will not be based exclusively or principally on inpatient referral patterns or migration for high-acuity care.
Conclusion

- Multiple initiatives restructure health delivery
- Shift in focus-quality and outcomes vs. volume
- Planning and collaboration
- Integration
- Social determinants of health and impact on health outcomes
- Hard for everyone to keep pace
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