Objective:

- Participants understand NYS Medicaid’s system reform, especially with regard to value-based payment, social determinants of health, and children and families.

- Participants understand special role that NYS Medicaid plays for our youngest children and how recent efforts are trying to leverage that to achieve better outcomes across sectors and lifespan.
Welcome/Opening

Michelle Hughes, Executive Director, NC Child
Kate Breslin, President & CEO, Schuyler Center for Analysis and Advocacy
Background about Medicaid managed care and children in NYS

Chad Shearer, Vice President for Policy Director, Medicaid Institute, United Hospital Fund
Medicaid covers 43% of all children under age 21 in New York State.

Children account for 37% of all NYS Medicaid Enrollees.

Most, but not all, children are in managed care.

VBP only applies to children in managed care.

<table>
<thead>
<tr>
<th>Enrollment Aug 2017</th>
<th>2,259,071</th>
</tr>
</thead>
<tbody>
<tr>
<td>Managed Care</td>
<td>2,037,665</td>
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<tr>
<td>Fee For Service</td>
<td>221,406</td>
</tr>
</tbody>
</table>

Age Breakdown

- Under age 1 – 6%
- 1-4 – 22%
- 5-9 – 26%
- 10-13 – 18%
- 14-17 – 17%
- 18-20 – 11%

Sources: New York State Medicaid Program Enrollment by Month – Health Data NY; Census Bureau American Fact Finder ACS Demographic and Housing Estimates; United Hospital Fund Understanding Medicaid Utilization for Children in New York State.
90% of Children averaged only $2400 annual expenditure in 2014

High-cost children have a range of conditions (e.g., DD, BH, complex chronic conditions)

Not all high-cost in one year remain high-cost next year

Source: United Hospital Fund Understanding Medicaid Utilization for Children in New York State.
Children have high utilization in the early years, especially primary care and hospitalizations for asthma and gastroenteritis.

In the teen years utilization rises mostly due to behavioral health conditions.

Primary care utilization decreases with age.

Source: United Hospital Fund Understanding Medicaid Utilization for Children in New York State.
Children Are Not Just Small Adults

- Average expenditure per child $6,900 less than for average adult
- Children use much less inpatient care, and have shorter stays than adults
- Diagnoses driving emergency and inpatient utilization differ greatly

<table>
<thead>
<tr>
<th></th>
<th>2014*</th>
<th>Children</th>
<th>Adults</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expenditures</td>
<td></td>
<td>$7.52 Billion</td>
<td>$23.8 Billion</td>
</tr>
<tr>
<td>Enrollees w/ Inpatient Visit</td>
<td></td>
<td>5.8%</td>
<td>12.3%</td>
</tr>
<tr>
<td>Length of Stay</td>
<td></td>
<td>5.32 days</td>
<td>8.17 days</td>
</tr>
<tr>
<td>Emergency Visits / 1,000 Enrollees</td>
<td></td>
<td>487</td>
<td>648</td>
</tr>
</tbody>
</table>

Source: United Hospital Fund Understanding Medicaid Utilization for Children in New York State.

*Data limited to children and adults continuously enrolled in New York Medicaid in 2014
Delivery system reform (DSRIP and VBP) in NYS
Kalin Scott, Project Manager, Medicaid Redesign Team
NYS Department of Health
New York State Medicaid Transformation Since 2011

2011: Governor Cuomo created the Medicaid Redesign Team (MRT) which developed a series of recommendations to lower immediate spending and propose future reforms.

2014: As part of the MRT plan, NYS obtained a 1115 Waiver which would reinvest MRT generated federal savings back into redesigning New York's health care delivery system known as Delivery System Reform Incentive Payment Program (DSRIP).

2015: As part of DSRIP, NYS undertakes an ambitious payment reform plan working towards 80% value based payments by the end of the waiver period.

June 2015: NYS publishes a multi-year VBP Roadmap, a living document that outlines the State's payment reform goals and program requirements.
**Goal:** To improve population and individual health outcomes by creating a sustainable system through integrated care coordination and rewarding high value care delivery.

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**New York State (NYS) Payment Reform**

**Towards 80-90% of Value Based Payments to Providers**

<table>
<thead>
<tr>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>April 2017</td>
<td>April 2018</td>
<td>April 2019</td>
<td>April 2020</td>
</tr>
</tbody>
</table>

- **Performing Provider Systems (PPS) requested to submit growth plan outlining path to 80-90% VBP**
- **≥ 10% of total Managed Care Organization (MCO) expenditure in Level 1 VBP or above**
- **≥ 50% of total MCO expenditure in Level 1 VBP or above. ≥ 15% of total payments contracted in Level 2 or higher**
- **80-90% of total MCO expenditure in Level 1 VBP or above ≥ 35% of total payments contracted in Level 2 or higher**

*For goals relating to VBP level 2 and higher, calculation excludes partial capitation plans such as MLTC from this minimum target.*
VBP for children North Star Framework and principles

Suzanne Brundage
Director, Children’s Health Initiative, United Hospital Fund
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
Special role that Medicaid plays for our youngest children and cross-sector nature of outcomes and need for engagement

Jeff Kaczorowski, M.D., Senior Advisor, The Children’s Agenda
Kate Breslin, President & CEO, Schuyler Center
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

- Pregnant women depend on Medicaid. 51% of all births are covered by Medicaid
- Children rely on Medicaid. 48% of New York’s children 0-18 are covered by Medicaid
- Children in their first 1,000 days of life depend on Medicaid. 59% of children 0-3 in NYS are covered by Medicaid
Opportunities


- 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.
NYS Medicaid recognizes the outsize role that SDH play in health outcomes and now requires that health care providers and payers address at least one social determinant of health when they enter into certain value-based payment arrangements.
First 1,000 Days on Medicaid principles, recommendations, and next steps/implementation

Suzanne Brundage, United Hospital Fund
Kalin Scott, NYS Department of Health
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
# First 1,000 Days on Medicaid: 10-Point Plan

<table>
<thead>
<tr>
<th>Final Rank</th>
<th>Proposal Description</th>
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<tbody>
<tr>
<td>1</td>
<td>Proposal 17 - Braided Funding for Early Childhood Mental Health Consultations</td>
</tr>
<tr>
<td>2</td>
<td>Proposal 10 - Statewide Home Visiting</td>
</tr>
<tr>
<td>3</td>
<td>Proposal 1 - Create a Preventive Pediatric Clinical Advisory Group</td>
</tr>
<tr>
<td>4</td>
<td>Proposal 4 - Expand Centering Pregnancy</td>
</tr>
<tr>
<td>5</td>
<td>Proposal 2 - Promote Early Literacy through Local Strategies</td>
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<tr>
<td>6</td>
<td>Proposal 14 - Require Managed Care Plans to have a Kids Quality Agenda</td>
</tr>
<tr>
<td>7</td>
<td>Proposal 5 - New York State Developmental Inventory Upon Kindergarten Entry</td>
</tr>
<tr>
<td>8</td>
<td>Proposal 20 - Pilot and Evaluate Peer Family Navigators in Multiple Settings</td>
</tr>
<tr>
<td>9</td>
<td>Proposal 18 - Parent/Caregiver Diagnosis as Eligibility Criteria for Dyadic Therapy</td>
</tr>
<tr>
<td>10</td>
<td>Proposal 16 - Data System Development for Cross-Sector Referrals</td>
</tr>
</tbody>
</table>
Discussion

Michelle Hughes, *NC Child*
Kate Breslin, *Schuyler Center*