Making the Most of a Little: NYS Medicaid’s Investment in the Early Years

Presented by
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President & CEO
Schuyler Center for Analysis and Advocacy
For
LiftOff Western NY Early Childhood Funders for Change

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Is Our Public Policy Making the Ground Fertile for Opportunity?
Grounding the work in the data:
Medicaid & children in NYS
Medicaid and Children in NYS

- Children = largest group covered by Medicaid
- New York State = leader in covering children.
- 51% of all births covered by Medicaid
- 48% of children 0-18 covered by Medicaid
- 59% of children 0-3 covered by Medicaid

For 50 years, Medicaid has played a central role in U.S. efforts to reduce the uninsured rate for children.
NY Medicaid also

- Ensures that families with children who have disabilities can get an array of important services and supports.
- Covers many low-income parents; when parents have coverage, children are more likely to get the care they need. Also good for family economic security!
- Supports the safety net to ensure that children and families can get the care they need from pediatricians, behavioral health specialists, dentists, community clinics, hospitals, etc.
Children Are Not Just Small Adults

- Avg expenditure/child $6,900 less than avg adult
- Children use less inpatient care & have shorter stays
- Diagnoses driving ER & inpatient differ greatly

<table>
<thead>
<tr>
<th>2014*</th>
<th>Children</th>
<th>Adults</th>
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<tbody>
<tr>
<td>Expenditures</td>
<td>$7.52 Billion</td>
<td>$23.8 Billion</td>
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<tr>
<td>Enrollees w/ Inpatient Visit</td>
<td>5.8%</td>
<td>12.3%</td>
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<tr>
<td>Length of Stay</td>
<td>5.32 days</td>
<td>8.17 days</td>
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<tr>
<td>Emergency Visits / 1,000 Enrollees</td>
<td>487</td>
<td>648</td>
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*Data limited to children and adults continuously enrolled in New York Medicaid in 2014

Source: United Hospital Fund, Understanding Medicaid Utilization for Children in New York State.
Health Care Delivery System Reform in NYS
Variety of connected initiatives

- Delivery System Reform Incentive Payment (DSRIP)
- Value-based payment
- Social Determinants of Health initiatives
- First 1,000 Days on Medicaid includes other sectors – education, child welfare, child care, etc.
- State Education Department Blue Ribbon Committee on Early Childhood
With goal of improving outcomes & controlling costs, NYS undertaking significant reforms in Medicaid

NYS Medicaid recognizes 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/define what we mean by “value”
- Evidence-based interventions
- People and health systems can benefit (better health – lower costs) from investment in community-based organizations and addressing SDH
Context: What is Value-Based Payment?

- An umbrella term for different ways insurers pay providers
- Typically, goal is to maintain or improve quality while decreasing cost
- Changes provider incentives to focus on outcomes and efficiency
- In Medicaid, value-based payment can happen in fee-for-service, primary care case management, or managed care organization models

\[ \text{Value} = \frac{\text{Quality}^*}{\text{Payment}} \]

*Quality* is a composite of patient outcomes, safety, and experiences
Why Focus On Quality?

- Increasing value for kids should come from better outcomes because there are comparatively few opportunities to save money in children’s health care.
- Growing recognition that we need better measures than we have today, especially to take into account whole-child well-being and development.
- Yet without concerted focus on quality, value-based payment arrangements – depending on whether or not they include strong quality measures for kids – could put the “quality agenda” at risk.
Is “value” the same for kids as adults?
- Children have different health care and psychosocial needs than adults, especially in early childhood.
- Children account for a small proportion of Medicaid costs.
- Most value-based payment efforts focus on one-year savings, but many childhood prevention efforts have long-term returns that don’t necessarily accrue to the health care system (e.g. education, justice).
Social Determinants of Health

- Theory behind VBP is that consumer/patient will benefit when health care providers and payers (managed care orgs) are aligned to share savings/costs based on patient outcomes; AND

- There is growing recognition of the FACT that the vast majority of premature mortality and morbidity is attributable to social, behavioral, and environmental factors yet the US spends most health-related money on health care, not the social determinants.

- There is attention to social determinants of health (SDH) in New York’s value-based care Roadmap.
SDH and VBP for Children

- Caregiver health and well-being
- Screening for social determinants of health
- Building stronger, more effective connections between/among pediatricians and other individuals, organizations, places that can effectively support children’s healthy development.
- Structuring payment so that providers can and will get children and families connected to address social factors.
Building Momentum for Value for Children

- Concern that, as New York undertakes payment and delivery system reform, focus to date has been on adults
- Challenges associated with long-term value v short-term budget and election cycles
- Bringing child advocacy voice to the many tables/workgroups
- Bringing cross-sector child serving voices (child welfare, early care and learning) to health tables and discussions and vv.
- VBP report by outside payment expert -- credibility and audience
- Focusing beyond health agencies, because if we get this right, it will generate larger value
North Star Framework in NYS
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
1. Value driven by quality and long-term outcomes, not cost-cutting

2. Need clear child-focused goals and outcomes to drive systems change
3. Outcomes across sectors
4. Primary care can drive change, especially in earliest years of life
5. Brain science tells us SDH & family systems imp
First 1,000 Days’ cross-sector engagement: Why and how
Science says……

- Window is wide open in the early years – great opportunity/great risk

- Healthy development affects life trajectory in all domains

- Achieving better outcomes for at-risk children requires helping parents
Earlier start, greater benefit to all

EARLY CHILDHOOD DEVELOPMENT IS A SMART INVESTMENT

The earlier the investment, the greater the return

Source: James Heckman, Nobel Laureate in Economics
## Healthcare Uniquely Positioned for Impact

<table>
<thead>
<tr>
<th>Ages 0-1</th>
<th>Ages 1-2</th>
<th>Ages 2-3</th>
<th>Ages 3-4</th>
<th>Ages 4-5</th>
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<tr>
<td>7 Healthcare touches/yr (well-child visits)</td>
<td>4 Healthcare touches/yr</td>
<td>2 Healthcare touches/yr</td>
<td>1 Healthcare touch/yr</td>
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</table>

### Healthcare Sector

- **Ages 0-1**: 7 Healthcare touches/yr (well-child visits)
- **Ages 1-2**: 4 Healthcare touches/yr
- **Ages 2-3**: 2 Healthcare touches/yr
- **Ages 3-4**: 1 Healthcare touch/yr
- **Ages 4-5**: 1 Healthcare touch/yr

### Education Sector

- **Ages 0-1**: Child care in formal educational settings is voluntary; shortages in care supply & quality exist
- **Ages 1-2**: Early pre-K opportunities limited; voluntary
- **Ages 2-3**: Pre-K opportunities growing; voluntary

Source: Albany Promise Cradle to Career Partnership
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.

Clear/important role of parent/caregiver health in child health.
First 1,000 Days
Principles, Process, Recommendations
Why First 1,000 Days on Medicaid?

- 59% of children 0-3 covered by Medicaid
- Medicaid-enrolled children have a two-fold higher prevalence of developmental delay.
  - Gap is apparent at 9 months and grows over time
  - Low-income children can be full year behind at school entry
  - More likely to experience academic failure and drop out
- Prevalent risk factors for developmental delay have cumulative impact
  - Poverty, caregiver mental illness, maternal lack of education, single parent household, toxic stress (e.g. maltreatment), lack of medical home

Bisko et al., Centers for Disease Control and Prevention. MMWR. March 11, 2016
First 1K: Overarching Charge & Principles

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
Cross-Sector Participation: 200+ People

Engage and benefit from diversity of perspectives

- Leadership from education & higher ed
- Participation from inside and outside of gov’t and inclusive of child care, child welfare, community-based orgs., philanthropy, public health, mental health.
- Expectation that participants would work and process to ensure all participants would be heard
Pathway to Creating a Recommendation

1. What is the problem we are trying to resolve? What are the barriers preventing Medicaid and partners from achieving our goals?

2. What could work? What are the potential solutions to the identified issue?

3. Which solutions can Medicaid effect? What Medicaid system levers could be used to implement the solution(s)?

4. What’s the measureable outcome that will be achieved if this solution is implemented? How does it fit into the framework?

5. What’s the recommendation? How would a recommendation be framed given all of the above? What should Medicaid do?
<table>
<thead>
<tr>
<th>Final Rank</th>
<th>Proposal Description</th>
<th>Subjective Rank</th>
<th>Composite Score Rank</th>
<th>Cost</th>
<th>Cross-Sector</th>
<th>Feasibility</th>
<th>Strength of Evidence</th>
<th>Overall Impact</th>
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<td>Proposal 19 - Increasing In-Office Detection of Elevated Blood Lead Levels</td>
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* See appendix for additional score detail and summary information on top 10 proposals
## First 1,000 Days on Medicaid: 10-Point Plan

<table>
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<tr>
<th></th>
<th>Description</th>
<th>FY 18-19</th>
<th>FY 19-20</th>
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<td>1</td>
<td>Braided Funding for Early Childhood Mental Health Consultations</td>
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<td>Statewide Home Visiting</td>
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<td>Preventive Pediatric Care Clinical Advisory Group</td>
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<td>Expand Centering Pregnancy</td>
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<td><strong>TOTAL</strong></td>
<td><strong>$1.4</strong></td>
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Implementation expenditures to begin 1/1/19
Recommendations (detail) and meeting materials from NYS First 1,000 Days on Medicaid Workgroup
https://www.health.ny.gov/health_care/medicaid/redesign/first_1000.htm

Overview of First 1,000 Days in NYS Budget

Data regarding Medicaid and children in NYS http://uhfnyc.org/publications/881143

Value-Based Payment for Children: Report to the NYS Medicaid VBP Workgroup, September 2017

Value-Based Payment Models for Medicaid Child Health Services, July 2016
Schuyler Center for Analysis and Advocacy website:
www.scaany.org

Facebook / Twitter: @SchuylerCenter

Kate Breslin email: kbreslin@scaany.org
Braided funding for Early Childhood Mental Health Consultations (Proposal #17)

This is a proposal for OHIP to convene a design committee with colleagues in the Office of Mental Health, Office of Child and Family Services, and potentially the State Education Department (Adult Career and Continuing Education Services) to explore a braided funding approach for paying for mental health consultation services to early childhood professionals in early care and education settings.

- **Implementation Complexity:** High
- **Implementation Timeline:** Long Term
- **Required Approvals/Systems Changes:** Administrative Action, NYS Budget Request
- **Cross-sector Collaboration Component:** Yes
Statewide Home Visiting (Proposal #10)

This proposal is for New York Medicaid to take several significant steps to ensure the sustainability of home visiting in New York including a workgroup to identify opportunities for increased Medicaid payment, exploring scope of practice changes with SED, launch a pilot project in 3 high perinatal risk communities to scale up evidence-based home visiting programs using a risk stratification approach.

- **Implementation Complexity:** High
- **Implementation Timeline:** Long Term
- **Required Approvals/Systems Changes:** Administrative Action, NYS Budget Request, Possibly State Plan Amendment, Possibly Federal Waiver
- **Cross-sector Collaboration Component:** Yes
Create a Preventive Pediatric Care Clinical Advisory Group (Proposal #1)

This proposal is for Medicaid to convene a Preventive Pediatric Care clinical advisory group charged with developing a framework model for how best to organize well-child visits/pediatric care in order to implement the Bright Futures Guidelines.

- **Implementation Complexity:** Low
- **Implementation Timeline:** Short Term
- **Required Approvals/Systems Changes:** Administrative Action
- **Cross-sector Collaboration Component:** Yes
Expand Centering Pregnancy and Parenting (Proposal #4)

This proposal is that Medicaid support a two-year pilot project in neighborhoods of poorest birth outcomes to encourage obstetrical providers serving Medicaid patients to adopt the Centering Pregnancy group-based model of prenatal care which has shown dramatic improvements in birth-related outcomes and reductions in associated disparities. Additionally, NY Medicaid should consider extending this approach to testing the Centering Parenting model – a group model of well-child care that grew out of the popularity of Centering Pregnancy.

- **Implementation Complexity:** High
- **Implementation Timeline:** Long Term
- **Required Approvals/Systems Changes:** Administrative Action, NYS Budget Request
- **Cross-sector Collaboration Component:** No
Promote Early Literacy through Local Strategies (Proposal #2)

This proposal is for Medicaid to launch one or more three-year pilots to expand the use of Reach Out and Read in pediatric primary care and foster local cross-sector collaboration focused on improving early language development skills in children ages zero to three.

- **Implementation Complexity:** High
- **Implementation Timeline:** Long Term
- **Required Approvals/Systems Changes:** Administrative Action, NYS budget request
- **Cross-sector Collaboration Component:** Yes
DOH working with its External Quality Review Organization would develop a two-year common Performance Improvement Project (PIP) for all Medicaid managed care plans called the “Kid’s Quality Agenda.” The focus of the common PIP could be threefold: 1) to increase performance on young child related Quality Assurance Reporting Requirements (QARR) measures (well-child visits, lead screening, child immunization combo); 2) to enhance rates of developmental and maternal depression screening; or 3) to improve select performance on existing QARR measures related to perinatal health.

- Implementation Complexity: Medium
- Implementation Timeline: Short Term
- Required Approvals/Systems Changes: Administrative Action
- Cross-sector Collaboration Component: Yes
New York State Developmental Inventory Upon Kindergarten Entry (Proposal #5)

Given significant investments—including a recent $800 million investment into expanding pre-k access for children—there is a need for the state to better understand where the development of each child stands when they enter kindergarten. This proposal suggests that New York State, in collaboration with its partners - State Education Department, State University, Medicaid program, experts in the field of early childhood development, and others as necessary - agree upon a tool to be implemented state-wide to drive results for children.

- **Implementation Complexity:** Medium
- **Implementation Timeline:** Short Term
- **Required Approvals/Systems Changes:** Administrative Action
- **Cross-sector Collaboration Component:** Yes
This proposal would develop, implement and evaluate a number of pilots that would provide peer family navigator services in community and primary care settings. DOH would develop an RFP and make grant funds available to support a total of 9 pilots across the state at community sites (e.g. family homeless shelters, supportive housing, community mental health clinics, drug treatment programs, WIC offices, and existing Help Me Grow sites) and within primary care.

- **Implementation Complexity:** High
- **Implementation Timeline:** Long Term
- **Required Approvals/Systems Changes:** Administrative Action, NYS budget request
- **Cross-sector Collaboration Component:** Yes
This proposal is for Medicaid to allow providers to bill for the provision of evidence-based parent-child therapy (also called dyadic therapy) based solely on the parent/caregiver being diagnosed with a mood, anxiety, or substance abuse disorder. Medicaid would also explore paying for evidence-based early childhood mental health-focused group parenting programs such as Triple-P.

- **Implementation Complexity:** Low
- **Implementation Timeline:** Short Term
- **Required Approvals/Systems Changes:** Administrative Action
- **Cross-sector Collaboration Component:** No
Data system development for cross-sector referrals (Proposal #16)

Under this proposal, New York Medicaid would direct competitive grant funds to purchase a Medicaid-determined hub-and-spoke data system that enables screening and referrals across clinical and community settings for up to 3 communities.

- **Implementation Complexity:** High
- **Implementation Timeline:** Long Term
- **Required Approvals/Systems Changes:** Administrative Action; IT/Data Infrastructure, NYS Budget Request
- **Cross-sector Collaboration Component:** Yes