



## **Reject \$20M Cut to Patient-Centered Medical Home Incentive Payments**

### Background

- The Patient-Centered Medical Home (PCMH) model is a nationally recognized program for demonstrating high-quality primary care.
  - The State provides an “add-on” care management incentive payment to those providers who have achieved PCMH certification.
- One of the key components of the State’s transformation efforts is expanding access to high-quality primary care. In furtherance of this, NYS made increasing the number of PCMH certified practices a DSRIP project goal.
- To date, over 90% of New York’s FQHCs have achieved some level of PCMH certification, with 82% of health centers certified at the highest level, PCMH 2014 level 3.

### Budget Proposal and Impact

- The Executive Budget proposes a \$20M reduction in PCMH incentive payments.
  - Beginning in May 2018, incentive payments for PCMH 2014 level 2 would be eliminated and PCMH 2014 level 3 payments would be temporarily reduced from \$7.50 per patient per month (PMPM) to \$2 PMPM -- a 75% reduction.
  - Starting in July 2018, payments for PCMH 2014 level 3 would be reduced to \$5-\$6 PMPM on a permanent basis and tied to whether a provider has a value-based payment (VBP) contract.
- *If this cut is implemented, FQHCs would lose \$7.6M in May and June 2018 and up to \$1.7M monthly beginning in July.*
- The NYS Dept. of Health (DOH) has stated that the incentive payment reduction is necessary because too many practices were successful in achieving PCMH certification.
- Rather than celebrating the increased number of primary care practices now providing high-quality, comprehensive care, DOH is instead seeking to punish these providers by reducing the payments that support the program it has endorsed.
- Reducing incentive payments for PCMH is in direct contradiction with the State’s own goals for improving access to quality care.

**CHCANYS urges the Legislature to reject the \$20M reduction to PCMH incentive payments.**