FQHC Considerations for CEOs/CFOs in DSRIP and Integrated Delivery Systems

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ACCOUNTING • TAX • ADVISORY

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Understanding Your Value in DSRIP

- Performing Provider Systems are looking for partners who can:
  - Increase the value ($$$) of their applications
  - Achieve performance targets and milestones
  - Are financially/operational stable
  - Ensure financial sustainability post-DSRIP
- As FQHCs enter into discussions with these emerging Performing Provider Systems, CEOs/CFOs need to understand how to positions themselves for success:
  - During the 5-year DSRIP project period
  - In preparation for post-DSRIP and sustainability of the Performing Provider System

Understanding Your Value in DSRIP

- Drivers of the Maximum DSRIP Value that you can impact
  - Member attribution
  - Project selection and score
    - Services
    - Populations
- Member attribution
  - Attribution algorithm
  - Exclusivity or not?
- Project selection and score
  - Can you drive and impact performance
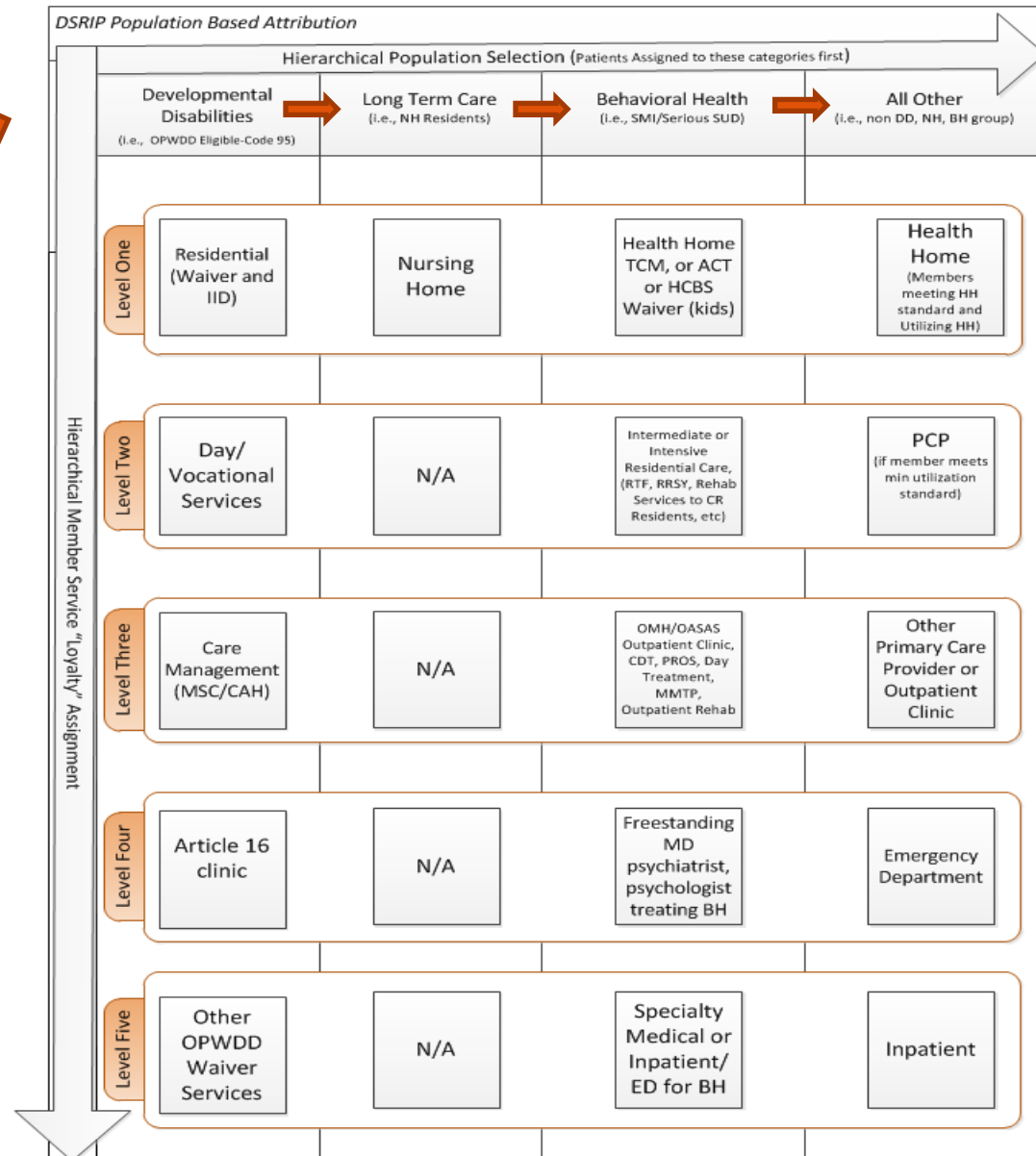 - Get active in the process!

DSRIP ATTRIBUTION FLOW

Step 1:
Medicaid members will be placed into one of these population subcategories based on a mutually exclusive hierarchy (Left to Right)

Example: If the member meets criteria for developmental disabilities and long term care they will be assigned to development disabilities as that is first in the hierarchy. Similarly, if a member does not meet criteria for developmental disabilities but does meet criteria for both long term care and behavioral health they will be assigned to long term care.
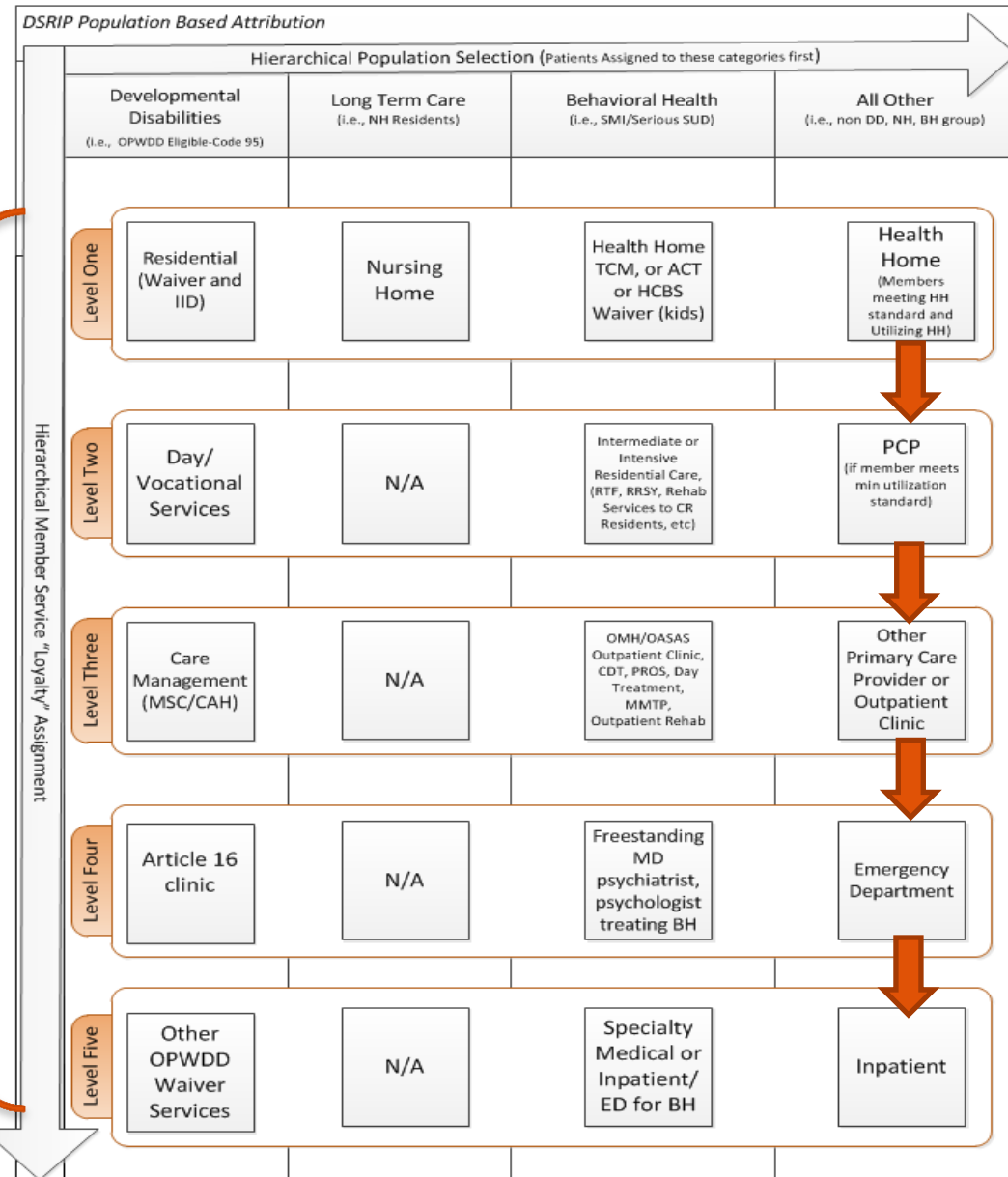

DSRIP Population Based Attribution

Hierarchical Population Selection (Patients Assigned to these categories first)

Hierarchical Member Service "Loyalty" Assignment

	Developmental Disabilities (i.e., OPWDD Eligible-Code 95)	Long Term Care (i.e., NH Residents)	Behavioral Health (i.e., SMI/Serious SUD)	All Other (i.e., non DD, NH, BH group)
Level One	Residential (Waiver and IID)	Nursing Home	Health Home TCM, or ACT or HCBS Waiver (kids)	Health Home (Members meeting HH standard and Utilizing HH)
Level Two	Day/ Vocational Services	N/A	Intermediate or Intensive Residential Care, (RTF, RRSY, Rehab Services to CR Residents, etc)	PCP (if member meets min utilization standard)
Level Three	Care Management (MSC/CAH)	N/A	OMH/OASAS Outpatient Clinic, CDT, PROS, Day Treatment, MMTP, Outpatient Rehab	Other Primary Care Provider or Outpatient Clinic
Level Four	Article 16 clinic	N/A	Freestanding MD psychiatrist, psychologist treating BH	Emergency Department
Level Five	Other OPWDD Waiver Services	N/A	Specialty Medical or Inpatient/ ED for BH	Inpatient

DSRIP ATTRIBUTION FLOW

Step 2:
After a member is assigned to a population subcategory, the member will then been assigned to a PPS based on a loyalty algorithm that is specific to their population subcategory.

Example: If they have been assigned to the All Other subcategory the algorithm will check first for health home connectivity and if none exists go on to look for MCO-PCP connectivity, and then other PCP or outpatient clinic, and so on in hierarchical order.

DSRIP Population Based Attribution

Hierarchical Population Selection (Patients Assigned to these categories first)

Hierarchical Member Service "Loyalty" Assignment

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Proving You Are Worthy

- Aside from the value FQHCs bring to the "equation", Performing Provider Systems are also looking for quality partners

- Partner organization assessments ("Stress Tests")
  - Partners in the Performing Provider Systems will be assessed to ensure that they are clinically/operationally/financially stable and successful

- Performing Provider Systems also must ensure that they work with fragile (and potentially failing) essential community providers
  - What role can you play in supporting and "rescuing" essential community providers in your Performing Provider System?

Get Involved in Work Groups

- Clinical
- Finance
  - DSRIP budget and funds flow – How you doin'?
  - Incentive payment allocation methodology
- Workforce
  - Strategy and budget – Whose staff are they?
  - Retraining, redeploying, reductions and new hires
- Technology
  - Electronic Health Records and Meaningful Use
  - Care management programs
  - Health Information Exchange

DSRIP Project Payment Methodology

- All DSRIP incentive payments are linked to performance which changes over time

Process Metrics
Pay for Reporting (P4R)
→
Outcome Metrics &
Avoidable Hospitalizations
Pay for Performance (P4P)

Metric/Milestone Domain	Performance Payment	Year 1 (CY 15)	Year 2 (CY 16)	Year 3 (CY 17)	Year 4 (CY 18)	Year 5 (CY 19)
Project Progress Milestones (Domain 1)	P4R/P4P	80%	60%	40%	20%	0%
System Transformation and Financial Stability Milestones (Domain 2)	P4P	0%	0%	20%	35%	50%
	P4R	10%	10%	5%	5%	5%
Clinical Improvement Milestones (Domain 3)	P4P	0%	15%	25%	30%	35%
	P4R	5%	10%	5%	5%	5%
Population Health Outcome Milestones (Domain 4)	P4R	5%	5%	5%	5%	5%

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So We Are In - Now What?

- Managing your health center's incremental budget
- Expenses - understanding your incremental cost of each project
  - Workforce
  - Technology
  - Lost revenue (loss of productivity)
- Revenue - earned based on P4R through P4P
  - Connecting with clinical leadership:
    - Understand metrics/milestones by project that drive payment
    - Managing patient utilization
  - Understand how those dollars trickle down to you
  - Create dashboards that monitor performance that drives revenue

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Positioning for Sustainability

- Payment reform and "value-based payment"
  - Involvement in meetings with MCOs
  - Involvement with how dollars will flow to PPS partners with global payment arrangements
  - Need to develop a new internal budget model centered around patients

- Assist the PPS in efforts to stabilize other failing providers in the PPS, and get paid for it!