

A red-tinted image of the Statue of Liberty's head and crown, positioned on the right side of the top banner. The background of the banner features a perspective grid of lines receding into the distance.

# CHCANYS Conference

NYS Department of Health  
October 21, 2014





# Agenda

- ✓ **Rate Setting Process**
- ✓ **FY 2015 Global Cap**
- ✓ **Update on Major Initiatives**
- ✓ **Waiver Overview**
- ✓ **Questions**



# Rate Setting Process



# Statewide Rate Processing

## ❑ **Statewide Rate Processing Steps:**

### ❑ **Analyst develops rate package**

- Extraction of data
  - ✓ Is the data available?
- Impact development
- Rate sheet development
- Division of the Budget letter
- Dear Administrator letter

### ❑ **Statewide rate package is completed and submitted for internal department review**

- Supervisor
- Chief Health Care Fiscal Analyst
- Bureau Director
- Assistant Division Director
- Division Director
- Medicaid Director

### ❑ **Rates provided to Managed Care Unit for wrap rate development**

### ❑ **Appeal packet submitted to the Division of the Budget for review and approval**

- Similar chain as the Department of Health



# Statewide Rate Processing

## ❑ **Statewide Rate Processing Steps Continued:**

### ❑ **When Division of the Budget approval received**

- Rates prepared for loading to eMedNY system
  - ✓ Transmittal document with electronic transmission of rate
  - ✓ All rate codes, All locations
- Approval requested from Division office for loading of rate due to Global Cap affect
- Rate transmitted and documentation forwarded
  - ✓ Overnight load process
  - ✓ Electronic file run thru edits
  - ✓ Edit review
  - ✓ Thursday cycle processing

### ❑ **Health Commerce System**

- Programming developed for posting
  - ✓ Dear Administrator letter
  - ✓ Rate Sheet



# Appeal Rate Processing

## □ Appeal Rate Processing Steps:

- **Providers submit an appeal request to BAMCR**
  - ❖ Mr. Michael Ogborn  
Director  
Bureau of Acute and Managed Care Rate-Setting  
One Commerce Plaza – Room 1405  
99 Washington Avenue  
Albany, New York 12210
  - **Change to be implemented**
    - ✓ Moving to email submission for appeals and acknowledgements
    - ✓ Using [dtcffsunit@health.ny.gov](mailto:dtcffsunit@health.ny.gov)
- **Appeal request is reviewed for appropriateness by rate analyst**
- **Appeal number assigned and acknowledgement letter sent to provider**
- **Appeal is developed for Fee-for-Service rate:**
  - Fee-for Service Rate Calculations
  - Bureau Recommendation
- **Appeal Medicaid Managed Care Wrap Rate developed**
  - Analyst calculate
  - Supervisor reviewed



# Appeal Rate Processing

## ❑ Appeal Rate Processing Steps:

- ❑ **Appeal packet is completed and submitted for internal department review**
  - Fee-for-Service Supervisor
  - Chief Health Care Fiscal Analyst
  - Bureau Director
  - Assistant Division Director
  - Division Director
  - Medicaid Director
- ❑ **Appeal packet submitted to the Division of the Budget for review and approval**
  - Similar chain as the Department of Health



# Appeal Rate Processing

## □ Appeal Rate Processing Steps Continued:

### □ When Division of the Budget approval received

- Rate prepared for loading to eMedNY system
  - ✓ Transmittal document with electronic transmission of rate
- Division office approval for loading of rate due to Global Cap affect
- Rate transmitted and documentation forwarded
  - ✓ Overnight load process
  - ✓ Electronic file run thru edits
  - ✓ Edit review
  - ✓ Thursday cycle processing

### □ Bureau recommendation mailed to Provider

- Recommendation letter, appeal packet and attachments, if applicable
- Hardcopy mailed - certified





# Adding a Rate to eMedNY for a New Provider or New Location

## ❑ Processing Steps:

### ❑ Location rate establishment

- New Provider
  - ✓ Provider submits enrollment application (refer to Contacts)
  - ✓ Provider Enrollment forwards a “Rate Setter Notification” to the BAMCR contacts with eMedNY details
  - ✓ Rate loaded when provider’s appeal has received Division of the Budget approval
- New location based on Certificate of Need Application
  - ✓ Provider Enrollment forwards a “Rate Setter Notification” to the BAMCR contacts with eMedNY details
- Provider Enrollment contact: [providerenrollment@health.ny.gov](mailto:providerenrollment@health.ny.gov)

### ❑ If a provider with FQHC locations

- Provider contacted for HRSA approval
- Copy of “Rate Setter Notification” provided to Medicaid managed care for wrap rate

### ❑ Rate Loading

- Rate prepared for loading to eMedNY system
  - ✓ Transmittal document with electronic transmission of rate
- Approval requested from Division office for loading of rate due to Global Cap affect
- Rate transmitted and documentation forwarded
  - ✓ Overnight load process
  - ✓ Electronic file run thru edits
  - ✓ Edit review
  - ✓ Thursday cycle processing



# Processing Order

## ❑ Processing Order:

### ❑ Prioritize

- Payment Issues
- Appeals
  - ✓ Provider does not have a Medicaid rate
  - ✓ Provider is converting to an FQHC rate
  - ✓ Added Capital or Scope of Services

## ❑ Appeals:

**By Appeal Type**

Appeal Type	FQHC	Non-FQHC	Total
New Provider / Convert to FQHC	2	12	14
Added Capital / Capital Revisions	4	12	16
Scope of Services	2	N/A	2
<b>Total</b>	<b>8</b>	<b>24</b>	<b>32</b>

**By Status**

Status	FQHC	Non-FQHC	Total
Waiting Processing / Initial Review	5	17	22
At the Division of the Budget	1	1	2
Final Processing	2	6	8
<b>Total</b>	<b>8</b>	<b>24</b>	<b>32</b>



# Additional Processing Information

## ❑ Information to facilitate processing:

### ❑ Use email account

- [dtcffsunit@health.ny.gov](mailto:dtcffsunit@health.ny.gov) or [bmcrcr@health.ny.gov](mailto:bmcrcr@health.ny.gov)

### ❑ Health Commerce System (HCS)

- Facilities need to have access

### ❑ Subscribe to the Department's website (APG)

- Information for FQHCs posted
- [http://www.health.ny.gov/health\\_care/medicaid/rates/apg/](http://www.health.ny.gov/health_care/medicaid/rates/apg/)

### ❑ Medicaid Provider Enrollment applications submitted

## ❑ Future consideration for appeals processing



# Health Commerce System (HCS)

## ❑ Health Commerce System:

[https://commerce.health.state.ny.us/hcsportal/hcs\\_home.portal](https://commerce.health.state.ny.us/hcsportal/hcs_home.portal)

### ❑ Communication Tool

- Secure network for posting provider information
  - ✓ FQHC & APG Capital Rate Sheets, AHCF Cost Report, Indigent Care
- Keep email address current
  - ✓ Facility's responsibility
  - ✓ Email blast separate from public website Electronic Mailing List
- Removal of employee when they leave your employment

### ❑ HCS Contacts

- Commerce Accounts Management Unit (CAMU): 1-866-529-1890
  - ✓ HCS accounts
  - ✓ Password resets
  - ✓ removal of employee
  - ✓ New DTC to get established on the HCS
  - ✓ DTC does not have a Director or Coordinator
- General HCS inquiries: 518-473-1809
  - ✓ Ask for Commerce Trainers
- BAMCR at [dtcffsunit@health.ny.gov](mailto:dtcffsunit@health.ny.gov)
  - ✓ Receiving access to the D&TC applications



# Contacts

## ❑ Bureau of Acute & Managed Care Rate Setting (BAMCR)

- Fee-for-Service Unit: [dtcffsunit@health.ny.gov](mailto:dtcffsunit@health.ny.gov)
- Managed Care Unit: [bmcr@health.ny.gov](mailto:bmcr@health.ny.gov)

## ❑ Contacts outside of BAMCR:

- **Contact Computer Sciences Corporation (CSC) at 800-343-9000**
  - ✓ Has my Provider Enrollment application been received?
  - ✓ What is the status of my Provider Enrollment application?
  - ✓ How do I submit a claim or why did my claim deny?
- **Medicaid Financial Management at [mfm@health.ny.gov](mailto:mfm@health.ny.gov)**
  - ✓ Liability balance
  - ✓ Payment on a liability
- **Contact Provider Enrollment at [providerenrollment@health.ny.gov](mailto:providerenrollment@health.ny.gov)**
  - ✓ Is my location established on eMedNY?
- **Bureau of Vital Access Provider Reimbursement at [bvapr@health.ny.gov](mailto:bvapr@health.ny.gov)**
  - ✓ Questions regarding AHCF Cost Report
- **Bureau of Federal Relations and Provider Assessments at [william.hogan@health.ny.gov](mailto:william.hogan@health.ny.gov)**
  - ✓ Questions regarding Indigent Care

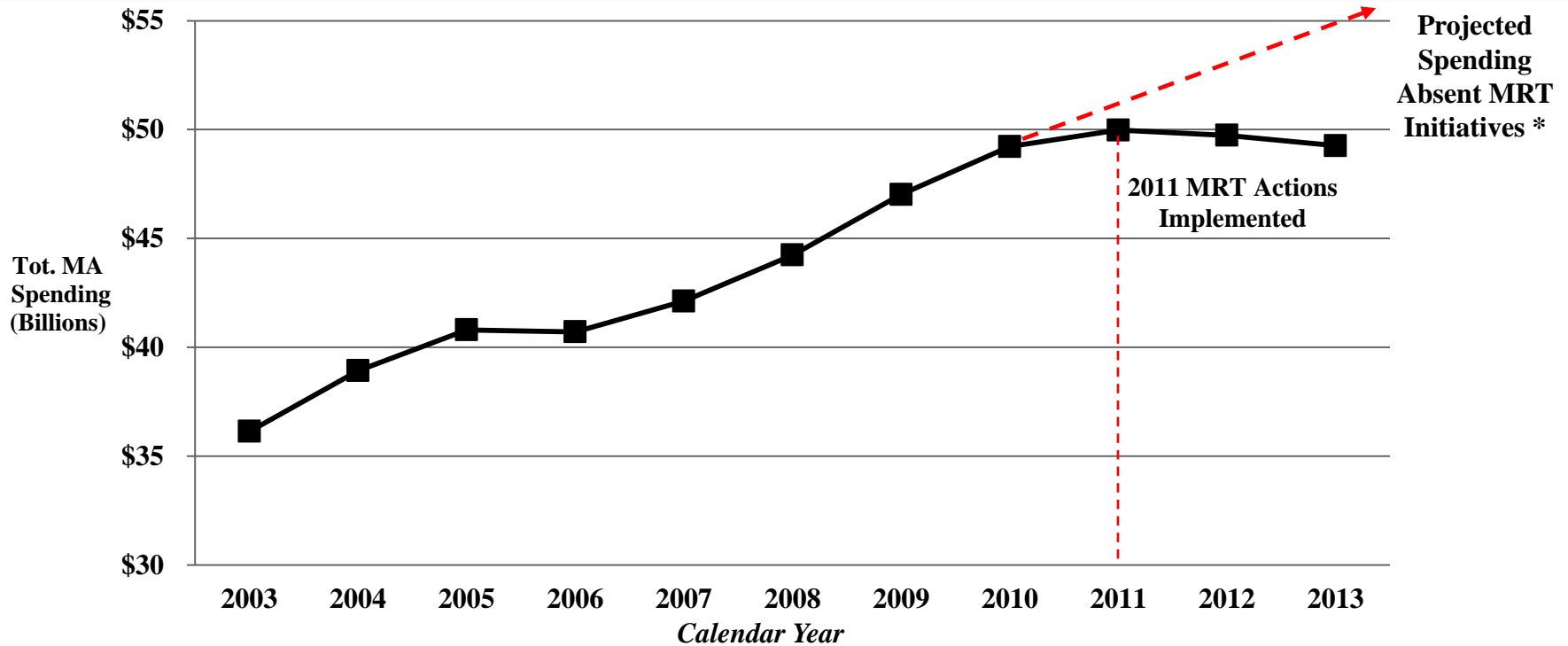
# Total Medicaid Spending Over Time



**State Fiscal Years 2003-13**



# NYS Statewide Total Medicaid Spending (CY2003-2013)

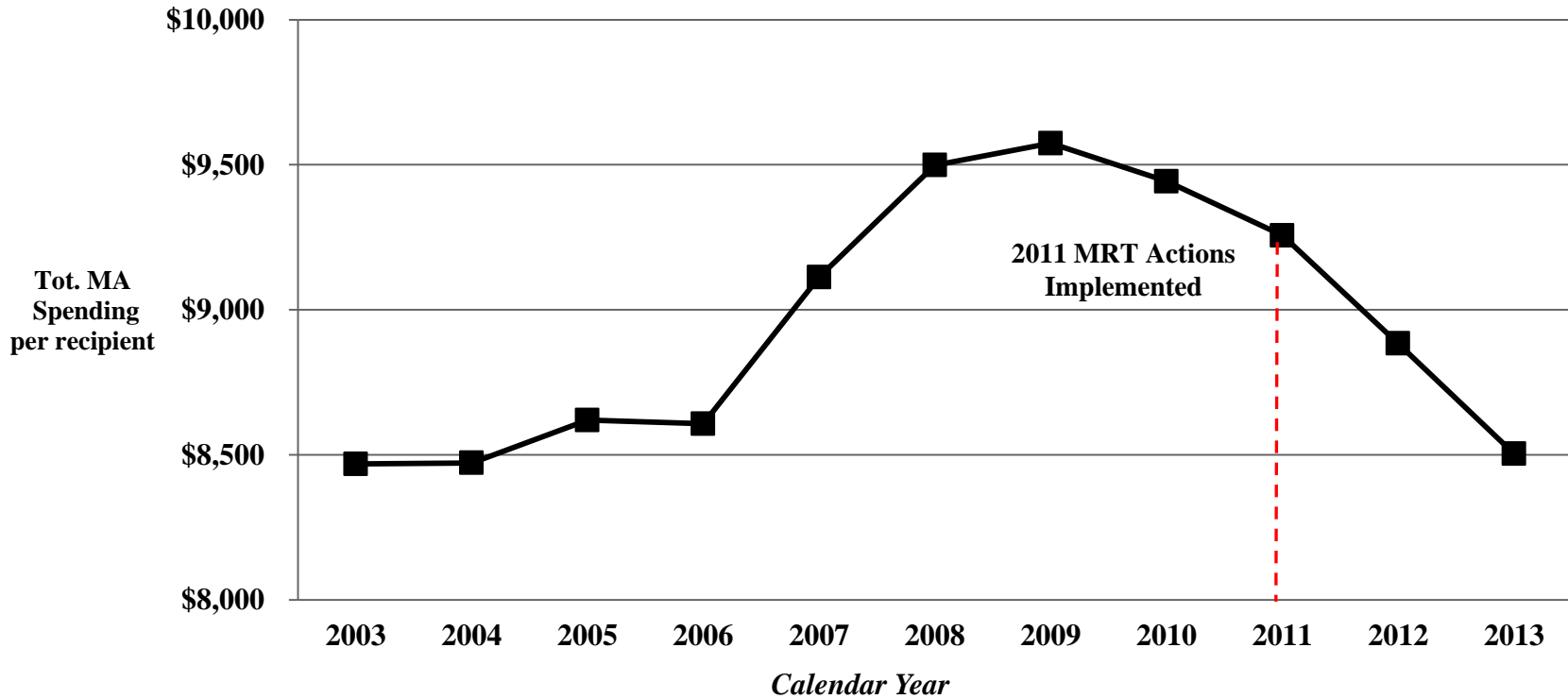


	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b># of Recipients</b>	4,267,573	4,594,667	4,733,617	4,730,167	4,622,782	4,657,242	4,911,408	5,212,444	5,398,722	5,598,237	5,792,568
<b>Cost per Recipient</b>	\$8,469	\$8,472	\$8,620	\$8,607	\$9,113	\$9,499	\$9,574	\$9,443	\$9,257	\$8,884	\$8,504

\*Projected Spending Absent MRT Initiatives was derived by using the average annual growth rate between 2003 and 2010 of 4.28%. Excluded from the 2013 total Medicaid spending estimate is approximately \$5 billion in "off-line spending (DSH, etc.)"



# NYS Statewide Total Medicaid Spending per Recipient (CY 2003-2013)

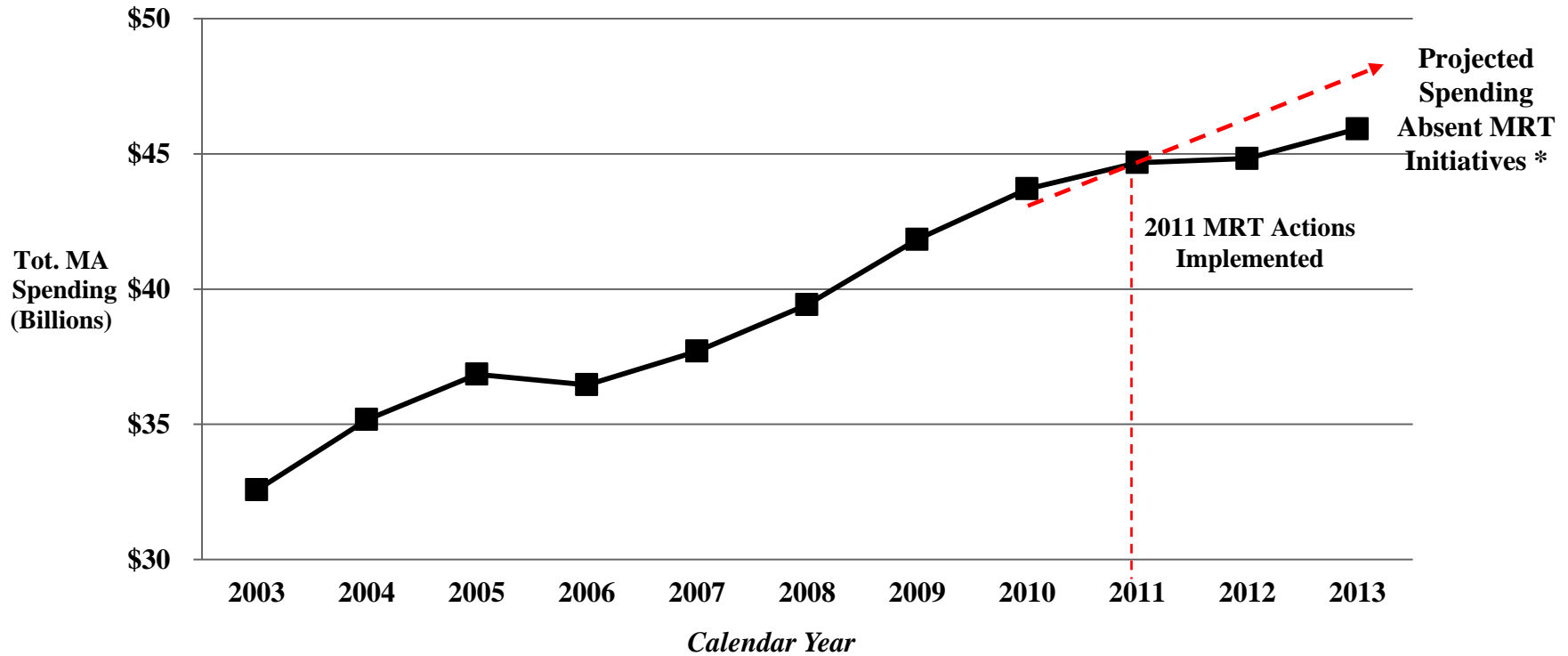


	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b># of Recipients</b>	4,267,573	4,594,667	4,733,617	4,730,167	4,622,782	4,657,242	4,911,408	5,212,444	5,398,722	5,598,237	5,792,568
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# NYS Statewide Total Medicaid Spending for All Categories of Service Under the Global Spending Cap (CY 2003-2013)

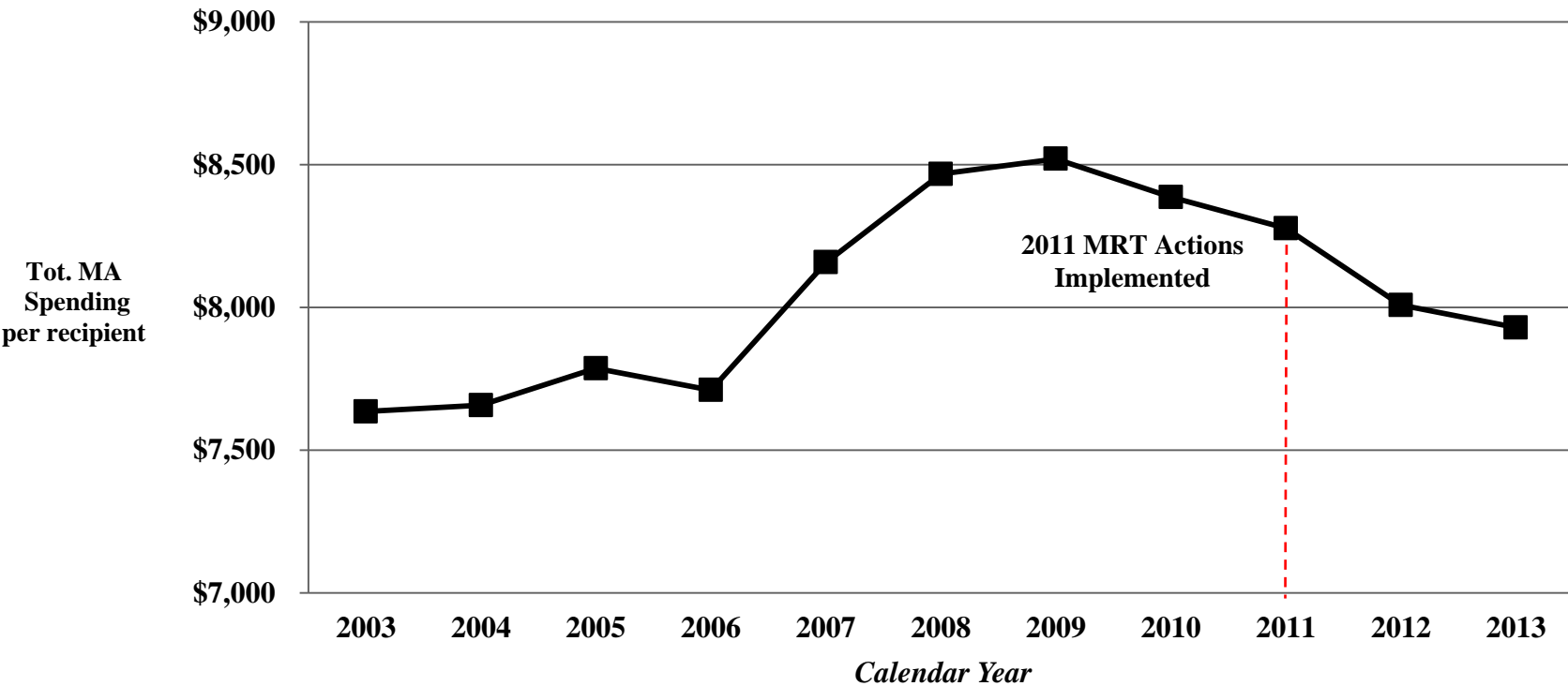


	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b># of Recipients</b>	4,266,538	4,593,566	4,732,564	4,729,167	4,621,911	4,656,361	4,910,528	5,211,559	5,397,870	5,597,551	5,791,893
<b>Cost per Recipient</b>	\$7,635	\$7,657	\$7,787	\$7,710	\$8,158	\$8,467	\$8,520	\$8,386	\$8,277	\$8,008	\$7,929

\*Projected Spending Absent MRT Initiatives was derived by using the average annual growth rate between 2003 and 2010 of 4.28%.



# NYS Statewide Total Medicaid Spending per Recipient for All Categories of Service Under the Global Spending Cap (CY 2003-2013)



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<b># of Recipients</b>	4,266,538	4,593,566	4,732,564	4,729,167	4,621,911	4,656,361	4,910,528	5,211,559	5,397,870	5,597,551	5,791,893
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# Where We Are



*Current State of Medicaid*

# Current Status of Medicaid Global Cap

## Medicaid Spending – FY 2015 (dollars in millions)

Category of Service	Estimated	Actual	Variance Over / (Under)
<b>Medicaid Managed Care</b>	\$1,016	\$999	(\$17)
Mainstream Managed Care	\$750	\$732	(\$18)
Long Term Managed Care	\$266	\$267	\$1
Family Health Plus	\$59	\$62	\$3
<b>Total Fee For Service</b>	\$686	\$677	(\$9)
Inpatient	\$278	\$276	(\$2)
Outpatient/Emergency Room	\$36	\$43	\$7
Clinic	\$56	\$60	\$4
Nursing Homes	\$320	\$307	(\$13)
Other Long Term Care	\$73	\$71	(\$2)
Non-Institutional	(\$77)	(\$80)	(\$3)
<b>Medicaid Administration Costs</b>	\$38	\$33	(\$5)
<b>OHIP Budget / State Operations</b>	\$18	\$7	(\$11)
<b>Medicaid Audits</b>	(\$35)	(\$32)	\$4
<b>All Other</b>	\$315	\$344	\$29
<b>Local Funding Offset</b>	(\$709)	(\$709)	\$0
<b>TOTAL</b>	<b>\$1,388</b>	<b>\$1,381</b>	<b>(\$7)</b>

- Total State Medicaid expenditures under the Medicaid Global Spending Cap for FY 2015 through April are \$7 million or 0.5 percent under projections. Spending for FY 2015 resulted in total expenditures of \$1.38 billion compared to the projection of \$1.39 billion.

# Global Cap Risk Factors

- ❑ ACA enrollment – We are now serving more people than ever before: **6,269,841** (*for Calendar Year 2013*).
- ❑ \$300 million contribution to the financial plan (tax cut) and \$445 million transfer to the Mental Hygiene Stabilization Fund.
- ❑ Full implementation of Wage Parity in NYC for SFY14-15 is \$420 million. The distribution is as follows:
  - ✓ MLTC Risk Rates - \$225M; MLTC Mandatory Rates - \$75M; Fee-For-Service - \$50M; Quality Incentive Vital Access Provider Pool (QIVAPP) - \$70M
- ❑ Complex year with lots of “puts and takes.” Need to monitor very closely.



# VAP/Safety Net Program

- ❑ 2014-15 Enacted Budget includes \$194 million in VAP funding of which \$30 million continues to be set aside for Financially Disadvantage Nursing Homes.
- ❑ Over 180 applications, with a total estimated request of \$1.2 billion (excluding capital), have been received to date.

<i>(dollars in millions)</i>	2013-14	2014-15
<b>Total Funding Available</b>	<b>\$182</b>	<b>\$194</b>
VAP Awards (committed in 2013-14)	\$156	\$62
VAP Awards (to be committed in 2014-15)	N/A	\$83
<b>Remaining Funding Available</b>	<b>\$26</b>	<b>\$49</b>
Move 13/14 into 14/15	(\$26)	\$26
<b>Available Funds</b>	<b>\$0</b>	<b>\$75</b>

- ❑ Available Funds are to be used to support providers as they transition to DSRIP or those providers that do not qualify for DSRIP.

# Big Reforms Ahead: Agenda for the Next Six Months

- **Nursing Home benefit being carved into managed care: January 2015**
- **FIDA – Fully Integrated Duals Advantage Program:**
  - ✓ *NYC/Nassau County: Voluntary enrollment begins on January 1, 2015 with passive in April 2015.*
  - ✓ *Westchester/Suffolk Counties: Voluntary enrollment begins April 1, 2015 with passive in July 2015.*
- **HARP/Behavioral Health Carve-In**
  - ✓ *April 1, 2015 — BH Adults transition in NYC*
  - ✓ *October 1, 2015 — BH Adults transition Rest of State*
  - ✓ *April 1, 2016 — BH Children transition Statewide*

# MRT Waiver Amendment

**On April 14, 2014 Governor Andrew M. Cuomo announced that New York finalized agreement with the Federal government for a groundbreaking waiver that will allow the State to reinvest \$8 billion in Federal savings generated by Medicaid Redesign Team (MRT) reforms.**

- ❑ Allows the state to reinvest \$8 billion of the \$17.1 billion in federal savings generated by MRT reforms.
- ❑ Funds will address critical issues throughout the State and allow for comprehensive reform through a Delivery System Reform Incentive Payment (DSRIP) program. The program will:
  - Focus on system reform, specifically a goal to achieve a 25 percent reduction in avoidable hospital use over five years.
  - Payments are based on performance and outcome milestones.
  - Require providers to collaborate to implement innovative projects focusing on system transformation, clinical improvement and population health improvement.



# MRT Waiver Allocation Plan

## The \$8 billion reinvestment will be allocated in the following ways:

- ❑ **\$500 Million for the Interim Access Assurance Fund (IAAF)** – Time limited funding to ensure current trusted and viable Medicaid safety net providers can fully participate in the DSRIP transformation without unproductive disruption.
- ❑ **\$6.42 Billion for Delivery System Reform Incentive Payments (DSRIP)** – Including DSRIP Planning Grants, DSRIP Provider Incentive Payments, and DSRIP Administrative costs and DSRIP related Workforce Transformation.
- ❑ **\$1.08 Billion for other Medicaid Redesign Purposes** – This funding will support Health Home development, and investments in long term care workforce and enhanced behavioral health services, (1915i services).

# Value Based Payments

**Per Special Terms & Conditions §39, all contracted MCOs must employ non-fee-for-service payment systems that reward value over volume for at least 90% of all their provider payments by Waiver Year 5**

- ❑ The goals of Value Based Payment Reform is to:
  - Create integrated delivery systems that are more accountable for quality of care provided and make providers assume greater financial risk;
  - Increase the linkage between quality and cost; and
  - Ensure service delivery focuses on high-quality care at a lower cost in a coordinated full continuum of care within emerging Performing Provider Systems (PPS)



# Questions