Executive Budget Proposal SFY 14-15

Summary for CHCANYS Public Policy Committee

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Agenda

- Process
- Events leading up to the Budget
- Specific Proposals
  - Block granting
  - Indigent Care
  - Workforce
  - Retail Clinics
  - Elimination of Family Health Plus

PROCESS

- State Constitution requires budget by April 1
- Executive proposes
- Legislature has limited authority to change
- Negotiations
- Election year:
  - Likely on time
  - Focus on tax cuts, economy, jobs

Process, cont.

- February 11 Governor's 21-Day Amendments
- February 20 Governor's 30-Day Amendments

On or before

- February 25 Senate/Assembly Fiscal Committee Economic & Revenue Reports Released
- February 26 Joint Revenue Forecasting Conference
- March 1 Revenue Consensus Report
- March 12 Senate & Assembly budget actions
- March 12 Joint Senate/Assembly budget conference committees commence
- March 19 Final Report of Joint Conference Committee
- March 24-27 Joint Legislative budget bills taken up by Senate & Assembly

Pre-Budget Activity

- 1115 Waiver Negotiations
- PHHPC CON Reform meetings and recommendations

Executive Proposal

- General observations
  - Election year
    - No cuts
    - Limited controversy
  - Reflects Status of Waiver negotiations
    - State-only dollars for activities CMS will not fund through Waiver

MEDICAID

- Extension of Global Cap
- Health Home: dollars for infrastructure and $5M for a new criminal justice HH program
- Reinvestment of Medicaid Savings
  - Subject to FFP, DOH (in consultation w/ DOB) may distribute amounts saved in the Medicaid program subject to "an allocation plan that utilizes a methodology that distributes such funds proportionately among [Medicaid] providers and plans."
  - At least 50% to providers
  - No more than 50% to assist financially distressed providers

Medicaid: Behavioral Health

- **Additional reinvestment pools for BH services/providers**
  - reinvestment of dollars saved via closing Inpatient BH services
  - Reinvestment realized by transition of populations to managed care for the purpose of increasing access to community-based BH services

- Collaborative Care Clinical Delivery Model
  - Authorize DOH (in consultation w/ OMH) to establish evidence-based collaborative care delivery model in Art. 28 clinics to improve detection of depression, mental or SUD disorders, and integrated treatment.
  - Criteria to be developed, but screening, care management to be provided.
  - Rates and billing TBD

- Allow DOH, OMH, OASAS, OPWDD to issue emergency regs to implement **co-located** services

Basic Health Plan

- Would allow establishment of basic health plan to cover noncitizens lawfully admitted for permanent residence or are permanently residing in US under color of law
  - Under age 65
  - Not eligible for employer-sponsored coverage
  - MAGI eligible (income below 200% FPL and over 133% FPL – but legal aliens under 133% FPL would be eligible) AND
  - Would be ineligible for Medicaid due to immigration status
- Contingent on FFP
- Comm’r to establish premiums and cost-sharing
  - up to $20/Month for individual with household income above 150%FPL AND
  - no payment for under 150%FPL
  - cost sharing TBD
- Basic health benefits trust to be established to help provide health benefits

WAIVER

- **State Investments**
  - **Health Information Technology**
    - All-Payer Database funding
    - SHIN-NY: Funding to link RHIOs to establish interoperable State Health Information Network
  - **Regional Health Planning**: $7M to establish 11 Regional Health Improvement Collaboratives (RHICs) across the State. To grow to $16M in SFY15-16.

- **Preparation**
  - Would exempt from procurement rules/competitive bid contracts necessary to implement Waiver initiatives.
  - Would allow expedited amendment of existing contracts to accommodate DSRIP, supportive housing, managed care transitions
  - Would allow Comm'rs of DOH and O agencies to waive regulatory requirements to allow joint projects under DSRIP

CAPITAL

- **$1.2 Billion Capital Restructuring Finance Program**
  - under joint administration of DASNY and DOH
  - to transform system to be more patient-centered and improving population health
  - 7 years: 4/1/14-3/31/21
  - No competitive bid or RFP process
  - Capital grants available to hospitals, D&TCs, residential health care facilities, clinics licensed by DOH, OMH or OASAS
  - Capital works eligible for grants include: closures, mergers, restructuring, improvements to infrastructure, development of primary care service capacity, promotion of integrated delivery systems to strengthen or protect access to essential health care services
  - Criteria for evaluation of applications to be developed re eligibility, geographic distribution, minimum and maximum amounts of awards, community need requirements, access to alternative financing
  - Preference given to applicants that are DSRIP eligible (program to be coordinated w/ DSRIP and other reform initiatives)

CAPITAL, CONT.

- Health Facility Restructuring Program:
  - Would allow NFP D&TCs and other NFPs w/ Art. 28 license to access program
  - Loan program
  - $19.2M added to pool
- Private Equity Demo

CON REFORM

- **Limited Service Clinics (Retail Clinics)**
  - Allow D&TCs in retail settings operated by legal entities (not natural persons) w/ stockholders w/ DOH approval.
  - Retail setting: examples include pharmacy, shopping mall, store open to the general public
  - Subject to PHHPC review/approval. PHHPC to adopt rules/regs for review, including
    - Direct or indirect transfers of ownership/voting rights
    - Local governance and oversight of owner
    - Character and competence requirements
  - Allow for DOH to issue regulations on physical plant requirements
  - Requires regulations to promote primary care through integrating LSCs w/ PCPs and referring patients to appropriate providers (including PCPs) and record transmission requirements
  - Deemed to be a health care provider

CON REFORM, CONT.

- **Primary Care Services/Facilities**: Would exempt hospitals and D&TCs from public need and financial review requirements for applications to
  - construct primary care services facility; or
  - undertake construction that does not involve a change in capacity, the types of services provided, major medical equipment, facility replacement or the geographic location of services
- **Character & Competence**:
  - would reduce look-back period from 10 to 7 years for character & competence reviews
  - would also allow for person to show that any violations were not attributable to that person/operator.
- **Upgraded D&TCs:** Would repeal authorizing language

CON REFORM, CONT.

- **Office-Based Anesthesia and Office-Based Surgery**
  - Would establish definition of urgent care provider as one providing treatment on an unscheduled basis for acute illness or minor traumas that are not life-threatening, disabling or require ongoing monitoring. Would impose marketing/signage rules.
  - PHHPC to adopt regulations/rules (w/ DOH approval), including on integration of services and referral of patients to other appropriate providers

Other Items & Appropriations

- Indigent Care Funding for D&TCs: $54.4M
- Adirondack Medical Home extension through 4/1/17
- CHP Rate setting would be moved from DFS to DOH
- Out of Network proposal
- Prenatal Health for Uninsured women pending health insurance enrollment
- Flat funding (i.e., same as last year) for migrant farm workers, rural health and workforce development

Questions?