



Medicaid Redesign Team Waiver Public Hearing

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Agenda

- Overview of MRT Multi-Year Action Plan:
Better Care, Better Health, Lower Costs
- Impact of National Health Care Reform:
The Need to Prepare
- MRT Waiver Amendment: ***The Path Forward***
- Public Hearing





MRT Action Plan Overview



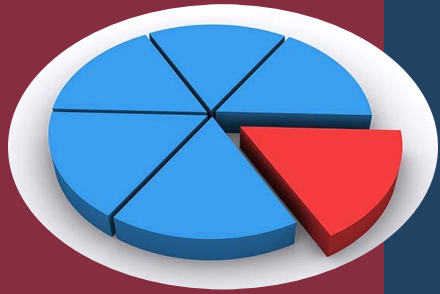
Medicaid Redesign Team Multi-Year Action Plan

- **PLAN GOAL – Achieve the Triple Aim**
 - *Improve Care*
 - *Improve Health*
 - *Reduce Costs*



Medicaid Redesign Team Multi-Year Action Plan

- Governor Cuomo created the MRT to redesign New York's Medicaid program to ensure that it was sustainable.
- The MRT action plan was developed after months of stakeholder/citizen engagement and reflects a level of consensus that is unprecedented in how to reform the program in New York State.
- The MRT action plan, which will take five years to fully implement, is the most sweeping Medicaid reform plan in state history.



Key Elements of the Plan

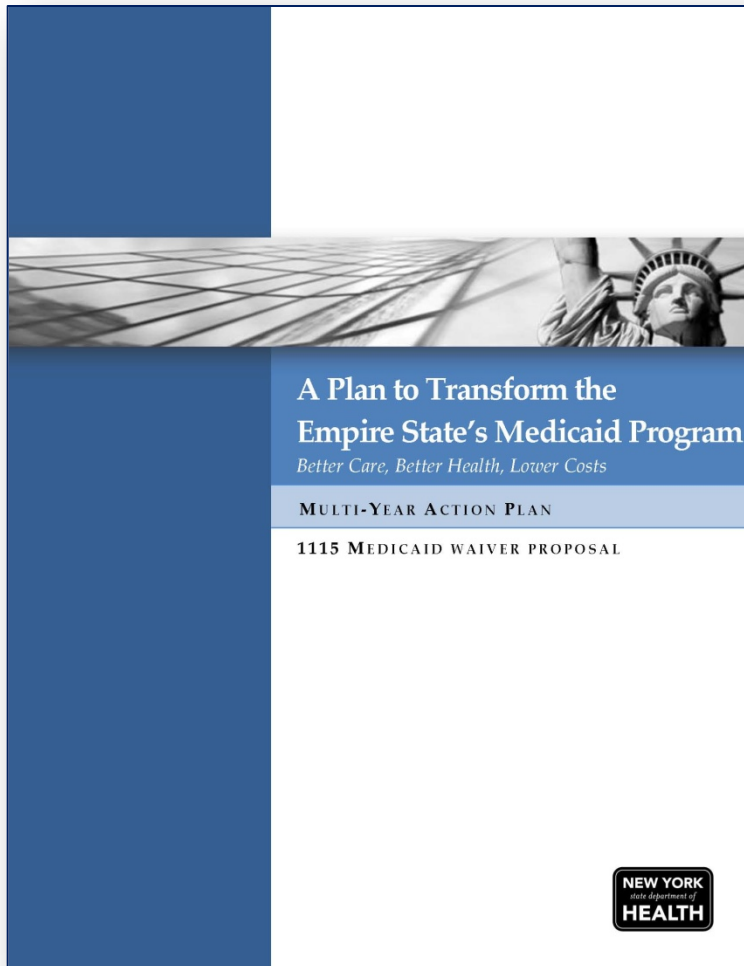


Key Elements of the Plan

- Global Spending Cap
- Care Management for All
- Health Homes and Patient Centered Medical Homes
- Strengthening/Transforming the Health Care Safety Net
- Supportive Housing
- Health Care Workforce Training



MRT Action Plan



*Download your copy of
the MRT Action Plan at:*

www.health.ny.gov/health_care/medicaid/redesign/docs/mrtfinalreport.pdf.



The Impact of National Health Care Reform



The Impact of National Health Care Reform

- The Affordable Care Act will ensure that one million New Yorkers gain access to health insurance, many for the first time.
- These newly enrolled individuals will seek care which will put a strain on the state's health care system.
- Smart reinvestments are needed to ensure that the state's health care delivery system is up to the task of meeting the needs of all New Yorkers.
- ACA implementation, while a challenge, is a great opportunity to significantly reduce the uninsured rate and improve overall population health.



MRT Waiver Amendment

The Path Forward



What is an 1115 Waiver?

- A waiver is an agreement between the state and the federal government which allows the state greater flexibility to administer the program and/or invest savings to implement innovations that improve care, increase efficiency, and reduce costs. Generally, 1115 waivers are approved for a five year period. Waivers must be “budget neutral” meaning that during the course of the project federal spending will not be more than federal spending without the waiver.



Why is this Important?

- This would be one of the largest waivers in history approved by the Centers for Medicare & Medicaid Services (CMS).
- Successful implementation of MRT initiatives has allowed the state the unique opportunity to bend the cost curve for the state's health care system.
- New York State would be well positioned to lead the nation in Medicaid reform and in Affordable Care Act (ACA) implementation, resulting in sweeping changes to the health care delivery system and benefiting all New Yorkers.



MRT Waiver Amendment

- New York requires a groundbreaking new Medicaid 1115 waiver amendment in order to fully implement the MRT action plan and prepare for health care reform.
- The waiver will allow the state to reinvest a portion of the federal savings generated by the MRT action plan.
- The waiver amendment will require federal approval. We are hoping to be able to reinvest up to \$2 billion per year over five years as a result of this effort.



MRT Waiver Amendment

- The waiver presents a unique opportunity to address underlying health care delivery problems:
 - ✓ *Lack of high quality primary care options;*
 - ✓ *A weak health care safety net;*
 - ✓ *The fact that even after ACA implementation 1.7 million New Yorker's will still be uninsured;*
 - ✓ *Health disparities continue to exist;*
 - ✓ *Providers are not ready for the transition to care management for all (end of FFS Medicaid).*

What the Waiver Amendment Isn't





What the Waiver Amendment Isn't

- Opportunity to “back fill” for previous cuts in funding.
- Money can't fund “business as usual” - funds must be linked to meaningful reforms.
- Funds must be linked to the implementation of the MRT action plan and ACA implementation.
- The waiver amendment is not guaranteed. We need to make a strong case to allow us to reinvest federal savings but will need to obtain federal approval.



MRT Waiver Amendment Reinvestment Strategy (Draft)



Background on the Reinvestment Strategy

- This strategy remains DRAFT and we are here today to obtain your feedback on this proposed strategy.
- The strategy attempts to both fully implement the MRT action plan as well as address underlying problems in the health care delivery system that could prevent successful implementation of the Affordable Care Act (ACA).
- This strategy outlines 13 “programs” that would provide targeted funding opportunities for a variety of initiatives.



Background on the Reinvestment Strategy

- The goal at this stage is to determine the relative worth of each program as well as “flesh out” the details of how each program would work.
- We currently are not looking for specific proposals/ideas that could be funded under the programs. There will be an opportunity to apply for funding after the waiver is approved.
- Finally, are we missing something? Is there a key initiative not included in our plan that is essential to implementing the MRT plan or preparing for the ACA?



New York's Reinvestment Strategies



Primary Care Expansion

- Program will provide capital funding for health care providers to modernize and expand their facilities in preparation for one million more New Yorkers gaining access to health insurance.
 - ✓ *Special focus will: (1) expand access to high quality primary care; and (2) convert existing hospital capacity into new ambulatory settings.*
- **Purpose:** To ensure that virtually all New York Medicaid beneficiaries have access to PCMHs for primary care.
 - ✓ *All applicants are required to be NCQA accredited PCMHs;*
 - ✓ *Special preference will be given to applicants that actively participate in state-designated Health Homes.*
- Consistent with ACA provisions which will increase Medicaid payments for primary care.



Health Home Development

- New York State continues to be the nation's leader in Health Home development:
 - ✓ *Achieving creative new partnerships coordinating care for New York's sickest and highest cost patients;*
 - ✓ *Aligning care management with prioritized housing to directly address homelessness as a major social determinate of poor health;*
 - ✓ *Providing a bridge to long term financial sustainability.*
- Innovative funding will provide both capital and temporary operating support for Health Homes -- mature health homes will be funded by a mix of Medicaid care coordination payments and shared savings arrangements.



New Care Models

- Medicaid reform must also mean health care system reform:
 - ✓ *Ending FFS Medicaid and implementing a system of care management for all;*
 - ✓ *Ensuring that providers are truly working together to improve patient outcomes and lowers costs;*
 - ✓ *Breaking down traditional delivery silos through new models of care such as ACOs, hospital/nursing home partnerships that better manage transitions in care, telehealth initiatives, and new approaches that integrate physical and behavioral health services.*
- New York State will use waiver funds to launch new partnerships and test new models of care that could be replicated elsewhere.



Vital Access Provider and Safety Net Provider Program Expansion

- New York has two programs designed to assist uniquely situated and financially challenged hospitals, nursing homes, D&TCs and home health providers:
 - ✓ **SAFETY NET PROVIDER PROGRAM:** *Short-term funding to achieve defined operational goals such as a facility closure, merger, integration or reconfiguration of services.*
 - ✓ **VITAL ACCESS PROVIDER PROGRAM (VAP):** *Longer term support to ensure financial stability and advance ongoing operational changes to improve community care.*
- **Uniquely Qualified:** Facilities eligible for these funds must be financially challenged and provide services to a high volume of Medicaid/uninsured patients and/or are essential given their location and status as a sole community provider (i.e., certain rural facilities).
- **Accountability:** In order to qualify for funding providers must submit a plan with benchmarks for achieving approved goals (i.e., quality, efficiency, and advancing community health needs).



Public Hospital Innovation

- While the ACA will reduce the number of uninsured, hospitals will continue to provide vital care to Medicaid patients and meet the challenges of uncompensated care:
 - ✓ *New York must fundamentally reform the way it provides care to the uninsured now largely funded through emergency Medicaid;*
 - ✓ *Developing a new demonstration program to provide “pre-emergency” Medicaid services to uninsured individuals;*
 - ✓ *Providing uninsured patients suffering from multiple chronic illnesses with access to a cost-effective primary care benefit will both improve patient outcomes and lower overall Medicaid spending.*
- Waiver resources will be used to fund these primary care services as well as to track results and savings.



Medicaid Supportive Housing

- This new program will expand access to supportive housing for high needs/high Medicaid cost members.
- Social determinants of health are paramount.
- Supportive housing will bend the Medicaid cost curve.
- Housing projects will target health home eligible Medicaid members with complex health conditions.



Managed Long Term Care

- Move to care management for all in the long term care area requires investment in provider capabilities.
- Long Term care providers including nursing homes need additional investments to prepare for the future.
- Nursing home capital costs vary widely dependent on modernization efforts.
- Nursing homes should not be disadvantaged by recent efforts toward rightsizing and other improvements.



Capital Stabilization for Safety Net Hospitals

- New York's not-for-profit safety net hospitals are at risk and are not prepared to create new models of healthcare delivery.
 - ✓ *Many causes for distress but many operate with high debt levels and in antiquated facilities.*
- Program will assist in debt reduction/restructuring and provide capital funds to modernize needed facilities.
 - ✓ *Will include the expense for closure of unneeded hospital beds.*
 - ✓ *Will require hospitals to demonstrate how these funds will prepare them for both ACA implementation and payment reform.*
 - ✓ *Hospitals that actively participate in Health Homes will be given special consideration.*



Hospital Transition

- **Hospitals need to be active partners in provider delivery transformation.**
 - The future delivery model requires:
 - ✓ *focus on patient centered outcomes;*
 - ✓ *formal network of services which emphasize prevention, wellness, primary care and outpatient services;*
 - ✓ *alignment of funding based on patient centered outcomes through approaches like global budgeting.*
 - ✓ *reductions in hospital and emergency room utilization*
 - Transition will require assistance for capital investment in primary care/outpatient services linked to bed closures, workforce retraining, and developing outpatient networks.



Workforce Training

- Funding for training and re-training the state's health care workforce to meet changes in health system workforce needs and to promote patient-centered, team-based, coordinated care.
- Expanding the Doctors Across New York (DANY) program, and the newly enacted Primary Care Services Corps (PCSC) program that targets non-physician clinicians, in medically underserved communities.
- Paying teaching institutions to enhance salaries for residents who agree to work in a medically underserved community within the State upon completion of residency training with amounts further increased for residents who commit to work in a rural community.



Workforce Training (continued)

- Creating a Health Workforce Incentives and Opportunities Clearinghouse to provide up-to-date and timely information on current funding streams, healthcare opportunities and provide real-time data on areas in the State with health personnel shortages.
- Creating a Health Workforce Data Repository to allow for more comprehensive healthcare workforce data collection and analysis to ensure uniformity and consistency on all data collected in order to help contribute to informed decision-making.



Public Health Innovation

- This new program will employ comprehensive initiatives to improve maternal and child health in NYS particularly among racial and ethnic minorities, including statewide expansion of the successful Nurse-Family Partnership program.
- Medicaid coverage of Primary and Secondary Community-Based Chronic Disease Preventive Services including Medicaid coverage of home visits for environmental assessments to reduce incidence and ensure treatment for asthma and childhood lead poisoning; coverage of pre-diabetes screening, and interventions to prevent progression to diabetes.
- Medicaid Support of Water Fluoridation.



Regional Health Planning

Dramatic changes in the delivery system:

- Risk-based payment methodologies; new care models; improved access to health insurance; and emphasis on care coordination, patient engagement, and population health.

Changes call for collaborative, regional health planning that:

- Engages consumers, payers, providers and public health officials; and is driven by rigorous data analysis; builds community consensus and strategic partnerships around health care and healthy communities.

Focus is on demand for and supply of health care:

- Alignment of health care resources with community needs; and promotes patient engagement, coordinated care, appropriate health care utilization and healthy communities.



MRT and Waiver Evaluation Program

- Evaluation of key MRT proposals and waiver programs is needed to ensure that reforms are achieved and are aligned with the CMS Triple Aim.
- Funds will support dedicated state staff as well as outside researchers and experts.
- Measures for evaluation will align with national efforts including the National Quality Strategy, the National Priority Partnership and the CMS core measures for Medicaid.



MRT Public Hearing



Public Hearing Ground Rules

- We want to hear from as many people as possible.
- All speakers will have two minutes to present their idea(s).
- The purpose of this hearing is to gather feedback on the proposed waiver amendment and the proposed reinvestment strategies.
- We will document every idea we receive today.
- If you have specific concerns regarding the Medicaid program, please see Department staff.



Contact Information

We want to hear from you!

MRT Waiver e-mail:

mrtwaiver@health.state.ny.us

Subscribe to our listserve:

http://www.health.ny.gov/health_care/medicaid/redesign/listserv.htm

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