NEW YORK STATE | Department of Health | Medicaid Redesign Team

Reader's Guide

A Path toward Value Based Payment: Annual Update

June 2016: Year 2

New York State

Roadmap for Medicaid

Payment Reform

March 2016

Introduction to the Reader's Guide

The Reader's Guide for the 2016 Annual Roadmap Update is intended to walk the reader through the content that has been updated, altered, or removed from the original VBP Roadmap, published in June of 2015.[1] The primary structure and content of the Roadmap remain largely consistent, and the implementation details developed over the past year have been integrated into the document. The majority of the implementation details included in the Roadmap were developed by the five VBP Subcommittees (Technical Design I, Technical Design II, Regulatory Impact, Social Determinants of Health and Community Based Organizations, Advocacy and Engagement), which were then reviewed by the VBP Workgroup for approval. The recommendations are in the form of guidelines and standards. Guidelines serve as an indication of best practices and often document the State's own methodology, while standards must be followed during the VBP implementation process.

The Reader's Guide contains two key sections:

I. Roadmap Revisions by Section

This portion of the Reader's Guide walks the reader through each section of the Roadmap, classifying the changes made in the document using the following legend: new, significant updates, minor edits or original Roadmap language. The purpose of each change is documented.

II. VBP Subcommittee Recommendations

This section contains a list of the recommendations documented within the Roadmap and their locations, organized by Subcommittee. The Roadmap does not, however, explicitly contain all of the recommendations developed by the Subcommittees, as the Roadmap is primarily intended to present the State's plan for CMS approval. The State will, however, consider each recommendation developed by the Subcommittees. The important details of each recommendation can be found in full in the VBP Recommendations Report.

[1] https://www.health.ny.gov/health_care/medicaid/redesign/dsrip/docs/vbp_roadmap_final.pdf

I. Roadmap Revisions by Section

Legend

New	Section that was not part of the original Roadmap.
Significant Updates	Existing section of the Roadmap, with substantial edits made based on recommendations from the VBP Subcommittees.
Minor Edits	Existing section of the Roadmap, with slight updates made to reflect VBP Subcommittee recommendations, or to create alignment with changes made in other sections.
Original	Content unchanged.

Roadmap Sections

Introduction	Page 1-5
New	"Introduction" - Brief overview of the changes made to the New York State Roadmap for Medicaid Payment Reform for 2016.
New	"Year 2: Annual Roadmap Update – June 2016" - Describes the stakeholder engagement process undertaken by the State. Includes information on the structure of the VBP Subcommittees and the Clinical Advisory Groups.
Minor Edits	"Background" - Formerly the section titled "Introduction". Change in structure to reflect updated time period.
Minor Edits	"What New York State's Medicaid Value Based Payment is Not" - Inclusion of recommendation from Regulatory Impact Subcommittee, advising that no regulatory changes will be implemented to recognize PPSs as formal legal entities.

1. **Towards 80-90% of Value-Based Payments to Providers**	Page 6-32
Minor Edits	"Sustainable Delivery Reform Requires Matching Payment Reform" - Changes to tense and sentence structure.
Minor Edits	"Starting Point: How Should an Integrated Delivery System Function from the Consumer's Perspective?" - Updated graphic to reflect the prioritization of VBP arrangements and CAG efforts.
Significant Updates	"Facilitating the Development of an Optimally Functioning Delivery System through Value Based Payments: A Variety of Options" - Updated with the definition of successful VBP arrangements.
Significant Updates	"Total Care for the General Population" - Highlighting shift in language from Total Care for the Total Population to Total Care for the General Population and an updated definition.
Significant Updates	"Integrated Primary Care" - New definition and an update on shared savings criteria per Technical Design I Subcommittee recommendations.
Significant Updates	"Bundles of Care" - Section reflects new Maternity and Chronic Care Bundles as defined by the CAGs.
Minor Edits	"Total Care for Special Needs Subpopulations" - Added list of special needs subpopulations.
Significant Updates	"Possible Contracting Combinations" - Graphics depicting possible contracting options and calculations of cost of care deleted, and new language added on the definition of a VBP contractor.
Minor Edits	"From Shared Savings towards Assuming Risk" - Graphic updated to reflect the new VBP arrangement options, further details added to VBP Levels.
Significant Updates	"From Shared Savings towards Assuming Risk" - Addition of guiding principles for sharing savings amongst providers as created by the Technical Design I Subcommittee. Deletion of "Integrated Primary Care, Shared Savings, and Assuming Risk" textbox.
Significant Updates	"Pharmaceutical Costs and the Role of the Pharmacist" - Textbox updated with the recommendation from the Regulatory Impact Subcommittee on physician-pharmacist collaboration for medication management.
New	"Contract Risk Review Process" - New section with contract review recommendation created by the Regulatory Impact Subcommittee.
New	"Attribution and Target Budget Setting Guidelines" – New section with attribution and target budget setting recommendations from the Technical Design I Subcommittee. Includes information on transparency of outcomes and cost as the foundation for VBP.
New	"Current Progress Towards VBP" - Formerly the "Goals" section. Contains new information on the baseline survey, as well as the recommendations on fee-for-service for VBP, exclusions, and the definition of financially challenged providers

	from the Technical Design II Subcommittee.

2. Ensuring Alignment between DSRIP Goals and Value Based Payment Deployment	Page 33-43
Significant Updates	"Selecting and Defining Integrated Care Services and their Key Quality Measures: the Clinical Advisory Groups (CAGs)" - Formerly titled "Selecting integrated care services", updated with description of the CAG processes and decisions.
New	"Quality Measures" - New section with details on how the CAGs selected quality measures.
New	"List of Prioritized VBP Arrangements" - New section listing the current set of VBP arrangements and their respective definitions.
New	"Contracting Integrated Primary Care and the Chronic Bundle in Practice" - New textbox with specific details on how Integrated Primary Care and the Chronic Bundle work together.
Significant Updates	"Incentivizing the Member: Value-Based Benefit Design" - Title updated with reference to a member rather than a patient. Addition of several recommendations from the Advocacy and Engagement Subcommittee on member incentives and eliminating the $125 incentive cap.
Significant Updates	"Housing and Vocational Opportunities" - Textbox moved and updated with recommendations from the Social Determinants of Health and Community Based Organizations (SDH & CBO) Subcommittee on addressing and developing action plans for Medicaid member housing determinants.
Significant Updates	"Public Health and Social Determinants of Health" - Section built out to incorporate language from the SDH & CBO Subcommittee on the importance of social determinants and their importance as they relate to a VBP environment.
Significant Updates	"Capturing Savings across all areas of Public Spending" – Textbox updated with recommendations from the SDH & CBO Subcommittee on determining methods that can be used across public spending.
New	"Addressing Social Determinants of Health (SDH)" – Includes recommendations from the SDH &CBO Subcommittee including: providers/provider networks and MCOs implementing interventions on one SDH; selecting the SDH for intervention; ameliorating SDH at the community level; financial incentives for taking on member and community-level SDH.
New	"Contracting with Community Based Organizations" – New section that includes the requirement from the SDH & CBO Subcommittee that Level 2 and Level 3 VBP arrangements include a minimum of one Tier 1 CBO.
New	"Measuring Program Success" – Includes SDH & CBO Subcommittee recommendations on utilizing an SDH screening tool to measure and report on SDs affecting members, and incorporating SDH into Quality Assurance Reporting Requirements. Also includes Advocacy and Engagement recommendations on

	utilizing Patient Reporting Outcomes, and on the members' right to know (related to changes brought on by VBP).

3. Amending Contracts with the MCOs to Realize Payment Reform	Page 44-51
Significant Updates	"Aligning Incentives" – Includes new Stimulus Adjustment language and further details on MCO contracting and penalties.
Significant Updates	"VBP Innovator Program" – Modified with an introduction to the design of the Innovator Program as developed by the Technical Design II Subcommittee.
Minor Edits	"Specific Regulatory Amendments" – Changes to the introduction reflecting the work conducted by the Regulatory Impact Subcommittee.
Significant Updates	"Changes to the Medicaid Managed Care Model Contract and State Provider-Contractor Guidelines" – Updated original "Model Contract and other Policy Changes" section to include the proposed list of model contract changes as per Regulatory Impact Subcommittee review.
New	"Proposed Changes to New York State Law" – New section including recommendations made by the Regulatory Impact Subcommittee on alignment of federal and state Stark laws and Anti-kickback Statutes, changes to laws related to professional service entities, and updates to physician-pharmacist collaboration laws.
New	"Ongoing Regulatory Review" – New section detailing next steps and additional topics for review requested by the Regulatory Impact Subcommittee.

4. Amending Contracts with the MCOs: Collection and Reporting of Objectives and Measures	Page 52
Minor Edits	Implementation details added to reflect updated approach to quality reporting.

5. Creating Synergy between DSRIP Objectives and Measures and MCO Efforts	Page 53
Minor Edits	Sentence added on performance and stimulus adjustments.

6. Assuring that Providers Successful in DSRIP are included in Networks	Page 54
Minor Edits	Updated title, and addition of recommendation from SDH & CBO Subcommittee on providing community based organizations technical assistance and education for VBP.

7. Amending Contracts with the MCOs: Adjusting Managed Care Premiums to Improve Population Health and Care Utilization Patterns	Page 55
Original	Content from original Roadmap.

8. Amending Contracts with the MCOs: Ensuring Alignment between DSRIP Objectives and Measures and MCO Premium Setting	Page 56
Significant Updates	Section updated to reflect the need for CMS to work collaboratively with the State to support potential changes to the rate setting process for successful implementation as described in the Roadmap.

Stakeholder Engagement	Page 57
Minor Edits	Updated to reflect stakeholder engagement as it occurred in 2015.

Next Steps	Page 58
Significant Updates	Section moved within the Roadmap, and expanded to include all efforts planned for 2016, including: VBP pilot implementation, statewide readiness preparations, mid-point assessment planning, implementation of workgroup recommendations, ongoing Clinical Advisory Groups, and the formation of new workgroups.

Timeline	Page 60
Minor Edits	Timeline made more concise and updated to reflect the altered role of PPSs in VBP contracting arrangements.

Coordination with Medicare	Page 61
Significant Update	Information on the Medicare Alignment proposal and details on the Health Care Payment and Learning Network Alternative Payment Mechanism Framework added.

Conclusion	Page 63
Minor Edit	Introductory sentence added; rest of section is content from original Roadmap.

Appendix	Page 64 -84
Original	"Appendix I: T&Cs Par. 39" – Section unchanged from original Roadmap.
Significant Update	"Appendix II: Criteria for 'Off-Menu' Options" – More detailed requirements for non-standard VBP arrangements
New	"Appendix III: Criteria for Shared Savings and IPC and TCGP Contracting" – Full recommendation from the Technical Design I Subcommittee.
Original	"Appendix IV: Value Based Payments and the Forestland PPS in 2019" – Minor edits to tense.
Significant Update	"Appendix V: Quantitative Analysis per Integrated Care Services" – Updated data to align with new data analysis methodologies and VBP arrangements.
New	"Appendix V: Contract Risk Review Process" – Figures and details related to the Regulatory Impact recommendation on Contract Risk Review.
New	"Appendix VII: HIPAA and State Privacy Laws Brief" – Further details as they relate to the Regulatory Impact Subcommittee's recommendation to assess HIPAA and State privacy laws in a VBP environment.
New	"Appendix VIII: Criteria for Quality Measure Selection" – Additional details on the process of selecting CAG quality metrics.
New	"Appendix IX: Innovator Program" – Full details on Innovator Program design per Technical Design II Subcommittee.
New	"Appendix X: Definition of Level 1, 2 and 3 VBP Arrangements" – Further details on each VBP Level.

II. VBP Subcommittee Recommendations