Transforming New York Medicaid

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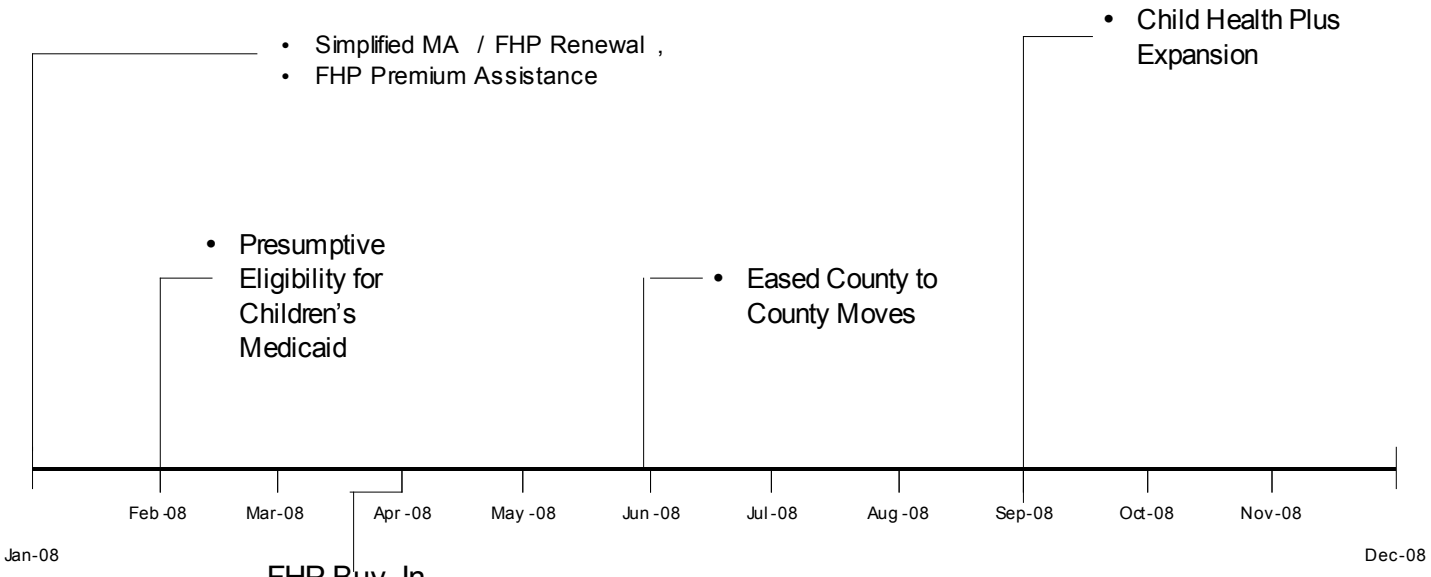
Discussion Topics

- Coverage and Enrollment Growth
- Reimbursement Reforms
- Investing in Primary Care
- Paying for Needed Services
- Improving Quality
- Going Forward

Coverage Agenda
The Goals …

- Ensure that all children and eligible adults have access to comprehensive affordable health insurance coverage.
- Promote Medicaid as health insurance.
- Simplify rules and reduce barriers for consumers, eligibility workers, and the State.

What New York Has Implemented to Make Coverage More Accessible - 2008



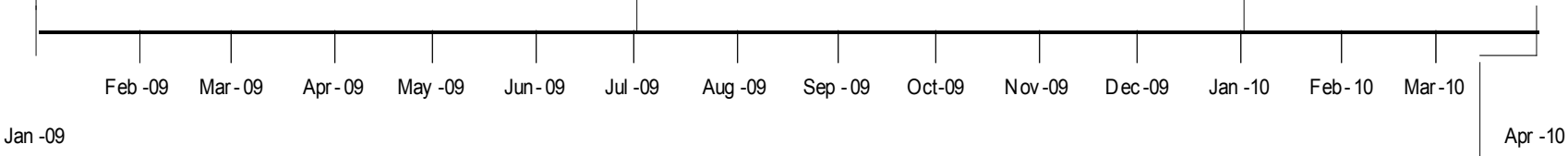
- FHP Buy-In
- Medically Needy Levels
- Statewide Standard of Need
- Aligned MA/FHP Resource Levels
- Eliminated Link between PA and Medicaid for Single Adults
- Eliminated Asset Test for MSP
- Medicaid Suspension for Incarcerated Individuals

What Happens Next? 2009-10

- 19 & 20 year olds Leaving Foster Care Remain MA Eligible until age 21

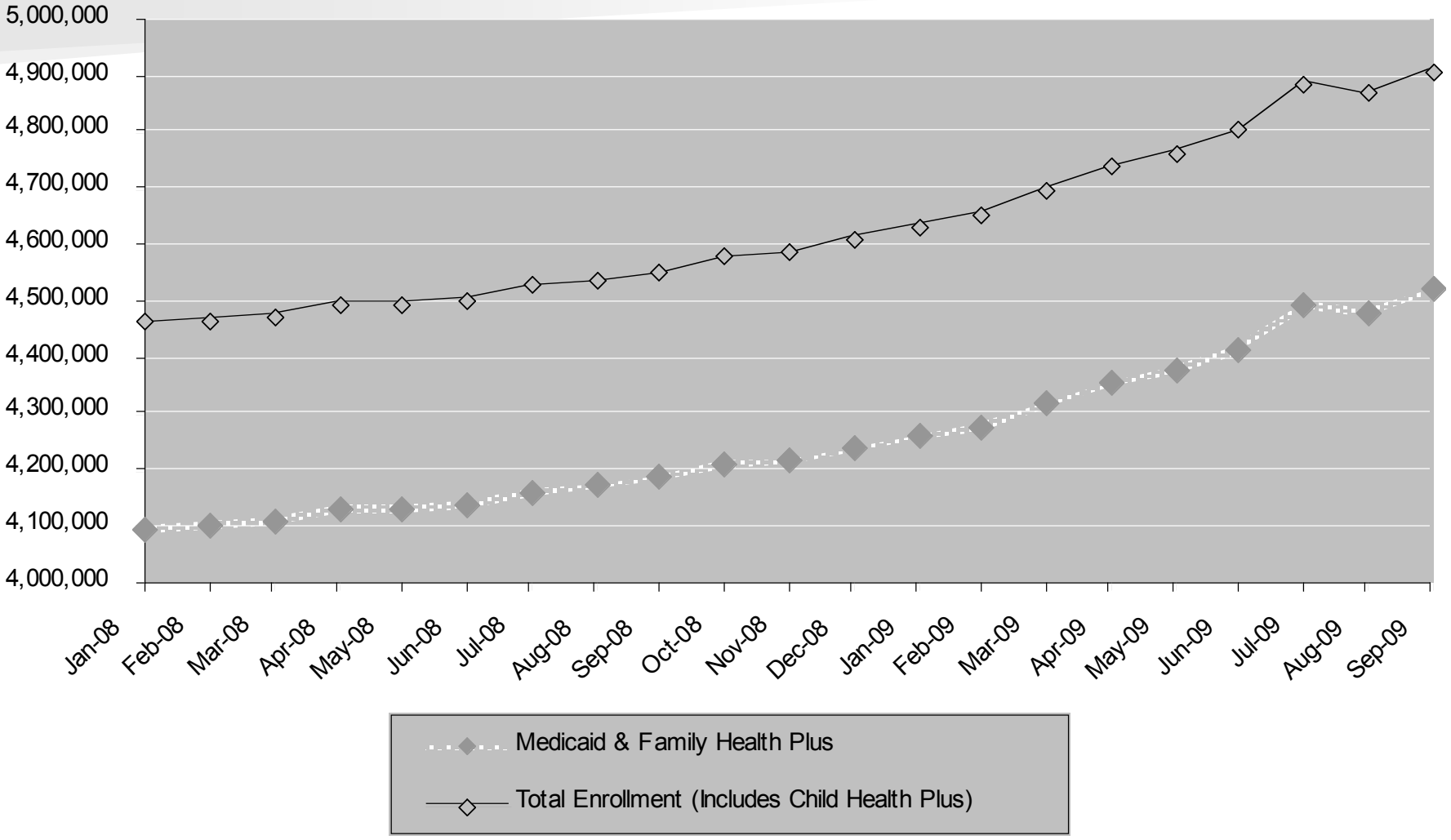
- **Eliminate Finger Imaging**

- Eliminate MA & FHP Resource Test for non SSI / SSI Related



- Align Eligibility for Children and Parents /Adopt Gross Income Standard
- Eliminate Face -to-Face Interview
- FHP Expansion (proposed)
- FHP PAP for Government Workers (proposed)

Public Health Insurance Enrollment in New York State - 2008-09



Eligibility Simplification Next Steps …

- Eliminate face-to-face requirement (April 1, 2010).
- 2010-11 Executive Budget proposals:
  - Allow attestation of interest income;
  - Permit Medicaid enrollees receiving community long-term services attest to income and residency;
  - Federal options for Transitional Medical Assistance;
  - Authorize the Department to pursue Express Lane Enrollment and Renewal for children in Medicaid and CHPlus; and
  - Implement Statewide Enrollment Center.

Reimbursement Reform - A Common Theme

- Set a fair and reasonable base price to reflect efficient costs;
- Allow for variations based on "true" differences in costs; and
- Apply a factor to account for differences in patient mix/acuity.

Reimbursement Reform Timeline

- **April 1, 2008** – Begin four-year phase-in of risk adjusted capitation rates for Medicaid Managed Care and FHPlus.
- **December 1, 2008** – Implement APG reimbursement methodology for hospital outpatient clinics and hospital ambulatory surgery units.
- **January 1, 2009** – Implement APG reimbursement methodology for EDs.
- **December 1, 2009** – Implement APR-DRG inpatient hospital reimbursement method.
- **February 1, 2009** – Finalize carve out of physician services from OP/IP facility rates.
- **April 1, 2010** – Begin phase-in of risk adjusted capitation rates for Managed long-term care plans.
- **July 1, 2010** – Begin phase-in of APGs for mental hygiene clinic services.
- **March 1, 2011** (Proposed) – Implement value-based quality reimbursement method for nursing homes.
- **January 11, 2012** (Proposed) – Implement episodic payment system for home care services.

Investing in Primary Care

(Gross $ in Millions)	Approved in SFY 08/09 Budget (Full Annual)	Additional Funding Approved in SFY 09/10 Budget (Full Annual)	Total Investment SFY 10/11 (Full Annual)
Hospital Programs	**$178.0**	**$92.0**	**$270.0**
Outpatient Clinic	$88.0	$92.0	$180.0
Ambulatory Surgery	$40.0	$0.0	$40.0
Emergency Room	$50.0	$0.0	$50.0
Freestanding Programs	**$12.5**	**$37.5**	**$50.0**
Primary Care Investments	**$38.0**	**$90.1**	**$128.1**
Asthma and Diabetes Education (08/09 Enacted)			
Expanded "After Hours" Access (08/09 Enacted)			
Social Worker Counseling (08/09 Enacted)			
Smoking Cessation (08/09 Enacted)			
Nurse Family Partnership (08/09 Enacted)			
Cardiac Rehabilitation (09/10 Enacted)	N/A		
SBIRT (09/10 Enacted)	N/A		
Smoking Cessation (09/10 Enacted)	N/A		
Primary Care Standards/Medical Home (09/10 Enacted)	N/A		
Adirondack Medical Home (09/10 Enacted)	N/A		
Physicians	**$120.0**	**$68.0**	**$188.0**
Mental Hygiene Enhancements	**N/A**	**$2.7**	**$2.7**
Detoxification Services Reform			
TOTAL	**$348.5**	**$290.3**	**$638.8**

Primary Care Enhancements

Initiative	*Description*
Diabetes/Asthma Education	Establish coverage for diabetes and asthma education by certified educators in clinic and office-based settings.
Expanded 'After Hours' Access	Provide enhanced payment for expanded 'after hours' access in both clinic and office-based settings.
Social Worker Counseling	Reimburse for individual psychotherapy services provided by licensed social workers for children, adolescents, and pregnancy related counseling.
Smoking Cessation Counseling	Reimburse for pregnant and postpartum women and adolescents up to age 21 in the clinic or the office. Must be provided with a medical visit.
Cardiac Rehabilitation	Payment for post-hospitalization cardiac rehabilitation services provided in clinic and physician offices for patients with specific diagnoses
Screening, Brief Intervention, Referral and Treatment	Payment for SBIRT services provided in hospital emergency departments to identify individuals at risk for substance abuse.
Patient Centered Medical Home	Incentive payments provided to clinics and office based physicians that achieve NCQA patient centered medical home recognition.

Paying for Needed Services

- Some services now subject to prior approval:
  - Private Duty Nursing
  - Certain Durable Medical Equipment
  - Certain Dental Procedures
  - Hearing Aids
- 2009-10 Budget authorized approval of high cost radiology services.
- 2010-11 Budget proposes to manage:
  - Physical and Occupational Therapy Services
  - Transportation Services
  - Personal Care Services

Improving Quality

- Chronic Illness Demonstration Projects
- Selective Contracting
- Retrospective Utilization Review

Moving Forward

- Continue to implement eligibility streamlining and expand coverage.
- Continue efforts to enhance access to care.
- Continue with finance reforms that hold providers accountable for both cost and quality of care.
  - Reduce potentially preventable readmissions.
  - Reduce admissions for preventable quality indicators (PQIs), such as asthma and diabetes.
  - Consider methods for bundling payment of services.
- Implement and evaluate medical home models
- Continue discussion of approaches to better integrate physical and behavioral health.
- Explore options to improve coordination of care for dual eligibles.
- Develop Medicaid HIT plan/administer provider HIT incentive program under ARRA.
- Plan for integration of federal health reform.