

Department of Financial Services

**Transforming Health
Insurance through
Payment Reform**

***Transparency & Consumer
Involvement***



New York State

Health Innovation
Plan

DFS Payment Reform Initiatives

1. Rate Review
2. Reporting on Payment Reform Baseline
3. Surprise Out-of-Network Billing Reform
4. SHIP

1. Rate Review

Achievements

- Insurer Rate Applications are Now Public
- Enabled Public Input for Consumer Comments
- Rate Decisions Publically Available

Future Goals

- Improved Web Site
- Disclosure of Premium Cost Drivers

2. Reporting on Payment Reform Baseline

July 2014 Survey -- Key findings:

- Many payment reform initiatives -- 76 innovative programs from 19 insurers
- Few providers impacted (15%); So, 85% still FFS
- Few consumers impacted (12%)
- Most programs not impacted
- High variability

CPR Survey

- Follow up to July survey
- Working with CPR to standardize data

3. Surprise Out-of-Network Billing Reform

Limits consumer liability for ER and Surprise OON bills

Transparency Components of Bill

Hospitals...

- Standard charge list
- Participating health plans
- Physician groups in contract
- Whether employed/contracted doctors likely provide care

Doctors...

- Whether participates
- Reasonably anticipated charges upon request
- Which doctor services arranged for scheduled hospital visit

Insurers...

- Which reasonably anticipated providers are OON
- Amount covered
- Reasonably anticipated cost of service (UCR)

New York State Health Innovation Plan



Goal Delivering the Triple Aim – Better health, better care, lower costs

<p>Pillars</p>	<p>1</p> <p>Improve access to care for all New Yorkers, without disparity</p> <p>Elimination of financial, geographic, cultural, and operational barriers to access appropriate care in a timely way</p>	<p>2</p> <p>Integrate care to address patient needs seamlessly</p> <p>Integration of primary care, behavioral health, acute and postacute care; and supportive care for those that require it</p>	<p>3</p> <p>Make the cost and quality of care transparent to empower decision making</p> <p>Information to enable consumers and providers to make better decisions at enrollment and at the point of care</p>	<p>4</p> <p>Pay for healthcare value, not volume</p> <p>Rewards for providers who achieve high standards for quality and consumer experience while controlling costs</p>	<p>5</p> <p>Promote population health</p> <p>Improved screening and prevention through closer linkages between primary care, public health, and community-based supports</p>						
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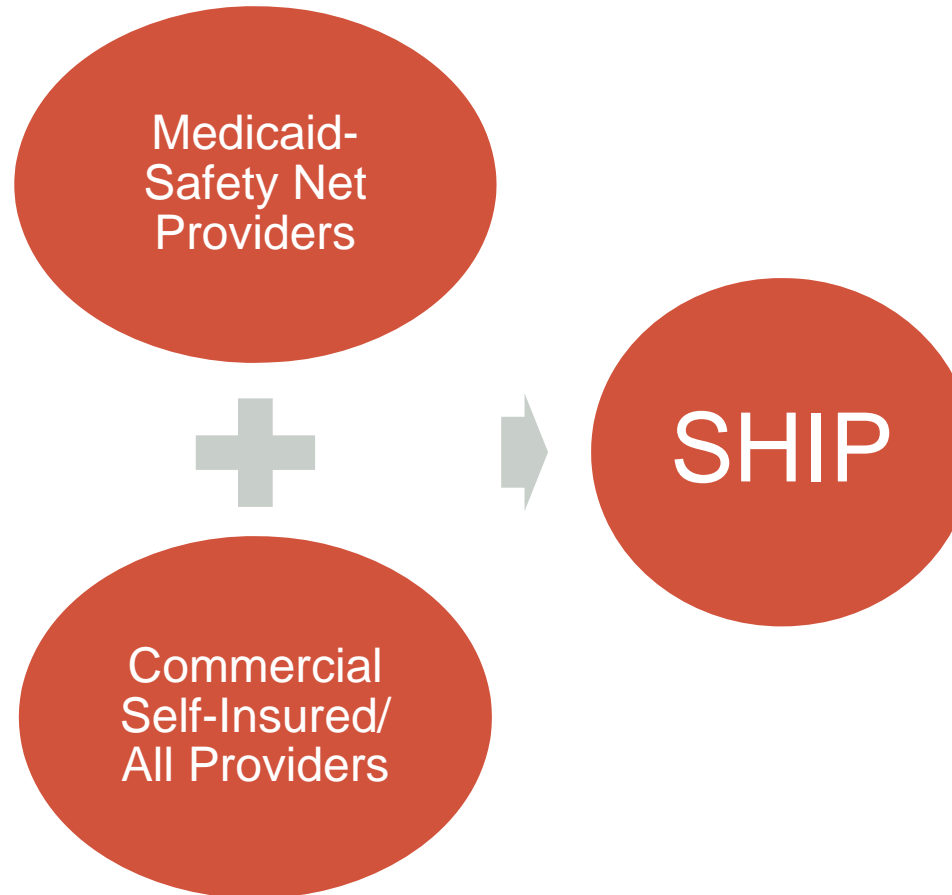
SHIP/Medicaid: Different Constituencies, Different Funding – Same Goals

Medicaid

1. DSRIP
2. IAAF
3. VAP
4. Capital

Commercial/Self Insured

1. DFS rate review
2. CMMI grant
3. NYSHIP



Same Goals:

1. Reduce preventable hospitalizations by 25% in 5 years
2. **Transform 80% of provider payment to value based (not fee-for-service)**
3. Investment in HIT:
 - All Payer Database - \$10M
 - SHIN-NY - \$55M
4. Population Health Improvement Projects to:
 - Align with Prevention Agenda
 - Promote an Advanced Primary Care Model
5. Evolve the health care workforce



Possible DFS Rate Review Tools

- Promote value based payment models and Advanced Primary Care (APC)
 - Set payment reform adoption benchmarks
 - Encourage investment in APC
- Set annual medical growth targets
- Adopt quality of care information for consumers
 - CMS Star rating system
- Create tiered network incentives