



NYS Office For People With Developmental Disabilities

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DISCO Update and COA Start Up Grant Application Process

FIDA Overview and Status

Joint Advisory Council Meeting
December 12, 2014



Agenda

- Welcoming Remarks
- DISCO Update and COA/Start Up Grant Application Process
- Overview/Status Fully Integrated Duals Advantage Program (FIDA)
- Update on FIDA/DISCO Capitation Development Process
- Managed Care Quality Measures



Framework for DISCOs

- Governed by:
 - Public Health Law Article 44
 - Mental Hygiene Law § 13.40
 - Social Services Law § 364-j
 - Federal regulations at 42 CFR Part Public Health Law Article 44
- May have modified reserve requirements to facilitate start-up
- Must be controlled by one or more non-profit organizations with experience providing or coordinating health and long-term care services to people with IID
- Applications will be reviewed for their capacity to fulfill all requirements



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DISCO Program Safeguards

- Continuity of Care provisions
 - Stay with provider
 - Payment defaults
- Appeals Processes
 - Plan grievance and appeals process
 - NYS fair hearing process
 - NYS External Appeals process
- Complaints
 - Plan process
 - NYS process



Safeguards

- Starting with voluntary and by regions as plans are ready
- Choice of plans and FFS
 - Enrollment is initially voluntary, clients can opt to not enroll or opt out and go back to Fee For Service
- Training programs for MSCs and the Enrollment Broker regarding the special needs of the population
- Independent ombudsperson program



Process for Becoming a DISCO

1. Plan completes COA Application using Plan Qualification Document (hard copies/electronic)
http://www.opwdd.ny.gov/opwdd_services_supports/people_first_waiver/Becoming_a_DISCO
2. Plan responds to question/requests for clarification
3. OPWDD/DOH conduct on-site readiness review
4. Contract between OPWDD/DOH and the DISCO
5. Enrollment begins



COA Process - Timing

- Full COA applications can be submitted at any time
- Expectation – timing of full COA approvals
 - Reviews by OPWDD/DOH Spring 2015
 - On-site surveys/readiness reviews Summer 2015
 - Enrollment begins October 2015



Updates

- 6 applications received, with financial projections due this week
- OPWDD and DOH working closely in review of COA applications
- Stakeholder Advisory Committee and other stakeholders will be engaged soon



Managed Care Rate Setting Primer

- ❑ The rate setting methodology must satisfy federal rules and requirements for **actuarially sound** capitation rates asset forth in **42 CFR 438.6(c)(1)(i)**, which means that payment rates must fall within rate ranges that:
 - Have been developed in accordance with generally accepted actuarial principles and practices
 - Are appropriate for the populations to be covered and the services to be furnished under the contract
 - Have been certified as meeting the requirements by actuaries who meet the qualification standards established by the American Academy of Actuaries (AAA) and follow the practice standards established by Actuarial Standards Board (ASB)



Managed Care Rate Setting Primer (cont'd)

- ❑ Additionally, the rate setting methodology must simultaneously produce payment rates that:
 - Adequately reimburse the contracted health plans for the services that they are required to provide to the covered population according to the managed care contract and the associated risk
 - Ensure tax dollars are being spend efficiently and effectively
 - Develop a proper balance between these competing priorities (critical for sustaining the long-term success of the managed care program)
- ❑ A well-designed financing mechanism should incentivize participating plans to ensure that the **right care** is provided at the **right time** and in the **right setting**



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Medicaid Rates Must ...

- Be transparent
- Buy value – high quality, cost-effective care
- Encourage care in the right setting
- Reinforce health planning and policy priorities
- Be updated periodically
- Pay for Medicaid patients
- Comply with federal Medicaid rules



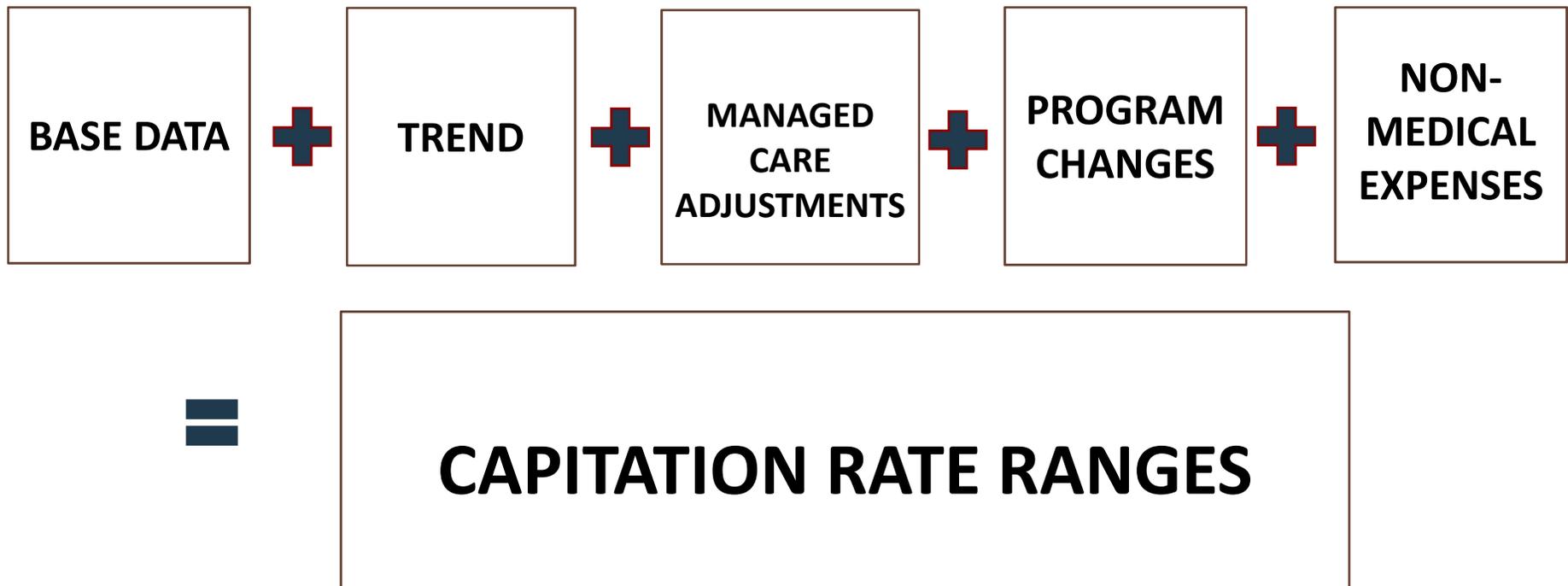
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Composition of Regions:

- Region 1: NYC, Nassau, Suffolk, Westchester counties
- Region 2: Dutchess, Orange, Putnam, Rockland, Sullivan, Ulster counties
- Region 3: Albany, Erie, Fulton, Genesee, Madison, Monroe, Montgomery, Niagara, Onondaga, Orleans, Rensselaer, Saratoga, Schenectady, Warren, Washington, Wyoming counties
- Region 4: Remaining counties in the state

Rate Setting Structure





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Adjustments to Base Data

- Base adjustments - Account for claims lag, removal of any non-covered expenses
- Trend – Projection of utilization and unit cost changes over time
- Managed care adjustments – Change to account for efficiencies and/or differences in delivery systems, and selection adjustments to account for anticipated acuity of the enrolled population
- Program changes – Changes to covered benefits, populations or relevant fee schedules
- Non-medical expenses – Provision for health plan costs associated with providing services to Medicaid members



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Managed Care Cell Structure

- Will be consistent FIDA rate cells
 - Dual eligible: Age 0–20
 - Dual eligible: Age 21-49
 - Dual eligible: Age 50+
 - Non-Dual eligible: Age 0–20
 - Non-Dual eligible: Age 21-49
 - Non-Dual eligible: Age 50+
- Additional rate cells could be added once data is further analyzed



Flow of Rate Setting Data

- Historical Cost Data By Category of Service for a Specified Period
- Data Book Elements
 - Utilization
 - Unit Cost
 - Per Member Per Month (PMPM) calculation
 - Explanation of adjustments



Summary of Historical Cost Data

	11/12 PMPM	12/13 PMPM
Total PMPM - Upstate	\$6,167.27	\$6,092.18
Total PMPM - Downstate	\$6,169.61	\$6,074.71

Notes:

- Individuals receiving State Operated services are included in these calculations. When final PMPMs are calculated, an adjustment will be made to reflect the estimated case mix of individuals.
- Calculations do not reflect adjustments such as Rate Rationalization, trend, voluntary selection, and program changes.



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Risk Mitigation Strategies

- +/- Corridor (MLTC)
- Stop/Loss (Psych Inpatient)
- Medical Loss Ratio (HARP)
- Others



Fully Integrated Duals Advantage Program

FIDA Overview and Status



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FIDA

- Dual Demonstration scheduled start date is 7/1/15; strict statutory deadlines exist for participation
- Only covers dual-eligible adults (excludes kids and non-duals) and limited to 9-county region – voluntary enrollment
- Services include all Medicare and Medicaid-covered acute medical, behavioral health and long-term care (ICF, waiver and other LTC)
- Only one health plan (PHP) will participate in FIDA, with approximately 1,000 participants in the initial year
- Federal government requires plan to achieve certain level of savings across Medicare and Medicaid costs for individuals
- FIDA will be a model that can be evaluated for care coordination



Status

OMRDD conducting:

- Bi-weekly Calls with Partners Health Plan (PHP)
- Weekly calls with CMS on waiver
- Weekly meetings on with Mercer and DOH on CMS requests



DISCO/FIDA Timeline

- ❑ AUGUST 2014
 - OPWDD posts draft NYS-DISCO model contract and COA application/start-up grant to website
 - OPWDD initiates solicitation of DISCO Start-up Grants
- ❑ NOVEMBER 2014
 - OPWDD posts historical rate data (required for DISCO fiscal projection)
- ❑ JANUARY 2015
 - FIDA MOU finalized with CMS
 - FIDA rate-setting methodology finalized and published



- ❑ APRIL – JUNE 2015
 - OPWDD submits 1915C amendment and 1915B Waiver application to CMS for implementation of managed care (effective 10/1/15)
 - DISCO rate-setting methodology finalized and rates published
 - DISCO readiness review ongoing
- ❑ JUNE – AUGUST 2015
 - Finalization of DISCO contract and issuance of DISCO COAs
- ❑ JULY 2015
 - FIDA start date
- ❑ AUGUST 2015
 - CMS Approval of 1915B/C
- ❑ OCTOBER 2015
 - DISCO start date