

Andrew M. Cuomo, Governor



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NYS Office For People With Developmental Disabilities

Putting People First

Managed Care Implementation

DISCO

Certificate of Authority Application

Start-up Grant Process

September, 2014



Important Dates

- 8/22/14** Plan Qualification Document for DISCO/COA approval released (Includes Attachment 10 for DISCO start up funds)
- 9/24/14** Proxy DISCO rates posted for grant application fiscals
- 11/1/14** If applying for start-up funds, Sections of COA application due
- 11/1/14** Funding approval/ contracts begin (no earlier)
- 12/2014** OPWDD/FIDA rates final & released (Informational Webinar with Actuaries)
- 7/1/15** OPWDD/FIDA enrollment begins
- 10/1/15** DISCO enrollment begins



COA – Plan Qualification Process

- ▶ Rolling application process begins - August 2014
- ▶ Draft COA application (Plan Qualification Document) released in August via web
- ▶ If plan wishes to apply for start-up funds, grant applications are due 11/1/14



Process for Becoming DISCO

Plan completes COA Application using Plan Qualification Document (hard copies plus electronic)

Attachment 10 MUST be completed to qualify for DISCO Start-Up funds

- 2) Plan responds to question/requests for clarification
- 3) OPWDD/SDOH conduct on-site readiness review
- 4) Contract between OPWDD/SDOH and the DISCO
- 5) Enrollment begins



Attachment 10 – Grant Application

- Submissions Due – November 1, 2014
- Submissions **MUST** include
 - 2 original signed copies
 - 4 copies
 - Electronic PDF copy on CD or flash drive
- Clearly labeled with grant name
- No fax or e-mail submissions



Eligibility for DISCO status

- Updated letters of intent with justification of eligibility for DISCO status
 - Submissions reviewed by OPWDD counsel
 - Approval of status is contingent upon approval of pertinent sections of COA application when submitted
- Grant application may be submitted prior to “approval” of DISCO eligibility



Approval Process

- Grant Application approval is phase 1 of the COA application approval
 - If applying for a grant, Attachment 10 outlines sections of COA application to complete for grant application (due 11/1/14)
 - Phase 2 is balance of the COA application to obtain DISCO COA and contracting
- If NOT applying for grant, COA application in full must be submitted



Grant Application Completeness

- Grant Application sections must be **CLEARLY** marked and all forms fully completed
 - Review process will include the SDOH, OPWDD managed care, finance, as well as legal staff
 - Initial screen to ensure completeness
 - Contact applicant for missing information with finite return date



Grant Application Sections

- Organizational Structure of the DISCO (COA application section I.A. page 6)
 - Must be in place, including Articles of Incorporation and Department of State Approval
 - Grant application must be from the newly formed DISCO, not a sponsoring provider entity



Grant Application Sections

- Management of the DISCO (section I.B. page 6)
- Character and Competence (section I.C. page 7)
 - All accompanying forms must be complete and submitted
- Governing Board (section II. page 7)
 - Including By-Laws of the organization
- Service Area (section III. page 7)
 - Justification /rationale must be included for proposed service area by county



Grant Application Sections

- Enrollment Projections and Target Population (section IV. page 7)
 - Include the size and characteristics of the population the DISCO plans to serve
 - Describe special populations targeted and unique needs that plan will address
- Finance (section XVIII page 19)



Reserve and Escrow Requirements

10 NYCRR § 98-1.11(e) and (f) with the exception of the initial 2 years of operations for following:

Exceptions:

- The contingent reserve for DISCOs will be set and maintained at 5% of net premium income (NPI). (Typically, MCOs other than Managed Long-Term Care Programs [MLTCPs] have their contingent reserve graduate to 12.5% of NPI over seven years.);
- The escrow deposit will be phased in over three years – 3%, then 4% and finally 5% of the estimated expenditures for health care services (Typically, the escrow deposit for MCOs starts at 5% and remains at 5%.); and
- The portion of the premium derived from certified residential services under the auspice of OPWDD will be at least partially excluded from the contingent reserve calculation.



Minimum Net Worth

- ▶ The DISCO must maintain a minimum net worth equal to the greater of the escrow requirement or the contingent reserve.
- ▶ OPWDD intends to establish risk sharing arrangements with DISCOs in order to mitigate risk for these entities. The final design will be established as part of the actuarial rate development process.



Issues / Questions

- VIN number
 - Must be present prior to contracting – it would be expedient to apply for this number timely, however not necessary prior to grant app.
- Vendor Pre-qualification for Not-for-Profits must occur prior to submission of grant app.
- Grant requests may cover multiple cost categories



Clarifications / Questions

- Forms to complete
 - DOH 793 A - *“Managed Long Term Care Plan / DISCO Application”*
 - *Missing from posted application*
- *Updates to Posting*
 - *Any changes to the COA application*
 - *Q&A documents including webinar questions*



Grant Amounts

- Grant budget should be completed justifying needs eligible for grant funding
- OPWDD may award grants in excess of \$1.5 million, depending on needs, justification, and available funds



Grant Monies and Processing

- Awarded in 2 payments
 - Grantee will submit monthly invoices
 - Justify expenditures as submitted in approved budgets ***spent to support the cost of the project***
- Recoupment by OPWDD of funds if DISCO COA not completed or approved?
 - Second payment will not be released
 - Any tangible equipment / property bought with grant funds become property of the OPWDD



Term of Contract

- Contract term will be Nov. 1, 2014 (earliest start date) through Sept. 30, 2015
- Approved expenditures must be completed during contract period



Questions

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