



PEOPLE FIRST
1115 DEMONSTRATION WAIVER

Fiscal Sustainability Design Team

June 20, 2011



Courtney Burke
Commissioner



Andrew M. Cuomo
Governor



Nirav R. Shah, M.D.
Commissioner



Agenda

- | | |
|---|------------------|
| I. Welcome and Introductions | 1:00 – 1:30 p.m. |
| II. Review of Design Team Charter | 1:30– 2:15 p.m. |
| III. Briefing Book Highlights / Key Concepts | 2:15– 3:15 p.m. |
| IV. Review of Other Systems | 3:15 – 3:30 p.m. |
| V. Business Items / Future Meetings | 3:30 – 3:40 p.m. |
| VI. Group Discussion / Next Steps | 3:40 – 4:00 p.m. |



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Overview of Fiscal Sustainability Design Team



Fiscal Sustainability Design Team Membership Overview

Self-advocates

Financial
Managers
Association

OPWDD

Parents

Provider
Associations

Regional
Providers



Fiscal Sustainability Design Team

Members

Tina Chirico - Anderson Center for Autism/FMA	Henry Hamelin – OPWDD, Upstate Staff	Steve Holmes – SANYS	Jay Kiyonaga, OPWDD Co-Facilitator
Al Kaplan – AHRC New York City	John Kemmer – NYSARC	Anne Klingner – Mental Health Association Employee/Parent	David Liscomb – Jefferson Rehabilitation Center/Self Advocate
Regis Obijiski – New Horizons	Ramon Rodriguez – Home Helpers & Direct Link of Amsterdam	Michael Rogers – Co- Facilitator/Self Advocate	Pat Sarli – OPWDD, NYC Staff
Jeff Sensebox – PRALID	Seth Stein – Alliance of Long Island Agencies, Inc.	Louis Tehan – Upstate Cerebral Palsy	



Fiscal Sustainability Design Team

OPWDD
Design Team
Staff

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OPWDD
Design Team
Technical
Advisor

- Eric Harris
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Design Team Charter



Design Team Charter

Work collaboratively with the other four design teams to recommend a financial platform that supports the goals and desired outcomes of the People First Waiver. The new financial platform should:

Distribute financial resources equitably and efficiently based on individual needs, not historic program costs

Modernize reimbursement and align financial incentives to achieve waiver goals and desired outcomes

Develop strategies for sustainable growth while promoting innovation



Develop financial strategies that will facilitate the outcomes of the People First Waiver while preserving existing resources and achieving sustainable growth to continue to serve people with developmental disabilities.

- Examine recent trends in service use and Medicaid expenditures for individuals with developmental disabilities
- What are the constraints on future expenditure growth?
- What are the best strategies for reconciling continued growth in service demand with the known fiscal constraints?



Financial Strategies (continued)

- How will we seize the advantages of improved care coordination, health homes, and person-centered principles to make our service system more efficient and fiscally sustainable while enhancing quality of care?
- Are there opportunities to seek efficiencies and sustain funds through improved coordination among payers (especially with Medicare) or through other strategies?



Support person-centered principles and People First Waiver goals by distributing financial resources rationally, equitably and efficiently.

- What are the advantages and disadvantages of potential models for modernizing and restructuring reimbursement and the flow of funds so that the focus is first on individual needs and goals rather than facilities and program expenditures?
- How should reimbursement be structured under the models we examine for the 1115 waiver?
- How should the 1115 waiver support experiments and demonstrations? How can OPWDD structure a PACE-like pilot/demonstration with capitated payments?



Support person-centered principles (continued)

- What would be the impacts of the potential funding models on services in which funding has, in the past, been directly connected to facility-based costs/budgets (e.g., ICFs, IRAs, CRs, Day Treatment, Workshops, Center-based Day Habilitation, Free-standing Respite)? What steps can we take to smooth the transition?
- Under what parameters would it be appropriate to consider direct financial incentives (e.g., “pay for performance”) as a means to promote waiver goals and desired outcomes?



Fiscal monitoring & reporting and information technology

- How will we measure whether resource distribution strategies are equitable and support person-centered principles?
- How will we monitor success and effectiveness of our global/overall efforts and specific targeted efforts to achieve efficiencies and to achieve sustainable growth?
- How should we measure the breadth, adequacy, and capacity of our provider/service delivery networks?



Fiscal monitoring & reporting and information technology (continued)

- What information technology tools and infrastructure can we use to support our efforts?
- What recommendations and strategies can we look at to redirect the overall time and resources spent on provider compliance efforts to person-centered service provision?



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Briefing Book Highlights/Key Concepts



Expenditures and Services

MEDICAID UTILIZATION

FOR INDIVIDUALS WITH DEVELOPMENTAL DISABILITIES

(SFY 05-06 v. SFY 09-10)

METRIC	SFY 05-06	SFY 09-10	CHANGE	% CHANGE	ANNUAL GROWTH RATE
PAYMENTS - OPWDD SVCS	\$6,950	\$9,112	\$2,162	31.1%	7.0% (a)
PAYMENTS - ALL OTHER MEDICAID	\$1,083	\$1,106	\$23	2.1%	0.5% (a)
TOTAL PAYMENTS (\$ Millions)	\$8,033	\$10,217	\$2,184	27.2%	6.2%
PEOPLE (MEMBER YEARS)	89,987	100,512	10,525	11.7%	2.8%
PAYMENTS PER PERSON (PMPY)	\$89,270	\$101,653	\$12,384	13.9%	3.3%

(a) – Service categories are detailed in the OPWDD briefing book on the following pages:

24 & 25 - OPWDD services

27 - All other Medicaid services



Ensure Sustainability

- The population OPWDD serves is growing faster than the rate of the general population.
- The population (like all of us) is aging and living longer and more active lives while primary caregivers also age.
- The needs of people with developmental disabilities are complex and life-long.



Medicaid Expenditures for People with Developmental Disabilities Growing Faster than the Average Rate of Inflation

OPWDD Medicaid Expenditures	6.2%
Inflation Rate	3.26%
Difference	2.94%

Average percentage growth from Annual Growth in CPI-U (Northeast urban) (All Items) (SFY 05-06 TO SFY 09-10) – 3.26% from 2005 through 2010



Key Concepts

- **Care Coordination** – arrangement of medical and social support services offered within and outside a care management plan
- **Care Management** – programs which apply systems, science, incentives, and information to improve medical practice and assist consumers and their support system to become engaged in a collaborative process designed to manage medical/social/mental health conditions more effectively with a goal of achieving an optimal level of wellness and improved coordination of care while providing cost effective, non-duplicative services
- **Capitation Rate** – a fixed amount provided for each enrolled person, regardless of treatment or whether or not that person seeks care, for a specified period of time



Key Concepts

- **Health Home** – person centered system of care that facilitate access to and coordination of the full array of primary and acute health services, behavioral health care, and long-term community-based services and supports
- **PACE (Program of All-inclusive Care for the Elderly)** - a capitated benefit that features a comprehensive service delivery system and integrated Medicare and Medicaid financing
- **ACO (Accountable Care Organization)** - a payment and delivery reform model consisting of a network of coordinated health care providers seeking to tie provider reimbursements to quality metrics and reductions in the total cost of care for a specific population of patients



Initial Reactions

What do you see as the potential benefits and/or concerns as we transition to a care management environment?



Review of Other Systems

Review of financing methodologies for other states:

- Arizona – long term care system that provides services for people with developmental disabilities within a managed care system
- North Carolina- care coordination system that provides services to individuals with developmental disabilities
- Vermont – provides services for people with developmental disabilities and long term care services
- Wisconsin – capitation contracts system modeled on PACE that provides services for people with developmental disabilities
- Others?



Design Team Analysis

- Areas of Interest
 - Who receives services?
 - What services are offered?
 - What is the financing methodology?
 - What are pros and cons of their system?
 - What is the applicability to NY State?
 - Others?



Business Items

- Confirmation of e-mail addresses
- Travel reimbursement
- Dissemination of information



Future Meetings

44 Holland Avenue, Albany, NY 12229
Conference Room 4B

Meetings are scheduled from 10am to 3pm on:

- Wednesday, July 13th
- Wednesday, July 27th
- Wednesday, August 10th
- Wednesday, August 31st



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Group Discussion/Next Steps