Reimbursement Process for Transition of Clotting Factor Products Into Medicaid Managed Care

Effective **July 1, 2017**, clotting factor products will be included in the Medicaid managed care benefit package and capitation rates. As of July 1, 2017, Medicaid Managed Care (MMC) plans will be required to cover medically necessary clotting factor products and associated services for MMC plan enrollees and to reimburse clotting factor providers for provision of products and services to plan enrollees. This change applies to all MMC plans, including mainstream Medicaid Managed Care Plans (MMCPs), HIV Special Needs Plans (HIV SNPs) and Health and Recovery Plans (HARPs).

The reimbursement rate for clotting factor products will be established as follows:

1) Two years of historical Fee for Service (FFS) data by region and premium group will be utilized as the base of the July 2017 adjustment. It will be a regional/premium group adjustment;
2) DOH and the State's actuary will apply any additional trends/program adjustments to the base FFS data to develop the final July 2017 rate adjustment; and
3) DOH will include the full value of this adjustment in the High Cost Drug Pool (the Pool) which is used to offset any disproportionate increase in plan utilization of these therapies:
    a. For SFY 2017-18, each plan's share of the Pool is determined by actual utilization of the following drugs from dates of service April 2017 – March 2018; and
    b. The Pool will be reconciled at the end of the SFY based on plan reported encounter data for April 2017 – March 2018 with 60 days of encounter runout. Reconciliation results will be included in a future rate package. The Department may extend the runout period to accommodate any unforeseen State originated data reporting issues.

If you have any questions, please contact the Division of Health Plan Contracting and Oversight at: omcmail@health.ny.gov.