First Annual PPS Statewide Learning Symposium

"The Evolving Role of Managed Care Organizations in DSRIP"

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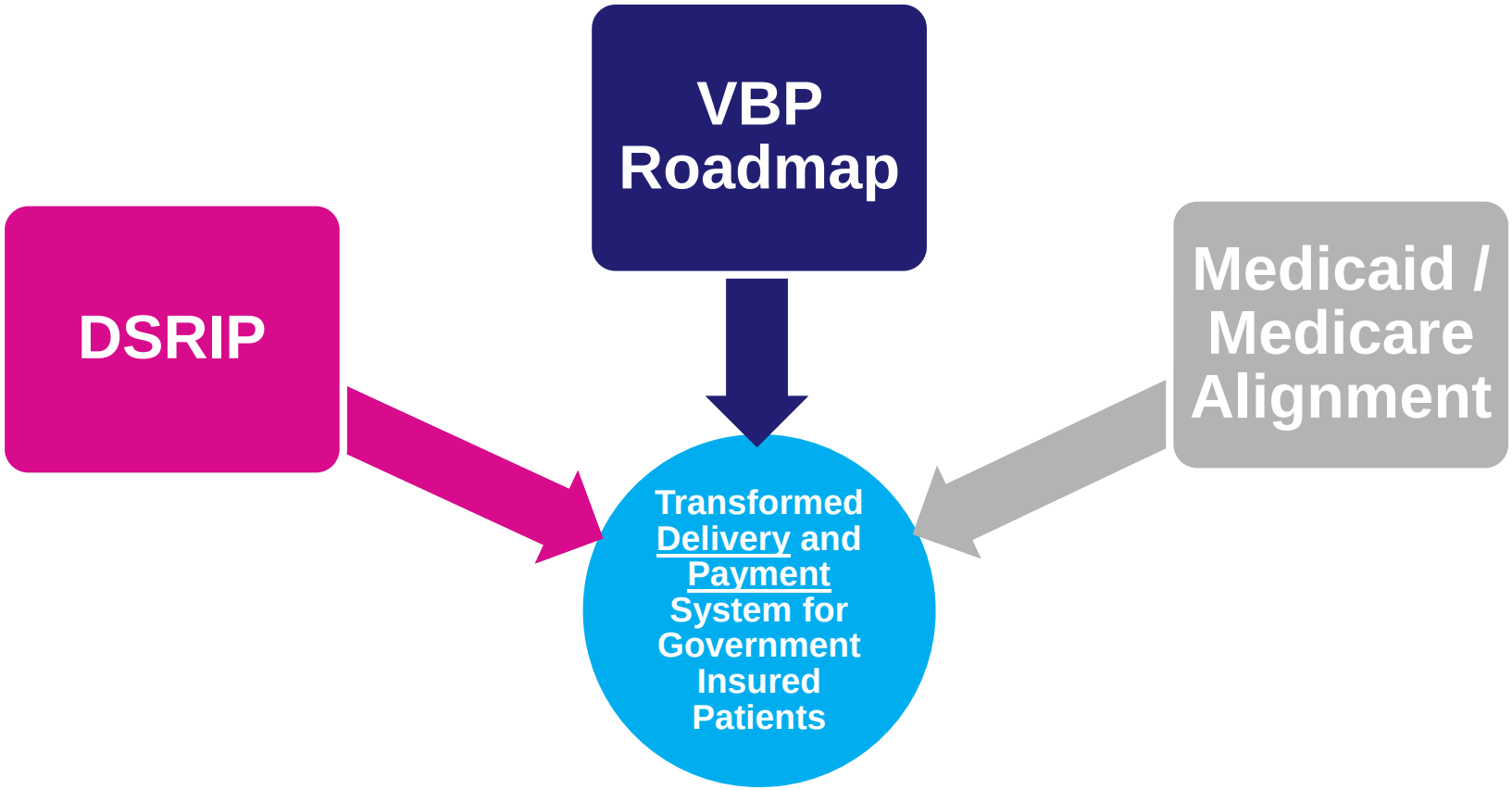
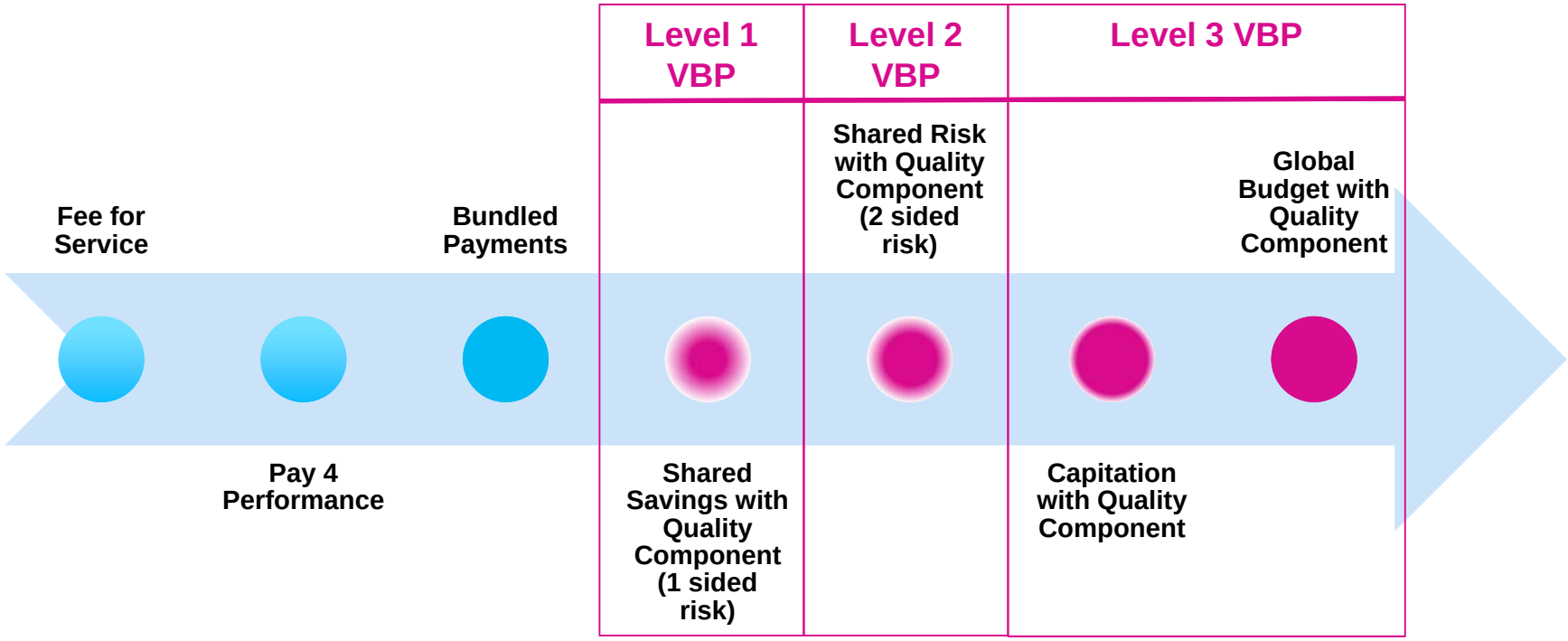
Mount Sinai

Three-Pronged Transformation of New York's Healthcare Delivery and Payment Systems



The State is Moving the Payment System to Match the Transformed Delivery System



Increasing Financial Risk

Increased Demand for Quality

Medicaid Redesign Team, New York State Department of Health. A Path toward Value Based Payment: New York State Roadmap for Medicaid Payment Reform. April 2015

Timeline for the Shift to Value Based Purchasing

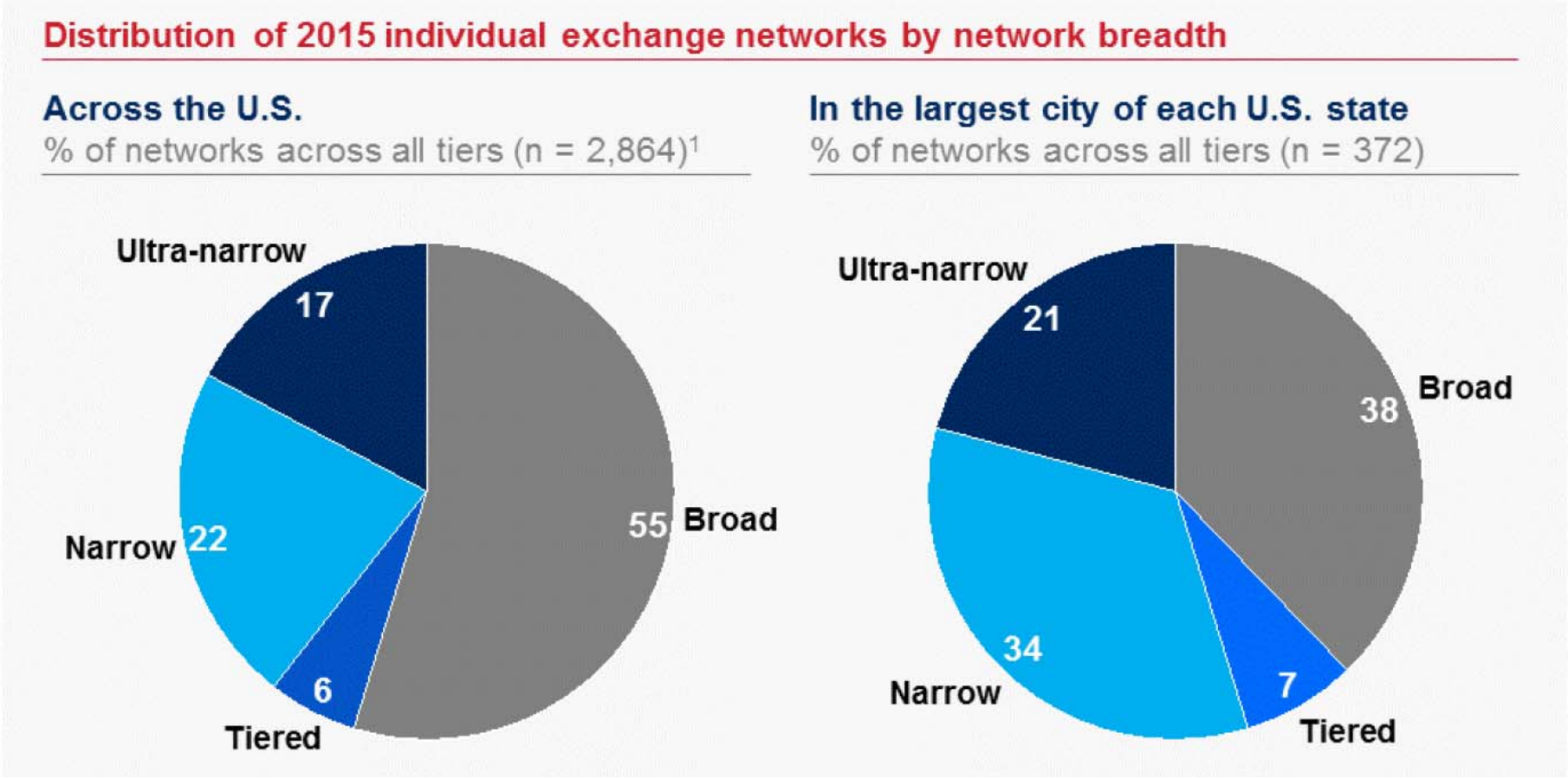
DSRIP Year	VBP Goals
1 (2015)	Medicaid VBP approach will be finalized
2 (2016)	Every MCO / PPS combination will submit plan outlining path to 90% VBP. Plans will be weighed in terms of ambition level. Those MCOs with more ambitious growth plans will receive PMPM bonus from DY3 (2017) forward.
3 (2017)	Every MCO / PPS will have at least one Level 1 VBP arrangement
4 (2018)	>50% of the State's MCO payments – Level 1 VBP or higher Stretch Goal: 30% – Level 2 VBPs or higher
5 (2019)	80% - 90% of the State's MCO payments - Level 1 VBP or higher Stretch Goal: between 50% and 70% Level 2 VBPs or higher

Source: New York State Department of Health, "A Path Toward Value Based Payment: New York State Roadmap for Medicaid Payment Reform," June 2015.

DSRIP and Population Health

	Before DSRIP	After DSRIP
Payments	Volume-based reimbursement	Value-based reimbursement
Coordination	Fragmented care across settings	Seamless care coordination across all settings
Engagement	Targeted (disease specific) patient education	Proactive and systematic patient education
Training and Education	Lacks population health focus	Focus on population health
HIT	Limited HIT data sources, real-time access to data mining for population health analytics	Integrated, comprehensive HIT that supports risk stratification of patients with real time accessibility and analytics
Non-medical resource needs	Limited community partnerships / limited effort to address non-medical resource needs of patients	Mature community partnerships to address social determinants of health and non-medical resource needs of patients

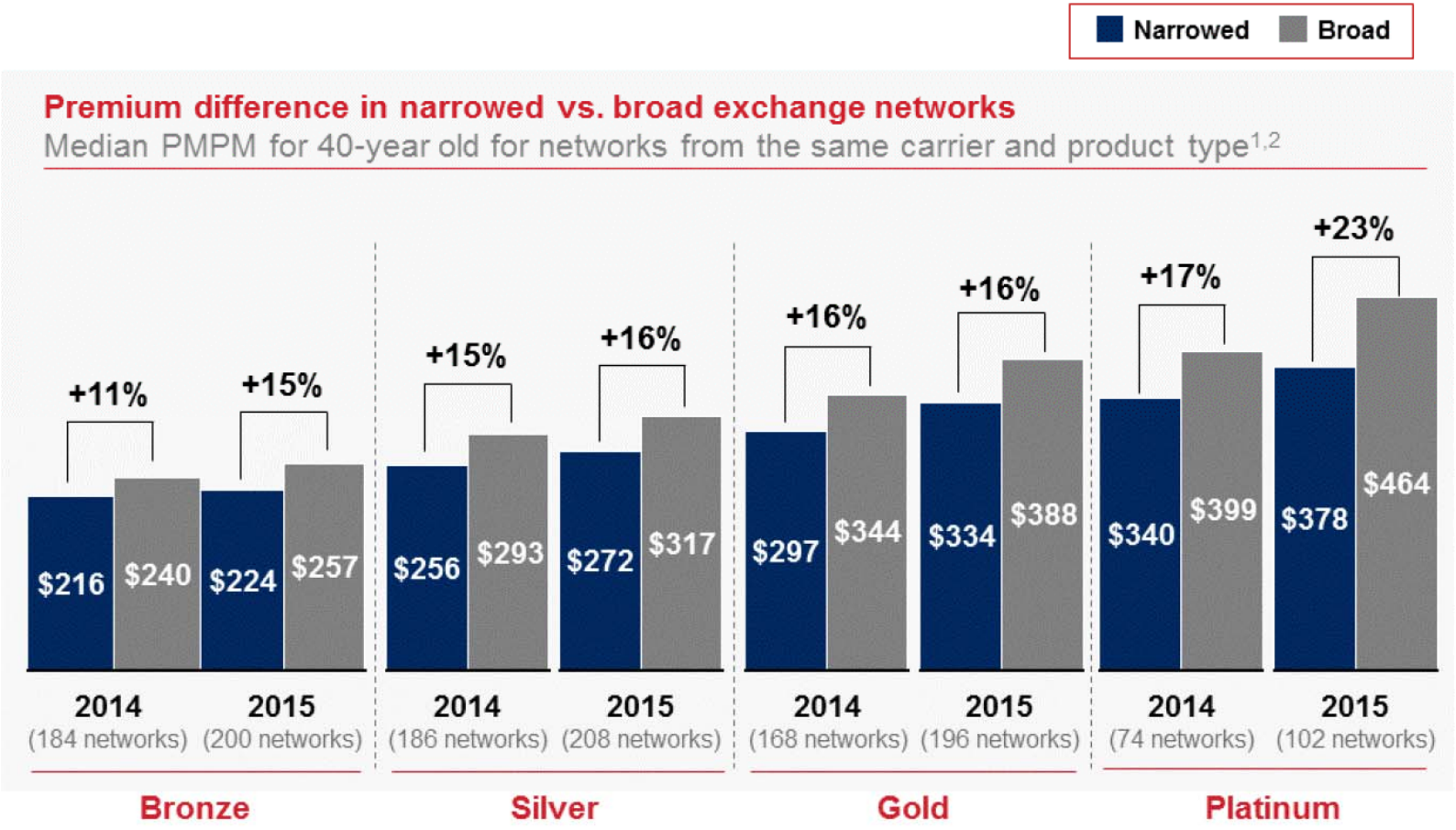
1. “Narrow Networks”



“Hospital Networks: Evolution of the Configurations on the 2015 Exchanges,” a publication of the McKinsey Center for U.S. Health System Reform, April 2015.

1. “Narrow Networks” (cont.)

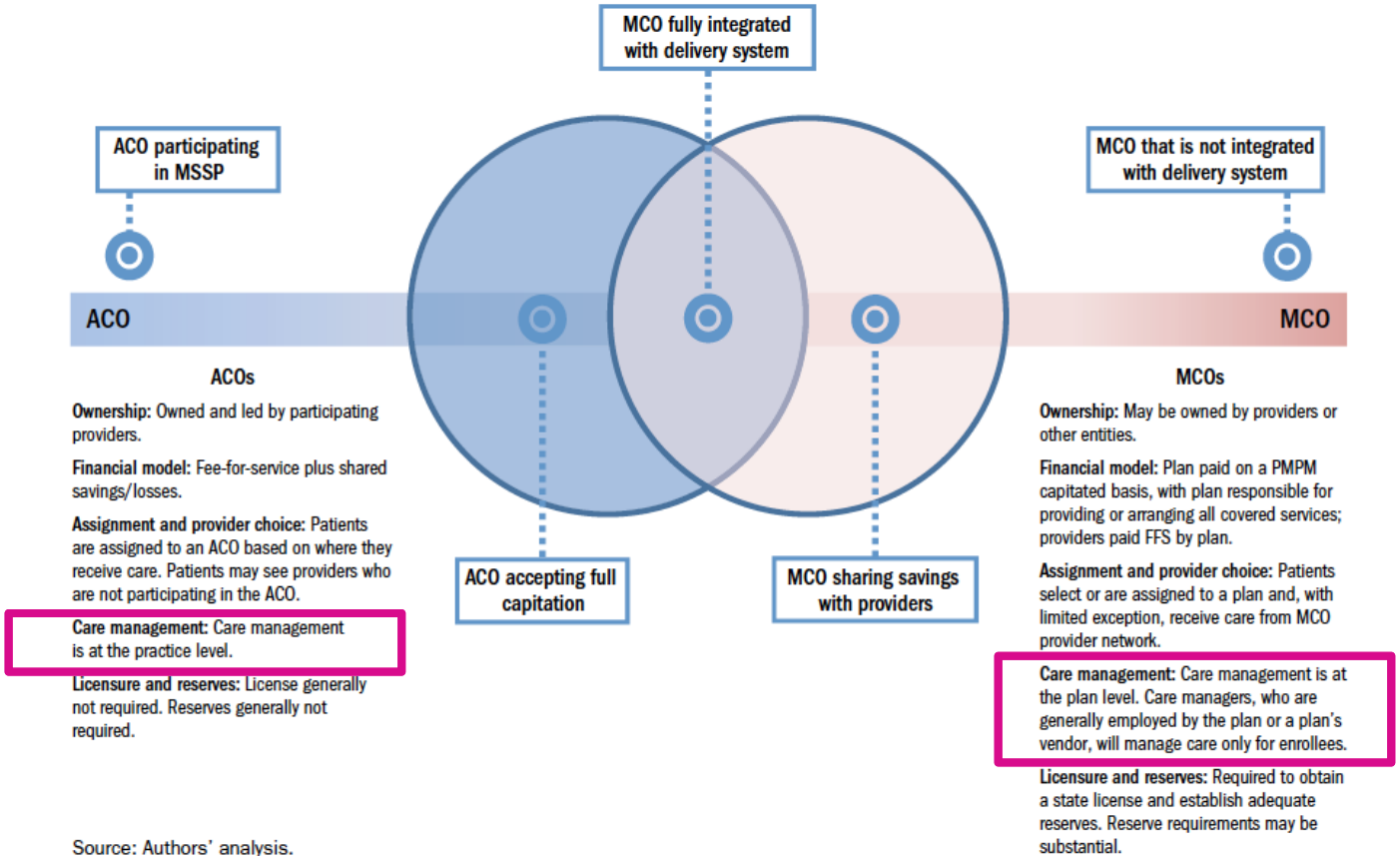
If narrow networks are increasingly prevalent, and if they do indeed help hold down costs, would a migration to narrow networks built around the Performing Provider Systems make sense in the NYS Medicaid program?



“Hospital Networks: Evolution of the Configurations on the 2015 Exchanges,” a publication of the McKinsey Center for U.S. Health System Reform, April 2015.

2. Care Management

As we move towards DSRIP Year 2, and as we progress through the VBP roadmap, is there a continued role for plans to provide care management services, or should such services be the exclusive responsibility of Performing Provider Systems?

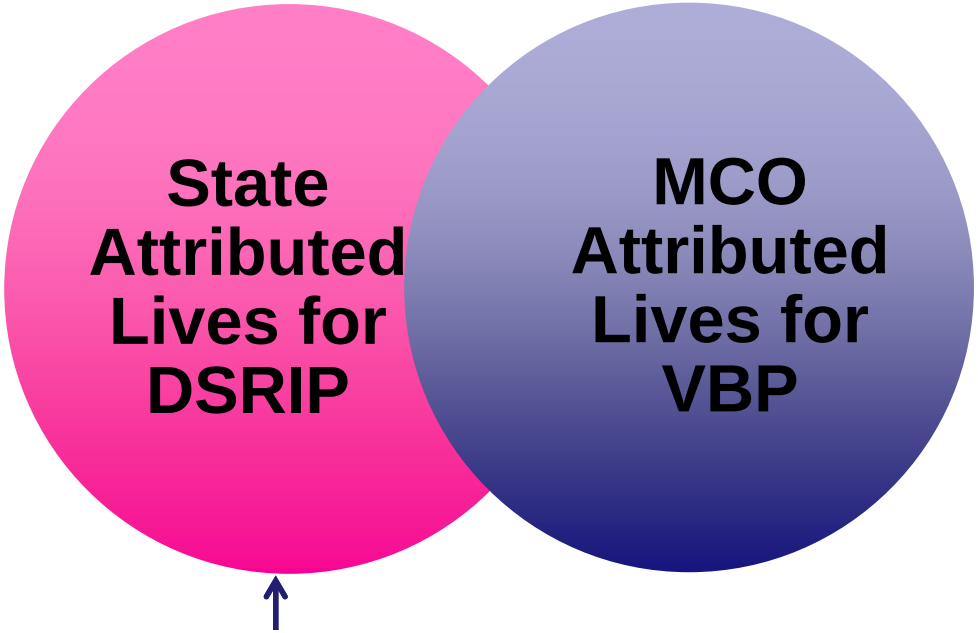


Source: Authors' analysis.

Deborah Bachrach, William Bernstein, and Anne Karl, "High-Performance Health Care for Vulnerable Populations: A Policy Framework for Promoting Accountable Care in Medicaid, " The Commonwealth Fund, November 2012.

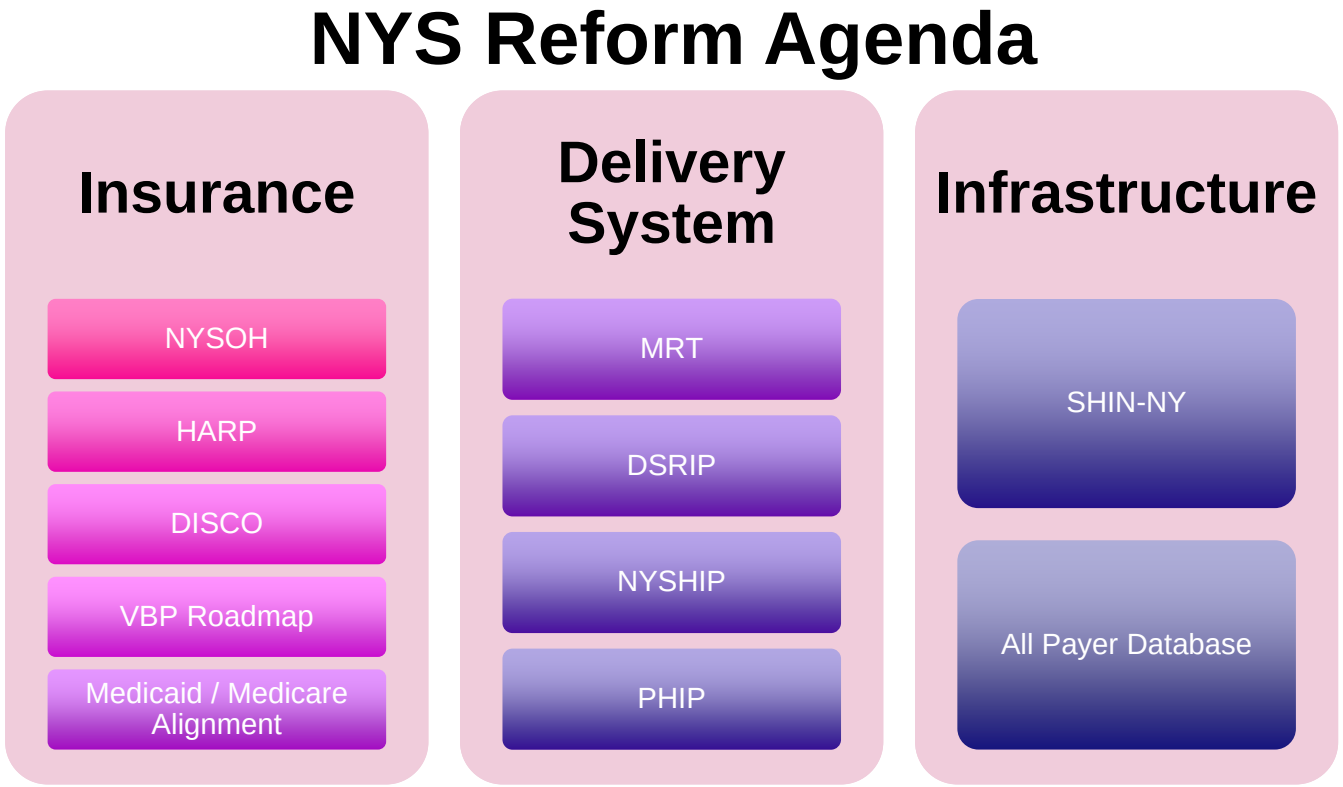
3. Attribution

How will we square the methodology used to assign lives to Performing Provider Systems with the approaches to attribution employed by MCOs, particularly since the infrastructure (2.a.i, 3.a.i) DSRIP funds are building connects the Performing Provider System and its DSRIP attributed lives, which may not overlap with lives assigned to the Performing Provider System by MCOs in the context of VBP contracts?



4. Competing Priorities

Though there is apparent alignment among all of the State reform initiatives, their sheer magnitude poses immense implementation risks. Do you think we can manage through the execution of all of these initiatives? Do you think there are some that should be prioritized over others?



Courtney Burke, "Connecting the Acronyms: Multiple Reforms, Common Goals," a presentation to the United Hospital Fund Health Policy Forum, December 5, 2014.

5. CBOs and Ongoing VBP Payments

As the Performing Provider Systems shift from executing DSRIP projects to assuming financial and clinical risk for patient populations, what role do you see community-based organizations playing? In future value-based purchasing models, how will community-based organizations be compensated?

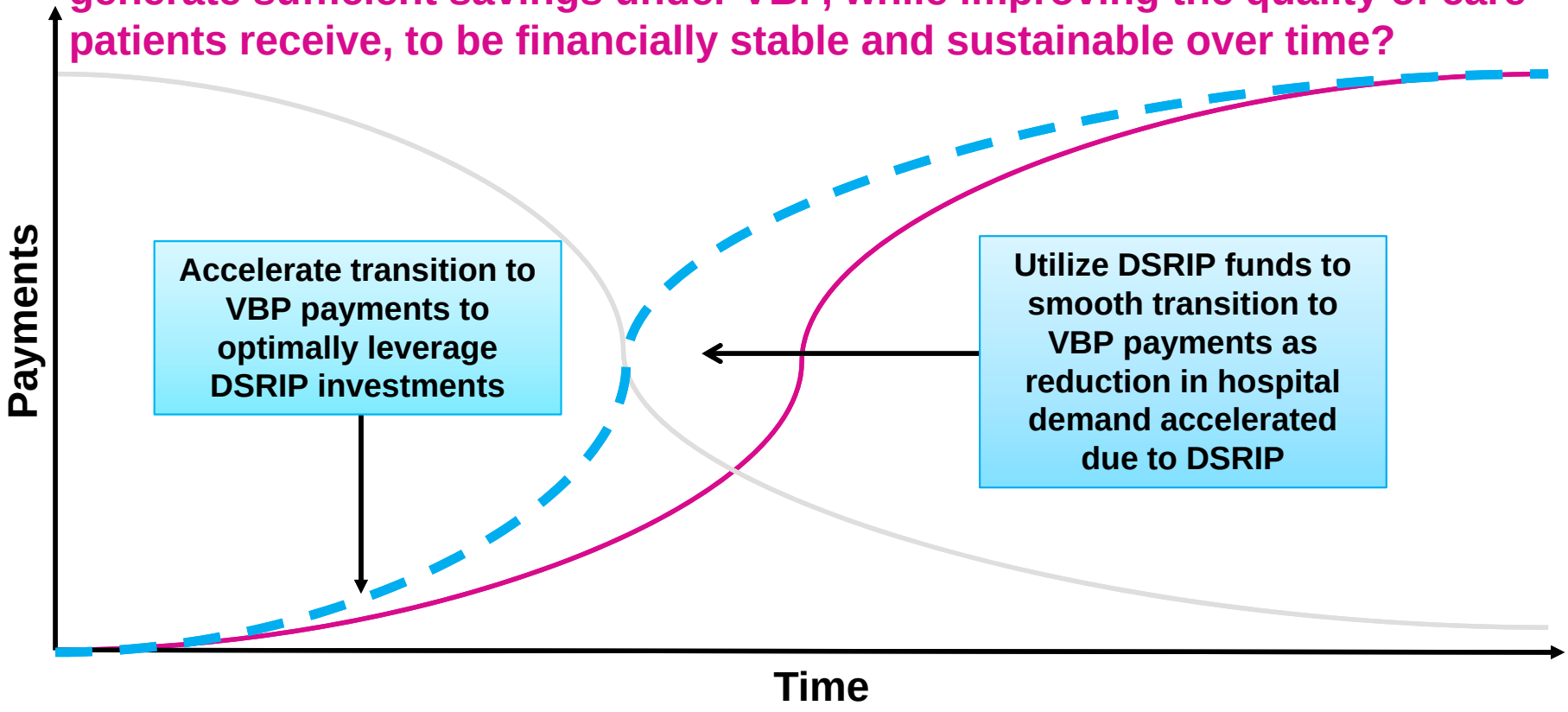
CBO Payment Options

PAYMENT METHODOLOGY	BENEFITS
Upfront Grants	▪ One-time investment ▪ More flexible funding than service-based payments
Enhanced Per Member Per Month (PMPM) Payment	▪ Provides additional dollars for social services to aid care management ▪ Risk-adjusts for vulnerability of population
Shared Savings	▪ Can tie savings/losses to social service quality metrics ▪ Encourages use of social service supports to bring down total cost of care ▪ Savings can be utilized to re-invest in the system
Global Payments	▪ Ability to braid or blend Medicaid and non-Medicaid funds ▪ "Community" budget can be common source of funding for medical and non-medical collaborators ▪ Encourages use of social service supports to bring down total cost of care ▪ Savings can be utilized to re-invest in the system

Roopa Mahadevan and Rob Houston, "Supporting Social Service Delivery through Medicaid Accountable Care Organizations: Early State Efforts," Center for Health Care Strategies, Inc., February 2015.

6. Business Model under VBP

Are you confident that the Performing Provider Systems will be able to generate sufficient savings under VBP, while improving the quality of care patients receive, to be financially stable and sustainable over time?



- VBP Payments accelerated to offset reduced FFS revenue
- VBP Payments at normal pace
- FFS Payments - reductions in hospital demand accelerated by DSRIP

7. How Do the Plans Define Success

DSRIP is usually described as aiming to reduce potentially preventable Medicaid admissions by 25% over the course of the five-year waiver period. But the reality is that DSRIP contains numerous intermediate process and outcome milestones and metrics at population, project, and partner levels. That said, what do the Medicaid plans see as important outcomes as a result of the DSRIP-driven efforts and investments that will occur over the next several years? Do Performing Provider Systems need to do anything differently to achieve these outcomes?

The Future…..


Can Mount Sinai be serious? The answer is a resounding yes. In fact, we couldn't be more serious.
Mount Sinai's number one mission is to keep people out of the hospital. We're focused on population health management, as opposed to the traditional fee-for-service medicine. So instead of receiving care that's isolated and intermittent, patients receive care that's continuous and coordinated, much of it outside of the traditional hospital setting.
Thus the tremendous emphasis on wellness programs designed to help people stop smoking, lose weight and battle obesity, lower their blood pressure and reduce the risk of a heart attack. By being as proactive as possible, patients can better maintain their health and avoid disease.
Our Mobile Acute Care Team will treat patients at home who would otherwise require a hospital admission for certain conditions. The core team involves physicians, nurse practitioners, registered nurses, social workers, community paramedics, care coaches, physical therapists, occupational therapists, speech therapists, and home health aides.
Meanwhile, Mount Sinai's Preventable Admissions Care Team provides transitional care services to patients at high risk for readmission. After a comprehensive bedside assessment, social workers partner with patients, family caregivers and healthcare providers to identify known risks such as problems with medication management and provide continuing support after discharge.
It's a sweeping change in the way that health care is delivered. And with the new system comes a new way to measure success. The number of empty beds.
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mountsinaihealth.org
Mount Sinai
IF OUR BEDS
ARE FILLED,
IT MEANS WE'VE FAILED.

Comments / Questions?