



**Department  
of Health**

Medicaid  
Redesign Team

# **Value Based Payment Quality Improvement Program (VBP QIP)**

## **Demonstration Year (DY) 2 Guidance Webinar**

June 2016

# Today's Agenda

- 1. Program Overview***
- 2. Participant Roles***
- 3. DY1 Accomplishments and Milestones***
- 4. DY2 Pairings, Timeline, and Guidance***
- 5. Next Steps and Considerations***

# Program Overview

# What is the Program's Purpose?

- VBP QIP is voluntary program targeting distressed hospitals and is designed to have participating facilities maintain operations and vital services while they work towards:
  1. ***Moving to VBP;***
  2. ***Improving quality of care; and***
  3. ***Achieving long-term financial sustainability.***
- VBP QIP is an alternative to the State-administered Vital Access Provider Assurance Program (VAPAP) Program.

*The Program's purpose is not to sustain current operations, but to aid in the achievement of long-term financial sustainability through active changes in the delivery and contracting.*

# How does the Program Differ from VAPAP?

	VAPAP	VBP QIP
<b>Transformation Plan</b>	<i>Provide funding to allow facilities to implement a transformation towards financial sustainability.</i>	<i>Have facilities implement a VBP transformation plan, with the achievement of milestones towards financial sustainability as the prerequisite for payment</i>
<b>Purpose</b>	<i>Provide funding to financially distressed facilities.</i>	<i>Provide funding to financially distressed facilities while pushing the facilities toward longer-term sustainability and improved quality.</i>
<b>Governing Entity</b>	<i>Office of Primary Care and Health Systems (OPCHSM)</i>	<i>Office of Health Insurance Programs (OHIP)</i>
<b>Administering Entity</b>	<i>Department of Health (DOH)</i>	<i>Managed Care Organizations (MCOs)</i>

# VBP QIP Compliance

- At the initiation of VBP QIP, the NYS Medicaid Director, Jason Helgerson issued a formal letter to Program participants which stated that the Program is in compliance with State and Federal regulations.
- The State stands by the letter and re-affirms that the design of the program and the payments that have been made for the prior year are in compliance as implemented. The State will continue to monitor the program for continued compliance with State and Federal law.

# Participant Roles

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<b>DOH Role</b>	<ul style="list-style-type: none"> <li>• Provide MCOs with criteria for funds distribution and program administration that aligns with NYS VBP Roadmap</li> <li>• Fund the program through MCO Per Member Per Month (PMPM) rate increases, inclusive of an administrative fee</li> <li>• Provide contracting guidelines and recommendations</li> <li>• Collaborate in the development of the MCO Governance Plan</li> <li>• Review the facilities' sustainability plans and status</li> </ul>
<b>MCO Role</b>	<ul style="list-style-type: none"> <li>• Develop the Governance Plan</li> <li>• Develop the template for the Facility Plan in accordance with DOH-provided criteria</li> <li>• Approve Facility Plans (in collaboration with the Performing Provider Systems (PPS))</li> <li>• Oversee program, distribute and report on funds</li> </ul> <p>Note: The MCO is <i>not</i> responsible for ensuring that the Facilities achieve the goals of VBP QIP</p>
<b>PPS Role</b>	<ul style="list-style-type: none"> <li>• Consult with facilities and MCOs to ensure facility plan aligns with DSRIP goals</li> <li>• Provide support (non-financial) and guidance to the participating facilities</li> <li>• Flow funds from MCO to facility</li> </ul>
<b>Facility Role</b>	<ul style="list-style-type: none"> <li>• Complete the VBP QIP Facility Plan</li> <li>• Implement the Plan in accordance with contractual obligations to move towards VBP, improve quality of care, and achieve financial sustainability over duration of the Program</li> <li>• Engage in continuous communication with PPSs and MCOs regarding obstacles and successes.</li> </ul>

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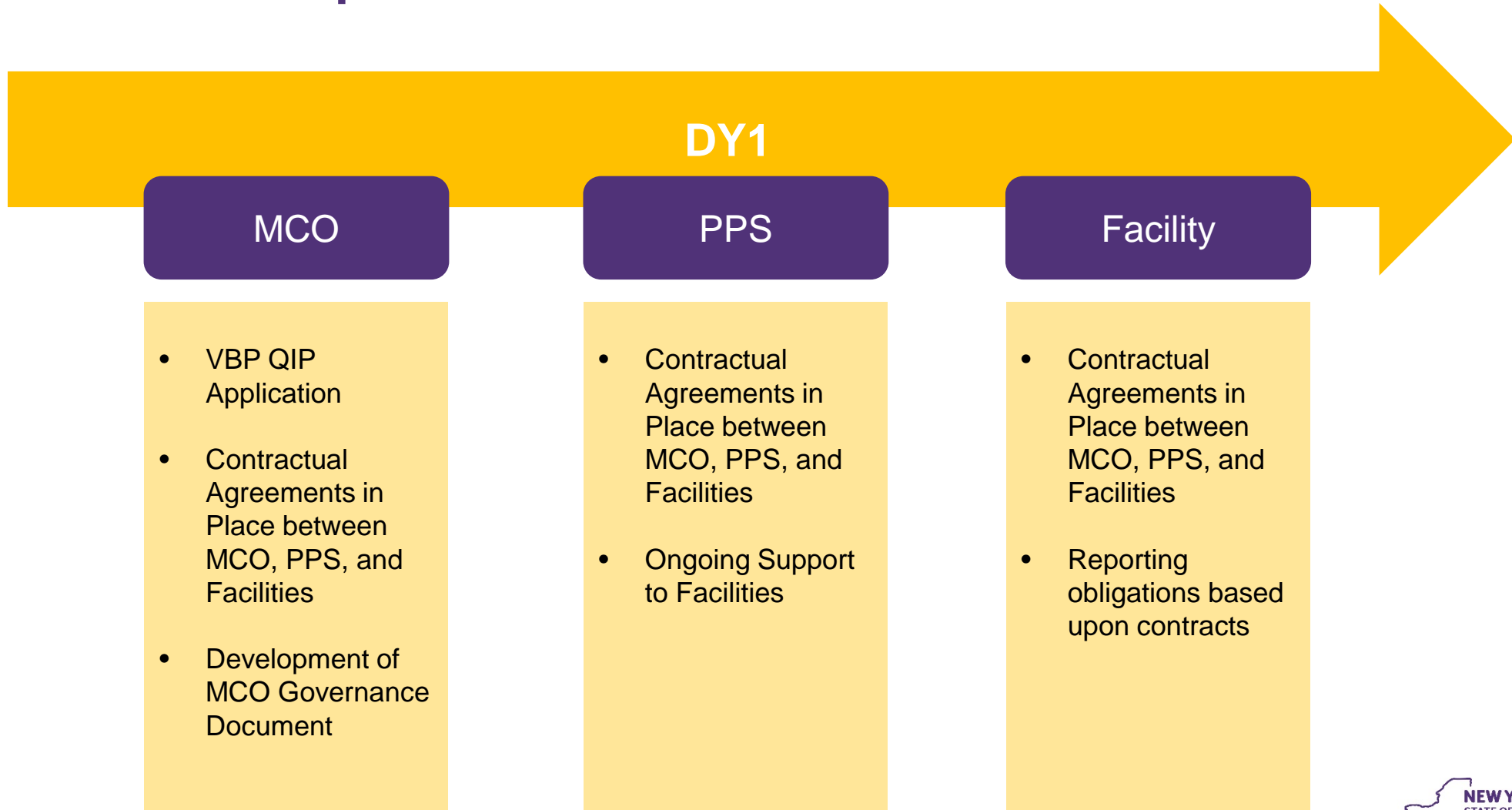
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# DY1 Accomplishments and Milestones

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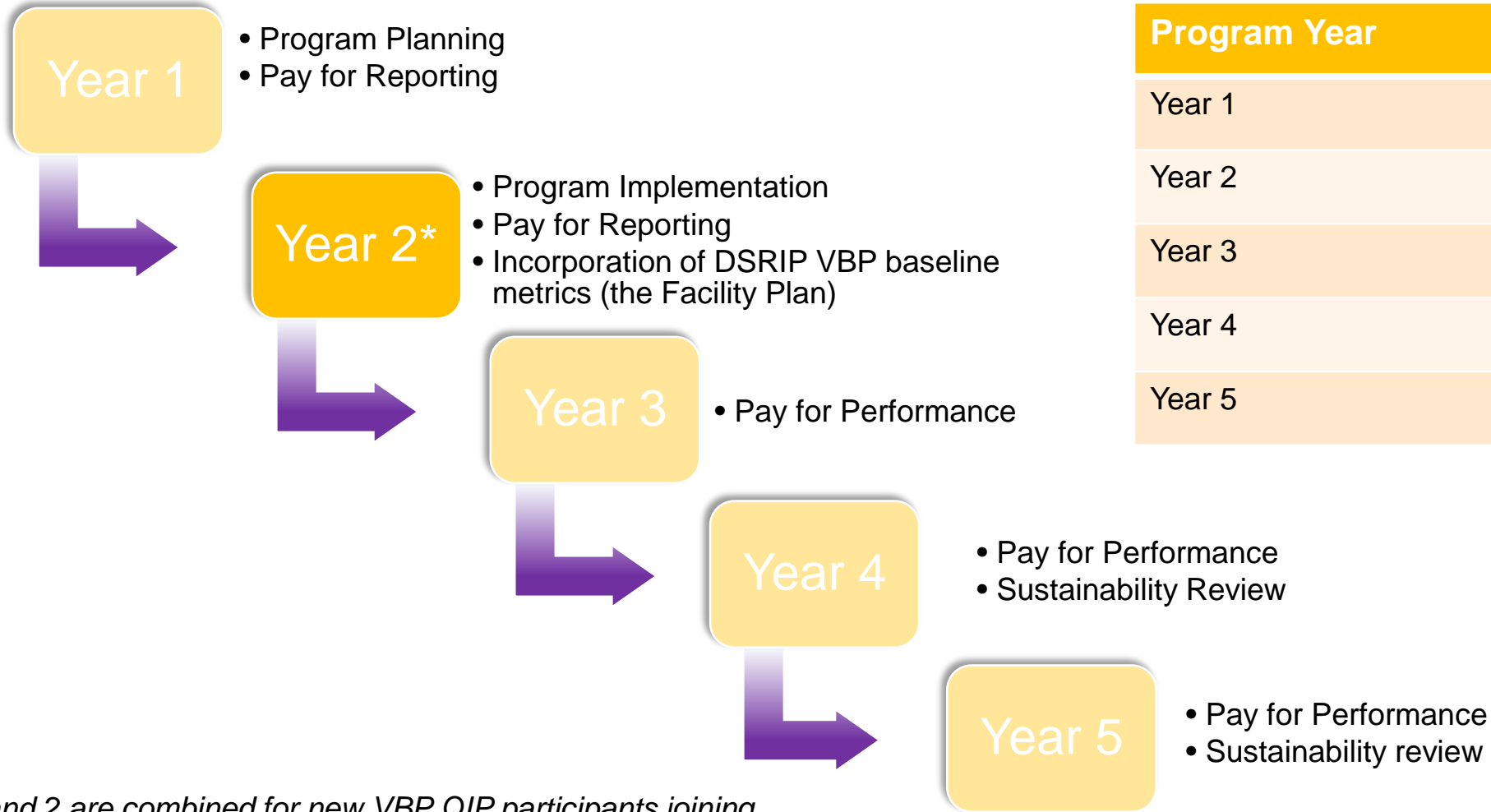
# DY2 Pairings, Timeline, and Guidance

# VBP QIP DY2 Proposed Pairings

MCO	PPS	Facility	Award
<i>Affinity</i>	Advocate Community Providers	Brookdale Hospital	\$31,000,000
	Montefiore Hudson Valley Collaborative	St. Joseph's Hospital	\$6,571,728
<i>Amerigroup</i>	Nassau Queens Performing Provider System, LLC	Nassau University Medical Center	\$40,000,000
<i>Excellus</i>	Central New York Care Collaborative, Inc.	Lewis County General Hospital	\$5,500,000
	Finger Lakes Performing Provider Systems, Inc.	St James Mercy Hospital	\$2,580,361
		Orleans Community Hospital	\$2,188,376
		Wyoming County Community Health	\$1,250,000
Mohawk Valley PPS	A O Fox Memorial Hospital	\$3,200,000	
<i>Fidelis</i>	Maimonides Medical Center	Interfaith Medical Center	\$50,000,000
		Kingsbrook Jewish Medical Center	\$50,000,000
	Montefiore Hudson Valley Collaborative	Montefiore – Mount Vernon	\$28,299,975
	Nassau Queens Performing Provider System, LLC	Nyack Hospital	\$4,579,744
	Westchester Medical Center	St. John's Episcopal	\$14,852,107
		Bon Secours Charity Health	\$7,416,275
<i>HealthFirst</i>	Advocate Community Providers	Brookdale Hospital	\$109,000,000
<i>MVP</i>	Montefiore Hudson Valley Collaborative	Montefiore - New Rochelle	\$22,922,530
	Westchester Medical Center	Health Alliance (Benedictine)	\$5,085,315
<i>United Health Plan</i>	Central New York Care Collaborative, Inc.	Rome Memorial Hospital	\$2,426,452
	Maimonides Medical Center	Wyckoff Heights Medical Center	\$50,000,000
<i>WellCare</i>	Montefiore Hudson Valley Collaborative	St. Luke's Hospital - Cornwall	\$14,000,000
<i>TBD*</i>	OneCity Health	NYC Health + Hospitals	TBD

\* Pairing still under review.

# DOH's VBP QIP Vision: Year 2

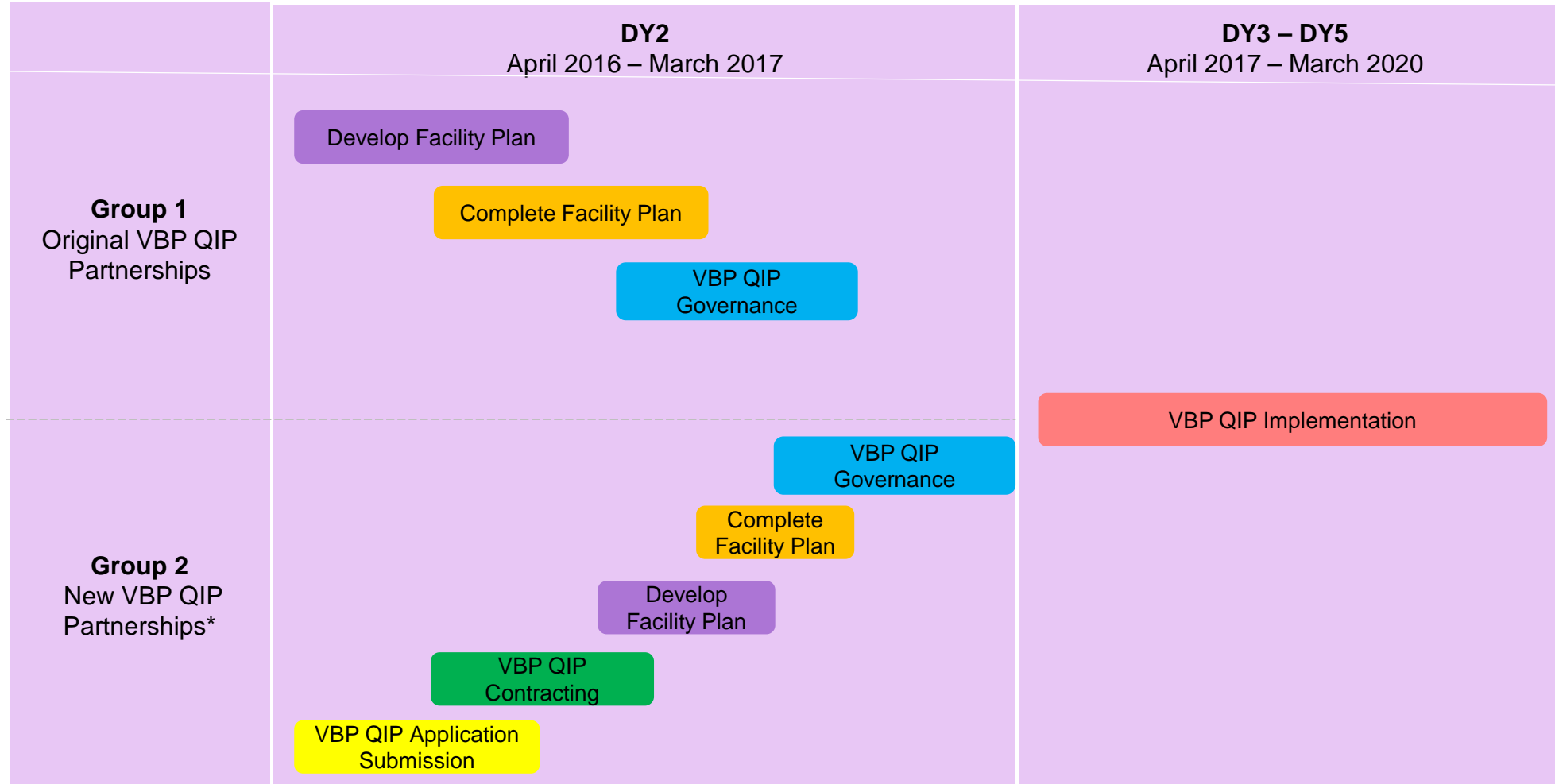


Program Year	Date Range
Year 1	April 2015 – March 2016
Year 2	April 2016 – March 2017
Year 3	April 2017 – March 2018
Year 4	April 2018 – March 2019
Year 5	April 2019 – March 2020

\* Years 1 and 2 are combined for new VBP QIP participants joining in April 2016



# VBP QIP DY2 – DY5 Timeline



\* Group 2 VBP QIP participants develop their Facility Plans at an accelerated pace, completing all DY1 & DY2 deliverables within DY2

# VBP QIP DY2 Contracting Expectations

## *Contracting for VBP QIP*

- The State anticipates MCOs, PPS, and Facilities to either renew contracts over the course of the Program or create contracts that last for the Program's duration. Ultimately, it is the responsibility of the participants to negotiate contracts that are acceptable to all parties.
- Group 1 participants should inform the Department of any expected delay between the expiration of DY1 contracts and the completion of contracts for DY2.

## *VBP Contracting*

- Facilities need to take steps towards transitioning to VBP contracting with all of their MCOs as part of VBP QIP and DSRIP goals.
- Facilities must submit attestation of VBP contracting with other MCOs to their VBP QIP MCO partner in accordance with the expectations detailed in their Facility Plans.
  - Facilities are expected to retain records of attested contracts in the case of an audit by an oversight agency related to the Program.

# VBP QIP DY2 Reporting Expectations

Facility finalizes Facility Plan and submits it to the MCO  
Facility meets VBP milestones and reports on progress to the MCO  
Facility reports on the receipt of VBP QIP funds to OPCHSM on a monthly basis  
Facility reports to the Department on how funding is used to advance the Transformation Plan

Reporting

MCO reviews reports submitted by Facilities that detail progress towards meeting level one VBP status  
MCO reports on VBP QIP payments to DOH quarterly via Medicaid Managed Care Operating Report – this report includes funds paid to the PPS and funds then paid by the PPS to the Facility

Reporting

DOH reviews MCO submitted reports via MMCOR  
DOH reviews Facility reports on VBP QIP funds & Transformation Plan progress

Like in DSRIP, once a Facility meets its milestones it is awarded a performance payment to aid in the Facility's transformation. The MCO is not responsible for auditing the VBP QIP payments earned by the Facility or the use of the funds once earned.

# VBP QIP DY2 Funds Flow Expectations

- In DY1, there were instances where variances arose between payment amounts received by the MCOs and amounts participants expected to receive.
- In DY2, it is the State's commitment to ensure that MCOs have adequate resources to distribute Program funding without having MCOs advance their own funds prior to receiving monies from the State. This assurance should allow the MCOs to introduce fixed payment dates to Facilities, thus enabling Facilities to focus on program transformation.
- MCOs should only release funds when a facility successfully meets its metrics in accordance with its Facility Plan, as well as other reporting and contractual agreements for that period.
  - The Program participants must abide by the arrangements in their VBP QIP contracts, Facility Plans, and Governance Documents for reporting on their progress towards Program milestones.

# Next Steps and Considerations

# VBP QIP Upcoming Participant Milestones

## Group 1 Participants

Development of VBP metrics for inclusion in the Transformation Plan

Facilities complete Facility Plans and submit to PPS, MCO, and DOH for review

Final Facility Plans approved by the MCO in collaboration with the PPS

MCOs submit a revised VBP QIP Governance documents to DOH for review

## Group 2 Participants

MCO submit VBP QIP applications to DOH

MCO VBP QIP applications approved by DOH

Contract agreements in place

DOH to provide a Facility Plan guidance and template to MCOs for review

*These milestones make up the next major deliverables for each participant group in VBP QIP. Please see the VBP QIP Timeline for more detail on when these deliverables should be completed.*

*The dates in the VBP QIP timeline are the State's anticipated completion times for each deliverable. It is up to the partners to determine their own completion dates within their contracts.*

# VBP QIP Communications

- Going forward in DY2, payment is dependent on submission of deliverables and achievement of milestones. Therefore, communication from all parties will be vital for VBP QIP's continued success.
- The State is working to promote communication by creating an all parties contact list and hosting monthly open forums.
- Please contact the State with any questions, concerns or comments related to VBP QIP at [vbp\\_qip@health.ny.gov](mailto:vbp_qip@health.ny.gov).

# VBP QIP Considerations

- For all program participants, baseline VBP QIP metric development will be a top priority, and all parties should be engaged in development process.
- Facilities must have Level 1 VBP contracting in place by the start of Year 3 with all Medicaid MCOs
  - While it is the State's expectation that level 1 VBP contracting would be beneficial to all Facilities, in certain instances the contracting process may be more burdensome than the expected benefit.
  - The State expects the VBP QIP Facilities to analyze their Medicaid population attribution and utilization data, and to work with their paired PPS and MCO to agree on any instances where VBP Level 1 contracting may not be beneficial to the Facility.
- Looking forward into DY4 and DY5, Facilities should be aiming for and meeting metrics focused on quality of care, VBP contracting, and ultimately moving towards financial sustainability.



# Comments?

For any further questions, please contact the VBP QIP inbox:

[vbp\\_qip@health.ny.gov](mailto:vbp_qip@health.ny.gov)