



**Department
of Health**

VBP QIP Demonstration Year 3 Guidance Document

Updated as of 3/17/17



Value Based Payment Quality Improvement Program
DY3 Guidance Document

Table of Contents

Purpose 3
Recap: VBP QIP Overview 4
VBP QIP DY3 Requirements 8
VBP QIP DY3 Payments..... 11
Other VBP QIP DY3 Activities..... 12
VBP QIP DY3 Pairings Table..... 14
VBP QIP DY3 Timeline 15
VBP QIP DY3 Reporting 17



**Value Based Payment Quality Improvement Program
DY3 Guidance Document**

Purpose

The purpose of this document is to provide Value Based Payment Quality Improvement Program (VBP QIP) participants information to progress into the third demonstration year (DY3) of the program. This document is designed to be useful to both Group 1 and Group 2 participants. This document should be considered as a supplement to other programmatic documents released by DOH, including guidance documents, frequently asked questions, presentations, etc. Included in this document are:

1. Recap of the VBP QIP overview, roles and expectations, etc.
2. Overview of VBP QIP DY3 requirements
3. Summary of other VBP QIP DY3 activities
4. Explanation of VBP QIP DY3 payments
5. Illustration of the DY3 pairings table
6. Overview of the DY3 timeline
7. Outline of DY3 reporting table, including submission information.



Value Based Payment Quality Improvement Program

DY3 Guidance Document

Recap: VBP QIP Overview

Theme	State Guidance
<p>Program purpose and compliance</p>	<p>VBP QIP’s purpose The purpose of VBP QIP is to transition financially distressed Facilities to a VBP model, improve their quality of care, and as a result of improved quality and VBP contracting, achieve financial sustainability over the duration of the Program. The Program’s purpose is not to sustain current operations, but to ensure long-term financial sustainability through active changes in the delivery and contracting of healthcare services.</p> <p>VBP QIP is not VAPAP As stated above, the purpose of VBP QIP is not to solely sustain facility operations, like its predecessor program, VAPAP, was designed to do. If a partner finds that their paired partners are not making efforts to meet their responsibilities within the Program, then DOH should be notified to help ensure participant compliance with the Program. Additionally, it should be noted that VBP QIP is a voluntary program and the State may take action to ensure that the all participants meet their respective responsibilities.</p> <p>VBP QIP and compliance At the initiation of the VBP QIP, NYS Medicaid Director, Jason Helgeson, issued a formal letter to Program participants stating that the Program is in compliance with State and Federal regulations. The State stands by this letter and affirms that the design of the program and the payments that have been made for this program to date are in compliance as implemented. The State will continue to monitor the program to ensure its continued compliance with State and Federal law.</p>



Value Based Payment Quality Improvement Program
DY3 Guidance Document

Table with 2 columns: Theme and State Guidance. The 'Participant Roles' theme is detailed with sub-sections for MCO, PPS, and Facility roles, each with a list of responsibilities.



Value Based Payment Quality Improvement Program
DY3 Guidance Document

Theme	State Guidance
<p>Reporting and Monitoring Requirements</p>	<p>Reporting in VBP QIP</p> <p>Program participants should abide by the arrangements in their VBP QIP contracts, Facility Plans, and Governance Documents for reporting on their progress towards Program milestones. If a deliverable or report is not submitted, the State should be notified to help ensure participant compliance within VBP QIP.</p> <p>By start of DY3, Facility Plans will be finalized and Facilities will be expected to work towards program milestones and report on their progress in order to receive payment.</p> <p>Similar to DSRIP, once a Facility meets its milestones, the Facility is awarded a performance payment to aid in its transformation. The MCO is not responsible for auditing the VBP QIP payments or the use of funds earned by the Facility. The MCO’s responsibility is to oversee the Facility’s progress throughout the duration of VBP QIP. MCOs will issue reports to DOH tracking payment amounts to facilities. These MCO reports to DOH should also include documentation of paired facilities progress towards meeting VBP QIP performance measures and documentation demonstrating success in entering into VBP contracts.</p>
<p>Funds Flow</p>	<p>Funding for VBP QIP</p> <p>It is the State’s commitment to ensure that MCOs have adequate resources to distribute Program funding without making MCOs advance their own funds prior to receiving monies from the State. MCOs should notify the DOH immediately if they recognize a difference between their actual and expected monthly premium payments.</p> <p>Additionally, MCOs should only release funds when a Facility successfully meets its metrics as well as other reporting and contractual agreements for that period.</p>



Value Based Payment Quality Improvement Program
DY3 Guidance Document

Theme	State Guidance
Governance and Contracting Expectations	<p>VBP QIP Governance Plan Purpose</p> <p>Each MCO participating in VBP QIP must submit a Governance Plan. The purpose of the Governance Plan is to ensure program integrity and formalized lines of accountability and communication among participating MCOs, PPS, and Facilities. All program participants are expected to abide by their contractual obligations, as well as, the guidance stated in the Governance Plan.</p> <p>VBP QIP contracts and contract extensions</p> <p>The State expects MCOs, PPS, and Facilities to either renew contracts over the course of the Program or create a contract that lasts for the Program’s duration.</p>



Value Based Payment Quality Improvement Program

DY3 Guidance Document

VBP QIP DY3 Requirements

In DY3, 50% of payments will be based on P4R deliverables and 50% of payments will be based on P4P deliverables. Below is a high-level summary of deliverables for DY3 of VBP QIP. For detailed information on DY3 deliverables, please refer to the VBP QIP Facility Plan Guidance Document available on the VBP QIP website.

DY3 Q1 Requirements

100% of the DY3 Q1 payment is tied to P4R.

Quarter 1 (April 1, 2017 – June 30, 2017)	
Metric	P4R/P4P
Provide a Letter of Intent (LOI)* for at least one Level 1 VBP Contract that will be executed by July 1, 2017. <i>*LOI may be substituted by a Contract Attestation if a Level 1 VBP contract already exists by April 1, 2017</i>	P4R
Provide an MCO Contract List that includes calendar year 2015 Managed Care revenue from cost reports for each Medicaid Managed Care contract the facility had in that year. The facility should also include projections for which VBP contracts will have a TCGP value-based arrangement by April 1, 2018.	P4R



Value Based Payment Quality Improvement Program
DY3 Guidance Document

DY3 Q2 Requirements

100% of the DY3 Q2 payment is tied to P4R.

Quarter 2 (July 1, 2017 – September 30, 2017)	
Metric	P4R/P4P
Sign at least one Level 1 VBP contract and provide a Contract Attestation	P4R
Provide LOIs* with the remaining Medicaid MCOs needed to meet the 80% VBP contracting target (as outlined in the updated MCO Contract List) <i>*LOI may be substituted by a Contract Attestation if a Level 1 VBP contract already exists by July 1, 2017</i>	P4R
Provide an updated MCO Contract List with calendar year <u>2016</u> Medicaid Managed Care revenue from cost reports and VBP arrangement information. MCO Contract List should be accompanied by an attestation confirming the accuracy of the data by a senior manager at the facility.	P4R

DY3 Q3 Requirements

100% of the DY3 Q3 payments is based on P4P.

Quarter 3 (October 1, 2017 – December 31, 2017)	
Metric	P4R/P4P
Facilities to submit baselines (rolling annual baseline covering DY2 Q4 that will be used for DY3 Q1 measurement) for all selected VBP QIP P4P measures to the paired MCO	P4P

DY3 Q4 Requirements

100% of the DY3 Q4 payment is based on P4P.

Quarter 4 (January 1, 2018 – March 31, 2018)	
Metric	P4R/P4P
Facilities to submit measure results for all selected VBP QIP P4P measures related to the measurement period that occurred in DY3 Q1 to the paired MCO	P4P

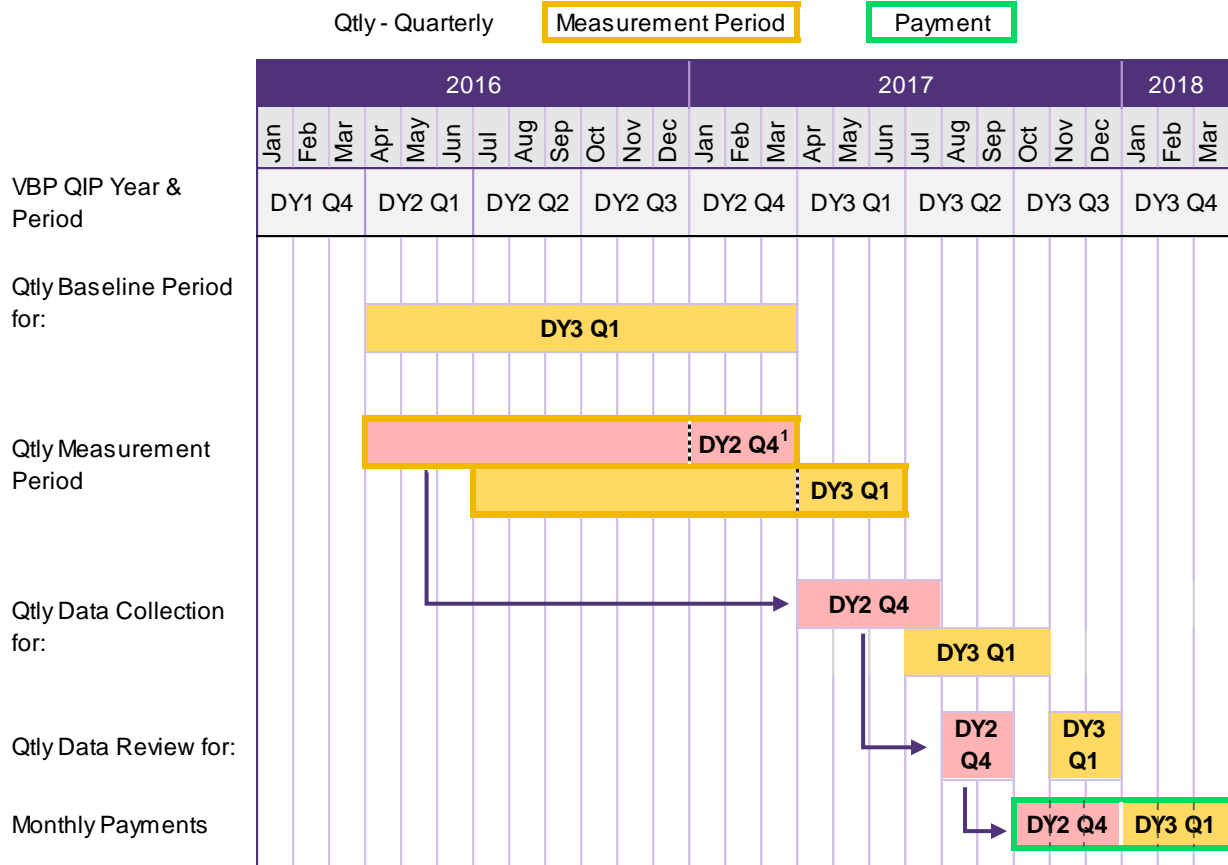


Value Based Payment Quality Improvement Program

DY3 Guidance Document

DY3 P4P Timeline Illustration

The figure below illustrates the DY3 P4P timeline.





Value Based Payment Quality Improvement Program

DY3 Guidance Document

VBP QIP DY3 Payments

As described in the DY3 Requirements section above, VBP QIP payments in DY3 are for both Pay for Performance (P4P) and Pay for Reporting (P4R) activities. Specifically, in DY3, 50% of payment will be based on reporting on VBP contracting progress (P4R) and 50% on actual performance improvement (P4P) on a facility’s selected quality measures. In the first two quarters of DY3, funds will be paid solely for P4R and in the remaining two quarters of DY3 funds will be solely for P4P. Although performance in P4R and P4P aspects determine the overall amount of payment for the quarter, payments are still expected to be made on a monthly basis.

Annual Payment Distribution

	DY3	DY4	DY5
VBP Contracting Progress (P4R) %	50% (Paid in Q1 & Q2)	20%	0%
Performance Improvement (P4P) %	50% (Paid in Q3 & Q4)	80%	100%

Quarterly Payment Distribution

	DY3			
	Q1	Q2	Q3	Q4
VBP Contracting Progress (P4R) %	25%	25%		
Performance Improvement (P4P) %			25%	25%

*All percentages are a proportion of annual payments



Value Based Payment Quality Improvement Program
DY3 Guidance Document

Other VBP QIP DY3 Activities

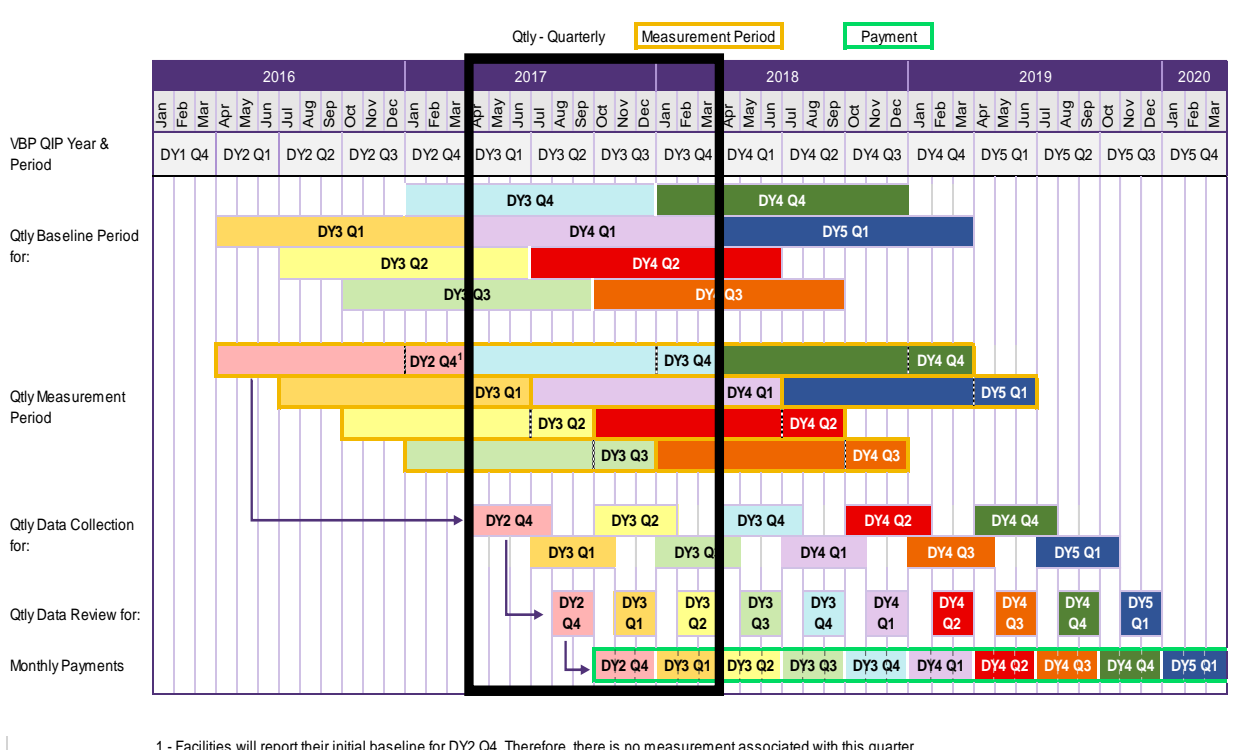
In addition to the VBP QIP DY3 requirements, there are other items participants should monitor that take place in DY3 and are due in future years. This section outlines the other P4R and P4P activities that facilities should continue to work on in DY3 to help achieve metrics for future years. Additionally, this section outlines potential P4R penalties for facilities that do not meet DY3 P4R requirements.

Other P4R Activities

The last P4R requirements in DY3 are due on July 1, 2017. However, facilities should continue to work toward Level 1 VBP contracts aligned to LOIs submitted to meet their additional P4R requirement on April 1, 2018. By April 1, 2018, VBP QIP facility must have Medicaid MCO contracts where at least 80% of total Medicaid MCO contracted payments (based on the 2016 data reported in the July 1, 2017 MCO Contract List) to the facility are tied to at least Level 1 value based purchasing components.

Other P4P Activities

The figure below outlines P4P activities that should take place during DY3 related to QIT. Participants should note that there are P4P activities, such as data collection, data review, etc., that are tied to payments in future years that should take place in DY3. Additionally, some payments in DY4 are tied to measurement periods in DY3.

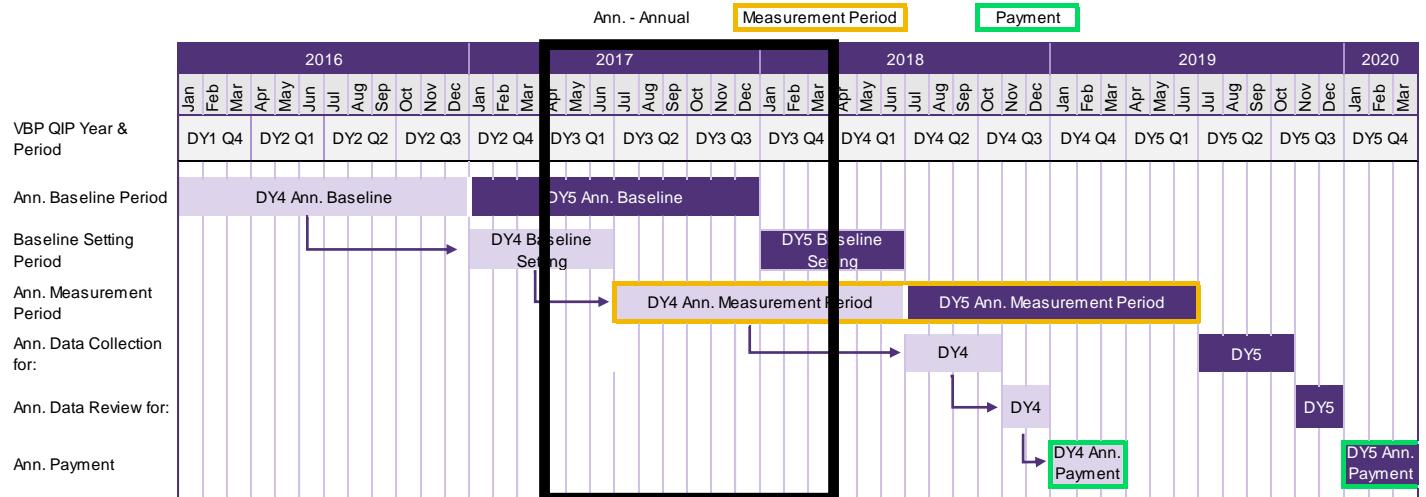




Value Based Payment Quality Improvement Program

DY3 Guidance Document

In addition to QIT activities, facilities should consider activities during DY3 related to the DY4 AIT as outlined in the graphic below.



Potential DY3 P4R Penalties

Facilities that do not meet P4R requirements in DY3 are subject to penalties outlined below.

DY	Penalties	% of Total P4R Payment in DY
3	DY3 Q1 Payment: Tied to P4R milestones due April 1, 2017	Penalty if Not Met: Up to 50% of P4R Funds in DY3
	DY3 Q2 Payment: Tied to P4R milestones due July 1, 2017	Penalty if Not Met: Up to 50% of P4R Funds in DY3



Value Based Payment Quality Improvement Program
DY3 Guidance Document

VBP QIP DY3 Pairings Table

The most current pairings are outlined below.*

MCO	PPS	Facility
Affinity	Maimonides Medical Center	Brookdale Hospital
	Montefiore Hudson Valley Collaborative	St. Joseph's Hospital
Amerigroup	Nassau Queens Performing Provider System, LLC	Nassau University Medical Center
Emblem Health (HIP)	Health and Hospitals Corp.	Health and Hospitals Corp.
	Central New York Care Collaborative, Inc.	Lewis County General Hospital
Excellus	Finger Lakes Performing Provider Systems, Inc.	St James Mercy Hospital Orleans Community Hospital Wyoming County Community Health
	Mohawk Valley PPS	A O Fox Memorial Hospital
	Maimonides Medical Center	Interfaith Medical Center Kingsbrook Jewish Medical Center
	Montefiore Hudson Valley Collaborative	Montefiore – Mount Vernon Nyack Hospital
Fidelis	Nassau Queens Performing Provider System, LLC	St. John's Episcopal
	Westchester Medical Center	Bon Secours Charity Health Good Samaritan Hospital Suffern
HealthFirst	Maimonides Medical Center	Brookdale Hospital
MetroPlus	Health and Hospitals Corp.	Health and Hospitals Corp.
MVP	Montefiore Hudson Valley Collaborative	Montefiore - New Rochelle
	Westchester Medical Center	Health Alliance (Benedictine)
United Health Plan	Central New York Care Collaborative, Inc.	Rome Memorial Hospital
	Maimonides Medical Center	Wyckoff Heights Medical Center
WellCare	Montefiore Hudson Valley Collaborative	St. Luke's Cornwall

*Pairings are subject to change.



Value Based Payment Quality Improvement Program
DY3 Guidance Document

VBP QIP DY3 Timeline

Please note that the dates included herein are the Department's recommended completion dates for past, present, and upcoming VBP QIP milestones. It is up to individual pairings of VBP QIP partners to determine the exact completion dates for each of the following items. To successfully participate in VBP QIP and to continue to receive payments, these milestones must be met and reported on in the proper order as detailed below. Please keep in mind that VBP QIP is a performance based program and there should never be prospective payments; participants should only receive funds once VBP QIP objectives for the payment period are met. Exact timing is left to the discretion of the MCO as program administrator in coordination with its paired PPS and Facilities unless otherwise noted by the State. Please note that dates highlighted in red must be completed by their listed times and cannot be delayed.

Table with 2 columns: Milestone, Due Date. Rows include Governance Document, Facility Plan, and Pay for Reporting: VBP Contracting with specific milestones and due dates like April 1, 2017 and July 1, 2017.



Value Based Payment Quality Improvement Program
DY3 Guidance Document

Milestone	Due Date
Facilities must provide DOH (only) with the updated list of current Medicaid Managed Care Contracts including 2016 cost data for each Medicaid Managed Care contract the facility has and should also include projections for which VBP contracts will have a TCGP value based arrangement by April 1, 2018	July 1, 2017
Facilities must provide paired MCO and DOH with a signed Facility Attestation related to 2016 cost data reported in the Medicaid MCO list	July 1, 2017
Facilities continue to execute contracts to meet deadline by April 1, 2018	July 2017 to March 2018
DOH to review and file submitted VBP contracts	Ongoing: review period depends on risk level of the VBP contract
Pay for Performance: VBP QIP Quality Measurement	
DOH to release the statewide mean for measures for DY4 for AIT measurement	June 2017
Facilities to submit P4P measures to their paired MCOs	Quarterly: Beginning DY3 Q3, no later than 120 days after close of Quarter
MCOs to review and approve reports	Quarterly: Beginning DY3 Q3, no later than 45 days after initial submission
MCOs to notify facilities of decision prepare monthly payments	Quarterly: Beginning DY3 Q3, no later than 180 days after close of Quarter
Reporting	
MCO Quarterly Reporting to DOH (April 2016 – Ongoing) – MMCOR Submissions	Ongoing: 45 days after Quarter End
Facilities report on selected measures on quarterly basis	Ongoing: Quarterly



Value Based Payment Quality Improvement Program
DY3 Guidance Document

VBP QIP DY3 Reporting

Report	Submitted by	Submitted to	Frequency	Location
VBP QIP Contracts	MCOs	DOH	As updated	vbp_qip@health.ny.gov
Approved Facility Plans	MCOs	DOH	March 31, 2017	vbp_qip@health.ny.gov
1 LOI or Contract Attestation	Facilities	MCOs & DOH	April 1, 2017	vbp_qip@health.ny.gov
MCO Contract List with 2015 data	Facilities	DOH	April 1, 2017	vbp_qip@health.ny.gov
1 Contract Attestation for Level 1 VBP	Facilities	MCOs	July 1, 2017	
Remaining LOIs (or Contract Attestations)	Facilities	MCOs & DOH	July 1, 2017	vbp_qip@health.ny.gov
MCO Contract List with 2016 data and Facility Attestation	Facilities	DOH	July 1, 2017	vbp_qip@health.ny.gov
Remaining Contract Attestations	Facilities	MCOs & DOH	April 1, 2018	vbp_qip@health.ny.gov
Documentation of achievement of P4P metrics	Facilities	MCOs	Quarterly	
Documentation of approval of P4P deliverables and supporting documentation	MCOs	DOH	Quarterly	vbp_qip@health.ny.gov