



**Department
of Health**

Value Based Payment Quality Improvement Program (VBP QIP)

Frequently Asked Questions

As of 7/13/2016



As of 7/12/2016
VBP QIP FAQs

Value Based Payment Quality Improvement Program (VBP QIP) Frequently Asked Questions

Table with 4 columns: Item #, Category, Question, Response. Contains 8 rows of frequently asked questions regarding VBP QIP participation, application requirements, and facility assignments.



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Item #	Category	Question	Response
9	MCO-PPS-Facility Assignment	If more than one MCO is working with the same PPS, to what degree can the MCOs collaborate on milestones and metrics?	In the rare case that a single Facility is working with more than one MCO through its PPS for VBP QIP, DOH expects the MCOs to collaborate with each other. The Facility should not be made to create more than one separate Facility Plan, so milestones and metrics should align between the MCOs. In general, the MCOs can collaborate to the extent that their collaboration ensures that the Facility is not put under undue pressure because it is working with more than one MCO.
10	MCO-PPS-Facility Assignment	Is this program restricted to Facilities that are or were once part of VAPAP?	Currently only previously eligible VAPAP Facilities are participating in VBP QIP.
11	Structure and Timeline	When does Year 1 start for metrics and payments? How are the years in the DOH vision attributed?	Year 1 is State Fiscal Year (SFY) 2015-2016, thus it starts April 2015. Year 2 will be SFY 2016-2017 and accordingly starts April 2016, and so on for all future years of the program.
12	Structure and Timeline	How long will VBP QIP run for?	VBP QIP will be a 5-year program that runs in line with DSRIP.
13	Structure and Timeline	When will VBP QIP payments begin?	For Group 1 VBP QIP participants, payments have begun. For Group 2 Facilities, DOH has issued the first payment to the MCOs in July 2016.
14	Structure and Timeline	When do the VBP QIP contracts need to be finalized for Group 2 participants, who joined the Program in April 2016?	DOH expects the MCOs, PPS, and Facilities in Group 2 to have a contract or an agreement in place by July 1 st , 2016.
15	Structure and Timeline	What are the MCOs specifically administering related to VBP QIP?	The MCOs will be overseeing the transformation of the Facility to a VBP model consistent with the Department's VBP Roadmap. Specifically, the MCO will monitor the Facility to ensure that it meets program objectives, and will forward payment based on the achievement of these milestones.
16	Structure and Timeline	What is the purpose of the VBP QIP MCO Governance Plan?	The purpose of the Governance Plan is to document a detailed outline of the MCOs plan for program governance over the 5 years of VBP QIP. The administration of the program and evaluation of the Facility's progress is the main role of participating MCOs, so the Governance Document is to be a thorough plan that oversees a smooth transition to VBP.



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17	Structure and Timeline	How will the VBP QIP MCO Governance Plan be assessed and scored?	DOH previously provided feedback for each of the MCO's Governance plan, which DOH expects each MCO to act upon by making the suggested improvements. DOH's feedback was not a formal score, but was designed to provide guidance on where the State felt that the MCO's Governance Plan could be improved. If the MCO wishes to receive technical assistance from the State, the MCO can request such and the State will provide it. Group 1 Governance Plans are due to DOH on September 16, 2016. Group 2 Governance Plans are due to DOH on December 10, 2016.
18	Structure and Timeline	What is the role of the MCOs throughout VBP QIP?	As described in the VBP QIP DY2 Guidance Webinar held on June 8, 2016, the role of the MCO is as follows: <ul style="list-style-type: none">• Develop the Governance Plan• Develop the template for the Facility Plan in accordance with DOH-provided criteria• Approve Facility Plans (in collaboration with the PPS)• Oversee the program, and distribute and report on funding• <i>Note: The MCO is not responsible for ensuring that the Facilities achieve the goals of VBP QIP</i>
19	Structure and Timeline	What is the role of the PPSs throughout VBP QIP?	As described in the VBP QIP DY2 Guidance Webinar held on June 8, 2016, the role of the PPS is as follows: <ul style="list-style-type: none">• Consult with facilities and MCOs to ensure facility plan aligns with DSRIP goals• Provide support (non-financial) and guidance to the participating facilities• Flow funds from MCO to facility
20	Structure and Timeline	Does DOH envision a one-to-one relationship between MCO and Facility?	This will almost always be the case, but there may be instances where this may not be true depending on current quality pool payments and other complexities.



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21	Structure and Timeline	In the VBP QIP Governance Document, what is the difference between a baseline metric and milestone?	In the Governance Document, milestones are tasks, deliverables, or states of progress that only require reported to achieve successful completion. Metrics are measured to determine performance, and performance of a certain degree above the Facility's baseline is required to achieve successful completion.
22	Structure and Timeline	In the light of phase 2 VBP QIP contracting, are phase 1 VBP QIP milestones valid?	Yes, VBP QIP phase 1 milestones will still be valid once all participants move to phase 2. The phased approach to VBP QIP's development was initially developed to separate the 'pre-VBP/program design' and 'post-VBP/program implementation' sections of the program from each other. Phase 1 VBP QIP contracts were to cover the duration of the program before VBP contracts between Facilities and MCOs were in place, and phase 2 VBP QIP contracts were to cover the period after that, during which the Facilities and their MCOs would have level 1 (or greater) VBP contracts in place.
23	Structure and Timeline	Is there an MCO Governance Plan template?	No. However, DOH distributed a revised VBP QIP Governance Plan Scorecard for MCOs to use when completing their Governance Plans. Additionally, DOH provided guidance on Governance Plan components in the VBP QIP application. If further clarification is necessary, DOH recommends that Plans contract their respective Associations.
24	Structure and Timeline	What is the difference between VBP and VBP QIP performance measures for Pay for Reporting (P4R) in DY1-DY2 and Pay for Performance (P4P) during DY3-DY5?	The purpose of VBP QIP is to transition financially distressed Facilities to VBP, improve their quality of care, and as a result, achieve financial sustainability over the duration of the Program. The measures established in the Facility Plan should reflect the purpose of VBP and align to the metrics in the VBP Roadmap provided by DOH.



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Table with 4 columns: Item #, Category, Question, Response. It contains three rows of FAQs regarding Facility VBP Plans, including questions about transformation plans, MCO approval, and the level of detail expected in the plans.



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Item #	Category	Question	Response
28	Facility Plan	Can the Facility Plan template, provided by DOH in DY1, be used for DY2?	DOH provided a Facility Plan template to MCOs in DY1 that can be used by Group 2 MCOs entering VBP QIP in DY2. Like with the Group 1 MCOs, the Facility Plan template should be customized by each MCO to fit its own program. The template should be used by Facilities to create their Facility Plan.
29	Contracts and Plans	Do you envision a model contract between the MCO, PPS, and Facility?	DOH has collaborated with the Hospital and Health Plan Associations to provide a contractual template to facilitate VBP QIP contracting. Ultimately, it is the responsibility of the MCO, PPS, and Facilities to negotiate contracts that are acceptable to all parties to facilitate the implementation of their individual program.
30	Contracts and Plans	Does DOH envision the use of contractual provision obligating MCOs to disburse funds to the PPS only upon demonstration by the Facility that the benchmarks have been met?	DOH expects contractual provisions, such as achievement of metrics, to be included in the VBP QIP agreements to govern the distribution of funds.
31	Contracts and Plans	Are the dollar amounts being contracted for known? Is there a set amount that would flow through one of these contracts?	An amount will be built into the MCO's premium based on the estimated need of the VBP QIP Facilities.
32	Contracts and Plans	Will DOH consider deeper involvement or an escalation process for Facilities that do not make progress toward the agreed upon goals set forth in their Facility Plans?	It is first and foremost the responsibility of the MCO to oversee the implementation of VBP QIP by its paired Facilities. DOH should be notified in the case that any party is not meeting their responsibilities. This includes Facilities not meeting their goals set forth in the Facility Plans, and also MCOs and PPS that fail to provide oversight and guidance to the Facility.
33	Contracts and Plans	Will contracting be for a specific sub population?	No, the singular VBP QIP contract between the Facility, its PPS, and its MCO (or, in special cases, multiple MCOs) will cover the entire program, inclusive of all of the Facility's operations, and inclusive of all of the patient populations it serves.
34	Contracts and Plans	What happens a contract between an MCO and PPS expires within the 5 years of VBP QIP and are not renewed?	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. Ultimately, it is the responsibility of the participants to negotiate contracts that are acceptable to all parties, so that all aspects of the Program can progress uninterrupted.



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Item #	Category	Question	Response
35	Contracts and Plans	Do Facilities need to move to VBP contracting with all of their MCOs or just their paired VBP QIP MCO?	Facilities need to take steps towards transitioning to VBP QIP contracting with <u>ALL</u> of their MCOs to align VBP QIP with DSRIP. The MCO is not responsible for making sure the contracts occur, but is responsible for holding the Facility accountable and being a resource.
36	Contracts and Plans	What information should a Facility share with its paired MCO regarding other MCO contracts?	Facilities are expected to provide paired MCOs with attestations that they have Level 1 VBP contracts with all other MCOs that they work with by the beginning of DY3 of VBP QIP.
37	Contracts and Plans	When are Facilities expected to enter Level 1 contracting?	Facilities should enter Level 1 VBP contracts with its Medicaid MCOs by April 2017 (the start of DY3). The only exception to a Level 1 VBP contract between MCOs and the Facility could be when an MCO's patient population is insignificant compared to Facility's total population. The MCO should consult with the PPS to ensure that any exceptions do not impact the PPS's objective, and that the Facility still maintains compliance with the VBP Roadmap.
38	Contracts and Plans	According to DOH, what will constitute a "small" patient population for which a Facility would not need to enter in a Level 1 VBP contract with an MCO?	Facilities should enter Level 1 VBP contracts with all of its MCOs. However, the Department understands that there are instances, in the case of small populations, where it is not appropriate to enter VBP contracts. DOH does not have a specific number or a percentage of patient population that would be considered "small/insignificant." Facilities and their VBP QIP partners should perform their own analysis to make this determination. The MCO should consult with the PPS to ensure that any exceptions do not impact the PPS's objective, and that the Facility still maintains compliance with the VBP Roadmap.
39	VBP QIP Disbursement	How do you envision the division of the dollars when multiple PPSs deal with a Facility?	In most cases, a Facility is paired with one PPS and one MCO. Though there are some special cases where more than one MCO is paired with the same Facility, there is never a case where multiple PPS are paired with the same Facility.



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40	VBP QIP Disbursement	Will the PPS' receive an administration fee as well?	No, at this time the PPSs will not receive an administration fee for participating in this program. PPSs were rewarded bonuses in their DSRIP Applications for taking on distressed partners, giving the PPS a higher valuation. Beyond helping ensure the stability of providers and the health system in the PPS's region, PPS are also expected to work with these distressed partners in their VBP QIP transformation in exchange for the aforementioned bonus.
41	VBP QIP Disbursement	Should MCOs prepare to provide funding for VBP QIP before payment from DOH?	It is the State's commitment to ensure that MCOs have adequate resources to administrate the Program without having MCOs advance funds prior to receiving programmatic funds from the State. This includes the State releasing funds early, initiating rate adjustments, expediting reconciliations for prior-year payments, and the development of a set funds flow schedule so that all parties can anticipate and plan for payment.
42	VBP QIP Disbursement	Will there be a guidance issued about how the funds should be accounted for when they are flowed down to the Facilities? Are MCOs expected to monitor the funds moving to the Facility?	DOH will be looking for the MCOs to report in the Medicaid Managed Care Operating Report (MMCOR) on the flow of funds for VBP QIP. There will be accountability via cost reports and in that manner the funds will be reconciled and validated. It is important to have a complete tracking system of the funds being flowed down from the MCO to the PPS and ultimately to the Facility.
43	VBP QIP Disbursement	What type of audit authority will ensure that the money gets to the Facilities and that they are used towards VBP?	Both MCOs and PPSs will be held accountable for the flow of funds through MMCOR reporting. The MCO is responsible for sending money to the PPS and making sure the money is then transferred to the Facility, but once a Facility meets its milestones, it is awarded a performance payment that can be used as it sees fit without MCO oversight. The MCO is not responsible for auditing the Facility's expenditure of VBP QIP payments. The MCO's responsibility is to be a resource to the Facility, as it monitors and evaluates the Facility's progress throughout the 5 years of VBP QIP.



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44	VBP QIP Disbursement	Will the distribution and proportion of funds change as other Facilities enter the program?	Yes, both the distribution and proportion of funds can change as other Facilities enter the VBP QIP, and as Facilities transform and gain financial stability through VBP. DOH will provide updated annual figures for VBP QIP Facilities every year.
45	VBP QIP Disbursement	How will the money be distributed over the 5 years of the program?	Each year will have its own distribution. It is expected that each year of the program will have an amount allocated for distribution. However, the distribution to the Facilities may differ based on the need and the number of participants. DOH expects to develop a set funds flow schedule so all parties can better anticipate and plan for payment.
46	VBP QIP Disbursement	Will the proposed 5% administrative fee be offered to the MCOs?	The current proposed administrative fee is 5% of the total transaction.
47	VBP QIP Disbursement	Do you see the 5% administrative fee increasing with time since the MCOs see that there will be more work as they move from just paying for reporting to being more involved in the program?	At this time, only the current proposed administrative fee of 5% of the total transaction is being considered.
48	VBP QIP Disbursement	Will payments pursuant to this program be segregated for cost reporting and other purposes?	Payments for this program will be segregated on the MCOs' Premium Schedule Bs and addendum schedules for cost reporting and other purposes within the cost reports (MMCOR). For those plans participating in the VBP QIP program, the cost report reporting directions can be found in the MMCOR Instructions located in the Healthcare Financial Data Gateway (HFDG) within the Health Commerce System (HCS).
49	VBP QIP Disbursement	Will a gross up of premium be added on to cover any required statutory reserves?	Yes, a gross up of premium will be added to cover any required statutory reserves.



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50	VBP QIP Disbursement	Are VBP QIP budget amounts determined on a hospital-by-hospital basis?	<p>Yes, VBP QIP allocations are determined by looking at each Facility and working with the Health Economics Team at OPCHSM to understand the level of financial distress that the Facility is in. Then calculations are done to determine the amount of money needed to sustain the Facility and allow them to move towards VBP contracting.</p> <p>For these calculations, DOH uses historical data, audits, budgets, and other sets of financial information to determine the VBP QIP funding amount.</p>
51	VBP QIP Disbursement	For Group 2 VBP QIP participants starting in April 2016, what is the earliest date for funding?	As soon as all the contracts are signed, and Managed Care agreements are finalized, then funding can flow in terms of the State share advance. DOH expects a July first payment
52	Other	If an MCO doesn't participate will they see a rate cut to help fund VBP QIP? Is the 5% over and above what is in the April 2015 rate?	No, MCOs will not experience a rate cut should it choose to not participate in VBP QIP. The 5% on the transaction is over and above what will be noted in the April 2015 rate.
53	Other	Will there be a specific line item where VBP QIP funds can be tracked?	Yes, there will be a specific line item to identify the VBP QIP funds within the MMCOR. There will be segregated adjustments in the MCOs' Schedule B's and addendum schedules so that MCOs can see the funds that are associated with surplus, taxes, additional administration, and what is flowed down to the Facilities.
54	Other	Will the rates be sent to CMS for approval?	Yes, the rates will be sent to CMS for approval.
55	Other	Will payments pursuant to this program not be counted toward minimum loss ratio (MLR) calculation?	No, at the moment the VBP QIP funds will count towards the MLR calculation. Should this change, DOH will provide guidance to the MCOs.
56	Other	Will the payments pursuant to this program affect total funding otherwise planned for the Medicaid quality incentive?	The payments under VBP QIP will not affect total funding planned for the existing Medicaid quality incentive program premium add-on.
57	Other	Is the program going to be based on shared savings, shared risk, or both?	It could be either, or both, depending on the MCO-Facility contract. See the DOH's VBP Roadmap for more detail on the kinds of VBP contracts available for MCOs and Facilities to enter into as the Facility transitions to VBP.



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58	Other	Does this program affect the upper payment limit?	No, VBP QIP payments do not affect the upper payment limit.
59	Other	How will the State handle the coordination of communication between DOH and VBP QIP participants as well as between program participants?	<p>To ensure an environment that promotes open dialogue and transparency, DOH expects to continue having one-on-one conversations with all VBP QIP participants. DOH also plans to develop an all-parties contact list, which will have main points of contact from each participant, and will distribute this list to all of the program's participants.</p> <p>Moving forward, DOH will be sure to inform participants of all Program developments in a timely manner as well as create a channel to ensure that DOH is immediately made aware of any party that is not fulfilling its programmatic obligations.</p> <p>DOH will also hold a monthly open forum WebEx every third Wednesday of each month for all participants to attend.</p>
60	Other	What are the next steps for Group 2 MCOs participating in VBP QIP?	DOH has approved certain MCOs to participate in VBP QIP. MCOs are expected to reach out to their paired Facilities and begin contract negotiations. Upon execution of contract agreements, MCOs should gather PPS input and then develop Facility Plan templates that will be sent to Facilities for completion.
61	Other	Are Facilities required to submit monthly financial reports to MCOs?	DOH expects Facilities to report on contractual obligations with their VBP QIP paired MCOs.
62	Other	What should a Facility do if it does not want to contract with an MCO / participate in VBP QIP?	A Facility should contact DOH immediately if it does not want to contract with an MCO or participate in the Program. Please note, VBP QIP is a voluntary program. There are few, if any, alternative programs for financial distressed Facilities.



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Item #	Category	Question	Response
63	Other	Is VBP QIP in compliance with State and Federal regulations?	Yes. VBP QIP is in compliance with State and Federal regulations. The Medicaid Director, Jason Helgerson, issued a formal letter to Program participants at the initiation of VBP QIP, which stated 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 the prior year are in compliance as implemented. The State will monitor the program to ensure its continued compliance with State and Federal law.



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VBP QIP DY1 (SFY2015-16) Pairings Table

MCO	PPS	Facility
<i>Fidelis</i>	Maimonides Medical Center	Interfaith Medical Center
	Montefiore Hudson Valley Collaborative	Kingsbrook Jewish Medical Center
	Nassau Queens Performing Provider System, LLC	Montefiore – Mount Vernon
	Refuah Community Health Collaborative	Nyack Hospital
	Westchester Medical Center	St. John’s Episcopal
<i>HealthFirst</i>	Advocate Community Providers	Good Samaritan Hospital Suffern
	Montefiore Hudson Valley Collaborative	Bon Secours Charity Health
<i>MVP</i>	Westchester Medical Center	Good Samaritan Hospital Suffern
	Maimonides Medical Center	Brookdale Hospital
<i>United Health Plan</i>	Montefiore Hudson Valley Collaborative	Montefiore - New Rochelle
	Westchester Medical Center	Health Alliance (Benedictine)
	Maimonides Medical Center	Wyckoff Heights Medical Center



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VBP QIP DY2 (SFY2016-17) Pairings Table

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

*Pairings still under review