

CareConnect Withdraws from the New York Health Insurance Market

Last week, CareConnect, the Northwell Health affiliated health insurance company, [announced](#) that it is winding down CareConnect and withdrawing from New York State's insurance market over the next year. CareConnect's press release cited financial unsustainability as the impetus for the withdrawal. CareConnect's obligation to make sizeable payments under the Affordable Care Act's ("ACA") risk-adjustment pool were a major contributing factor to the insurer's financial woes. CareConnect operations will continue over the next year as the company works with its customers, businesses and others to help transfer policyholders to other health plans.

Regarding the announcement, DFS Superintendent Maria T. Vullo [stated](#), "DFS will work with CareConnect on an orderly transition to ensure that all of its members know their full options and continue to receive healthcare coverage without interruption." She also expressed concern for the uncertainty of the risk adjustment program, and called on the federal government to act immediately to fully pay for the cost-sharing subsidies, make the overdue risk corridor payments, and fully enforce the individual mandate.

VBP Update

VBP - Social Determinants of Health Webinar

Last week, Jason Helgerson and Elizabeth Misa hosted a Value Based Payments - Social Determinants of Health webinar outlining the VBP Roadmap requirements related to Social Determinants of Health ("SDH") and Community Based Organizations ("CBOs").

Jason Helgerson provided participants with an overview of the VBP Roadmap, highlighting roadmap standards and guidelines related to SDH and CBOs. He noted that VBP contractors in level 2 & 3 arrangements are required to implement at least one SDH intervention. Providers (including CBOs) will be incentivized by MCOs upfront to identify social determinants and be financially rewarded for successfully addressing them. The State recommends that contractors utilize CBOs to deliver SDH interventions. Jason emphasized that CBOs need to be prepared to track process and outcome data, as the providers receiving funds for SDH interventions will be required to report to DOH on fund utilization. The Department will soon be posting a Social Determinants of Health Intervention Template, which explains measureable reasons for SDH selection, fund utilization and metrics to measure success.

Also noted was the requirement that, starting January 2018, VBP contractors in a Level 2 or 3 arrangement must include one Tier 1 CBO. A Tier 1 CBO is a non-profit, non-

Medicaid billing, community based social and human service organization. Jason was careful to note that the Tier 1 definition should not incentivize CBOs to spin off non-Medicaid services into subsidiaries to meet non-Medicaid billing qualifications. Jason had a number of recommendations for CBOs to prepare them ahead of the upcoming requirement. CBOs should seek to understand if their organization qualifies as Tier 1.

The webinar concluded with a Q&A session with participants. A summary of the Q&A, as well as the PowerPoint presentation will be posted to the VBP webpage under “VBP for Providers,” [here](#).

Semester 2-VBP University

The Department of Health has launched semester 2 of [VBP University](#). Semester 2 is designed to educate users on specific, important topic areas in the move to VBP. Topic areas include governance, stakeholder engagement, business strategy, finance, and data. The curriculum for semester 2 includes videos on each of the topics as well as detailed guidance documents targeted towards Primary Care Physicians, Behavioral Health Providers, and Community Based Organizations.

Semester 2 also includes Value Based Payment arrangement fact sheets to serve as a continuation of the arrangements curriculum in Semester 1. The fact sheets provide an overview of each of the NYS VBP arrangements, including the types of care included in the arrangement, the method used to define the attributed population for the arrangement, calculation of associated costs under the arrangement, and the quality measures recommended for use in the arrangement.

Any questions can be sent to MRTUpdates@health.ny.gov.

OMIG Update

OMIG Posts Compliance Program Assessment Results

Last Wednesday, the New York State Office of the Medicaid Inspector General (OMIG) posted on its website [Compliance Program Assessment Results January 2015 through June 30, 2017](#). The results detail the percentage of times OMIG observed insufficiencies in meeting any of the requirements under each of the eight elements of a mandatory compliance program in the course of compliance program reviews. Those providers that are subject to the Compliance Program obligation are defined in 18 NYCRR Part 521 to include: Article 28, 36, 16, or 31 licensed entities; or any person, provider, or affiliate who has either submitted claims or should reasonably expect Medicaid payments to make up a “substantial portion” of their business operations. “Substantial portion” is defined in the regulation to mean at least \$500,000.

The most deficiencies observed were with respect to “Element 3: Training and Education”. OMIG noted that 55% of providers were deficient in demonstrating that

required periodic training and education on compliance issues and expectations had been provided, and that in 47% of the cases reviewed, the provider could not demonstrate that compliance training had been provided as part of orientation. OMIG minimally requires that annual compliance program training be provided for all employees, executives, governing body members, and “persons associated with the provider”, and that training must also be provided as part of the provider’s orientation for *all* these identified individuals.

In addition to training and education, 47% of programs reviewed were found to be deficient and in need of remediation with respect to identifying a method for anonymous and confidential good faith reporting of potential compliance issues (Element 4); 44% were found deficient in articulating a policy of non-intimidation and non-retaliation for good faith participation in the compliance program, including but not limited to reporting potential issues, investigating issues, self-evaluations, audits and remedial actions, and reporting to appropriate officials as provided in Sections 740 and 741 of the New York State Labor Law (Element 8); and another 31% were found to be deficient in establishing a system for identifying and reporting compliance issues to the NYS DOH or OMIG.

Providers subject to the compliance program are required to certify each December on the OMIG website that their compliance programs satisfy the eight elements and all related requirements for a compliance program under 18 NYCRR 521 and associated OMIG guidance.

Draft Transition Plan for the Children’s Medicaid System Transformation Comment Period Extended

The comment period for the ***DRAFT Transition Plan for the Children’s Medicaid System Transformation***, has been extended to **September 8, 2017**. Comments should be submitted to BH.Transition@health.ny.gov, with “Draft Children’s Transition Plan Comments” indicated in the subject line. All comments should indicate the section and page number to which the comment refers.

2017-18 Medicaid Drug Cap Enacted Budget Webinar

The NYS Department of Health, Office of Health Insurance Programs will be hosting a webinar on the Medicaid Drug Cap provision of the enacted budget. The webinar will take place on **Thursday, August 31, 2017** at 10:00 am. To register, click [here](#).

There will be an email address provided at the end of the webinar for questions and answers. Materials will be made available [here](#).

Regulatory Modernization Update

The second meeting of the Regulatory Modernization Initiative Integrated Primary Care and Behavioral Health Workgroup will be **Friday October 13, 2017** from **10:30 am-3:00 pm** in Meeting Room 6 of the Empire State Plaza in Albany. Please RSVP at RegulatoryModernization@health.ny.gov.

The second meeting of the Regulatory Modernization Initiative Post-Acute Care Management Models Workgroup will be **Monday, September 18, 2017**, from **12:30 to 3:30 p.m.** at the New York Academy of Medicine, 1216 Fifth Avenue, Room #2, New York City. RSVP at RegulatoryModernization@health.ny.gov with Post-Acute Care in the subject line.

Legislative Update

Bills that have passed both houses of the Legislature continue to be delivered to the Governor in “batches” over the next several months. Once a bill has been delivered to the Governor, he has 10 days (excluding Sundays) to either sign the bill into law or veto the bill.

Here are notable pieces of legislation that the Governor recently signed into law:

- **[A.7775/S.6364 \(Gottfried/Hannon\)](#)**: This Bill increases the number of beds in a hospice residence that can be dually certified as both hospice and in-patient beds from 25% to 50% of the total beds.
- **[A.7846/S.6347 \(Gottfried/Hannon\)](#)**: This Bill clarifies that hospice programs are only considered home care services entities for the purpose of compliance with the registry. The Bill adds hospice providers to the list of providers who may offer provisional employment while a criminal background check is pending, requiring direct observation and evaluation of the temporary employee.
- **[A.8105/S.6023-A \(Wallace/Serino\)](#)**: This Bill extends the authorization of the Long Term Care Ombudsman Program (LTCOP) to advocate on behalf of managed long-term care participants until December 31, 2019.
- **[S.4285-A/A.1454-A \(Serino/Jenne\)](#)**: This Bill expands the definition of “originating site” for purposes of telehealth to include adult care facilities (ACFs) licensed under the Social Services Law. The purpose of this expansion is to allow primary care providers to connect with seniors in ACFs that have limited mobility.

Calendar

<p><i>Thursday, September 7, 2017</i></p>	<p>Early Intervention Coordinating Council</p> <p>10:15 a.m. to 3:00 p.m.</p> <p>Meeting Room 1 of the Empire State Plaza Convention Center, Albany, NY</p>
<p><i>Monday, September 18, 2017</i></p>	<p>Regulatory Modernization Initiative Post-Acute Care Management Models Workgroup</p> <p>10:30 am-3:00 pm</p> <p>Meeting Room 6 of the Empire State Plaza in Albany</p>
<p><i>Friday October 13, 2017</i></p>	<p>Regulatory Modernization Initiative Integrated Primary Care and Behavioral Health Workgroup</p> <p>10:30 am-3:00 pm</p> <p>Meeting Room 6 of the Empire State Plaza in Albany</p>