

VBP Update

Registration Open for Albany VBP Bootcamp

Registration for the first Value Based Payment (VBP) Bootcamp in **Albany** is now open. The VBP Bootcamp in Albany will take place on **October 10, 2017** at The Egg (1 Empire State Plaza, S Mall Arterial, Albany, NY) from **8:00 a.m. to 5:00 p.m.** To register for the event, click [here](#). A schedule for the day as well as the description and intended audience for each of the breakout sessions can be found [here](#). When registering, participants are asked to pre-select the courses they wish to attend for the day.

The VBP Bootcamp in Albany will be webcast live. Participants who wish to view the Bootcamp via the webcast **DO NOT** have to register via the link below. The link for the webcast will be sent out when it becomes available.

The schedule and locations for all VBP Bootcamps are as follows:

Date	Region	Location	Address	Registration
October 10, 2017**	Capital Region**	The Egg-Swyer Theater**	1 Empire State Plaza, S Mall Arterial, Albany, NY 12203	Click Here
October 18, 2017	New York City	The New York Academy of Medicine	1216 5th Ave, New York, NY 10029	Registration coming soon
October 23, 2017	North Country	High Peaks Resort	2384 Saranac Ave, Lake Placid, NY 12946	Registration coming soon
November 3, 2017	Central New York	Rochester Radisson Riverside	120 E Main St, Rochester, NY 14604	Registration coming soon
November 15, 2017	Long Island	The Long Island Marriott	101 James Doolittle Blvd, Uniondale, NY 11553	Registration coming soon

Coalition of AGs Investigate Opioid Manufacturers and Distributors

Last week, Attorney General Schneiderman [announced](#) that New York has joined a multistate investigation into whether manufacturers and distributors of opioid drugs have engaged in any unlawful practices in the marketing and distribution of prescription opioids. The multistate investigation is being conducted by a coalition of Attorneys General from 41 states across the country. Attorney General Schneiderman has joined the coalition as part of a broader effort to end the opioid epidemic in New York.

The bipartisan coalition of attorneys general are pooling resources and have issued subpoenas and document requests from the manufacturers and distributors of prescription opioid drugs. The attorneys general served subpoenas on the following pharmaceutical manufacturers and their related entities:

- Endo International plc
- Janssen Pharmaceuticals

- Teva Pharmaceutical Industries Ltd./Cephalon Inc.
- Allergan Inc.

The attorneys general have also served a supplemental investigative subpoena on Purdue Pharma. In addition, the attorneys general have demanded documents and information about distribution practices from the following opioid distribution companies:

- AmerisourceBergen
- Cardinal Health
- McKesson

Medicaid Drug Cap FAQs

DOH recently provided [a status update on the new Medicaid Drug Cap](#) that was enacted as part of the 2017-18 State Budget. As a follow up to the August 31, 2017 webinar regarding the Medicaid Drug Cap, [Frequently Asked Questions \(FAQs\)](#) have been posted to the [Medicaid Drug Cap webpage](#).

Additional questions should be sent via email to MADrugCap@health.ny.gov. The FAQ document will be updated as new questions are submitted.

Regulatory Modernization Update

The second meeting of the Regulatory Modernization Initiative [Telehealth Workgroup](#) will be **Wednesday, September 27, 2017 from 10:30 a.m. to 3:00 p.m.** in Meeting Room 6 of the Empire State Plaza in Albany and at 584 Delaware Avenue, Buffalo, in the 3rd floor Conference Room. RSVP at RegulatoryModernization@health.ny.gov with Telehealth and your preferred location in the subject line.

Explanation of Circular Letter No. 15 (2017) Regarding the Early Intervention Program

On September 21, 2017, the Department of Financial Services published [Circular Letter No. 15 \(2017\)](#) regarding the Early Intervention Program (“EIP”). The Circular Letter provides no new information or interpretive guidance, but rather reminds Plans of their existing obligations.

The Insurance Law requires health insurers to respond to a request from a municipality regarding an EIP child’s health insurance benefits within 15 days of receipt of the request for information. The service coordinator is then required to provide this information to the rendering provider. The Circular Letter reminds Plans of their obligations to provide information regarding insurance benefits, including whether the Plan is acting as the issuer of the policy or as a third party administrator of a self-funded plan, within 15 days.

Municipalities and providers have the right of subrogation to any rights a person may be entitled to from a health plan for payment of EIP services. Once a provider is assigned as a child’s EIP provider, the provider is required to notify the child’s Plan that he/she is exercising his/her right to subrogation. The Circular Letter states that once a provider has exercised the right of subrogation, any payments for services rendered by that provider must be paid by the Plan directly to the provider, and not to the parent. Although not stated in the Circular Letter, this applies even where the EIP provider is a non-participating provider with the Plan.

Children's Medicaid System Transformation Webinar

Last week, the Department of Health, OASAS, OCFS, OMH, and OPWDD presented a webinar on the Children's Medicaid System Transformation Overview. The presentation provided a refresher course on the key elements of the children's transformation including timeframes, expansion of services, transition to Medicaid Managed Care and important readiness activities providers should be engaged in now.

The slide from last week's presentation have are available [here](#). As the agencies were unable to address all of the feedback and questions during the webinar, FAQs to answer questions around the Transformation will be released shortly which will provide further clarity and responses to feedback.

Empire Center Criticizes Indigent Care Pool Distributions

Last week, the Empire Center published an Issue Brief ("[Indigent Carelessness: How not to subsidize hospital charity care](#)") examining the 2016 distribution of Indigent Care Pool funds among 180 hospitals in the state. The Issue Brief contends that, since the implementation of the 2013 "transition adjustment," which limits how much each hospital's grant can increase or decrease in a given year, Pool distributions have favored hospitals serving lower concentrations Medicaid patients. While the transition adjustment was intended to protect financially vulnerable hospitals from sudden, steep losses in funding as charity care levels fluctuate, the study found that:

- By shortchanging some hospitals while over-compensating others, the program effectively shifted more than \$100 million from 37 higher-need hospitals which, on average, tended to serve more low-income patients, to lower-need institutions, which tended to serve fewer low-income patients.
- Out of 180 hospitals funded, only 48 received a grant based entirely on need. The other three-quarters were subject to a "transition adjustment" that either raised or lowered their payments, sometimes substantially, based on past funding levels rather than their current costs for charity care.
- Four hospitals received "indigent care" grants despite having sustained no net loss on treating uninsured patients. Among them was Memorial Sloan Kettering Cancer Center in Manhattan, which received almost \$12 million.
- There was negative correlation between the overall poverty of a hospital's patients and the relative size of its indigent care grant.

The Issue Brief also criticized the funding source of the Indigent Care Pool. The Authors note that the pool is primarily financed through the Health Care Reform Act's ("HCRA") "patient services surcharge" and "covered lives assessment." These taxes not only counterproductively drive up the cost of coverage; regressively hit lower-income insurance customers just as hard as the wealthy; and, in the case of the covered lives assessment, unfairly vary from place to place, but since they are almost entirely hidden from public view, it is politically easier for legislators to raise them. Furthermore, the Brief points out that revenue from the HCRA insurance taxes are no longer used for HCRA's original, narrowly defined goals. Instead, two-thirds of the money flows into the state's Medicaid program, and much of the other third is spent on programs, such as the Indigent Care Pool.

Health Home Update

MAPP HHTS Release 2.2 Review Session Presentation

The Department has posted the [updated presentation](#) from the MAPP HHTS Release 2.2 Review Session that was held on Tuesday, September 19, 2017. The presentation has been updated to include some of the Questions and Answers from the session.

Regulatory Updates

Department of Health

Trauma Centers

The Department of Health recently issued a notice of [proposed rulemaking](#) that would update the regulatory framework for the operation of trauma centers at hospitals in New York State. The updated regulations would define terms relating to trauma center, establish general provisions relating to trauma care, establish the process for obtaining trauma center designation, establish requirements for operating a trauma center, and set forth the conditions under which the Department may withdraw trauma center designation. The most notable changes from the trauma center regulations currently in place include the establishment of four levels of trauma centers, up from two, and adding a requirement that trauma centers meet standards published by the American College of Surgeons Committee on Trauma (“ACS-COT”) in Resources for Optimal Care of the Injured Patient (2014).

The Department is accepting comments on the proposed rulemaking until November 6, 2017. Comments may be submitted to the Department by mail or [electronically](#).

Hospital Indigent Care Pool Payment Methodology

The Department of Health recently extended [emergency rulemaking](#) that extends the distribution methodology for indigent care pool payments to general hospitals for another three year period, from January 1, 2016 through December 31, 2018. The emergency regulation does not make any changes to the current Medicaid disproportionate share hospital (“DSH”) payments of: \$139.4 million to major public general hospitals, including hospitals operated by public benefit corporations and \$994.9 million to general hospitals, other than major public general hospitals. The emergency regulation does, however, increase the transition factor cap from 7.5% to 10%.

This emergency regulation is effective as of September 1, 2017, and is set to expire on October 30, 2017. The Department intends to adopt the provisions of this emergency rule as a permanent rule. This rulemaking was first proposed as an emergency/proposed rule in the [June 21, 2017](#) edition of the *NYS Register*.

Department of Financial Services

Minimum Standards for Form, Content and Sale of Health Insurance, Including Standards of Full and Fair Disclosure

The Department of Financial Services recently extended [emergency rulemaking](#) that requires that individual and small group accident and health insurance policies, which provide hospital, surgical, or medical expense coverage, as well as student accident and health insurance policies cover the same categories of essential health benefits and be subject to the same benchmark plan rules that currently

apply through the Affordable Care Act. The emergency regulations also prohibit insurance policies from discriminating on the basis of race, color, creed, national origin, sex, age, marital status, disability, or a preexisting condition.

The Superintendent of the Department of Financial Services is authorized to issue model contract language identifying the coverage requirements for all individual and small group accident and health insurance policies that provide hospital, surgical, or medical expense coverage and all student accident and health insurance policies delivered or issued for delivery in New York State.

This emergency regulation is effective as of September 1, 2017, and is set to expire on October 30, 2017. The Department intends to adopt the provisions of this emergency rule as a permanent rule. This rulemaking was first proposed as an emergency/proposed rule in the [June 21, 2017](#) edition of the *NYS Register*.

Upcoming Calendar

Wednesday, September 27, 2017

Regulatory Modernization Initiative Telehealth Workgroup Meeting #2

10:30 a.m. to 3:00 p.m.

Empire State Plaza, Meeting Room 6, Albany, NY

Thursday, September 28, 2017

Assembly Public Hearing on Adult Care Facilities

11:00 a.m.

Senator John H. Hughes State Office Building, 333 East Washington Street, Hearing Room, 1st Floor, Syracuse, NY

Thursday, September 28, 2017

New York State AIDS Advisory Council

10:30 a.m. to 1:00 p.m.

Amida Care, 14 Penn Plaza, 2nd Floor Board Room, New York, NY

Thursday, September 28, 2017

Medicaid Managed Care Advisory Review Panel (MMCARP)

10:30 a.m. to 12:30 p.m.

New York City. To attend, contact the Bureau of Program Implementation and Enrollment at (518) 473-1134

Thursday, September 28, 2017

Lead Poisoning Prevention Advisory Council

10:30 a.m. to 3:15 p.m.

Empire State Plaza, Meeting Room 1, Albany, NY

Tuesday, October 10, 2017

Bureau of Tobacco Control and NYS Tobacco Use Prevention and Control Advisory Board

10:30 a.m. to 3:00 p.m.

Empire State Plaza, Corning Tower Building, 2876A Conference Room, Albany, NY

Wednesday, October 11, 2017

Public Health and Health Planning Council

10:15 a.m.

Empire State Plaza, Meeting Room 6, Albany, NY

Friday October 13, 2017

Regulatory Modernization Initiative Integrated Primary Care and Behavioral Health Workgroup Meeting #2

10:30 a.m. to 3:00 p.m.

Empire State Plaza, Meeting Room 6, Albany, NY

Tuesday October 17, 2017

State Trauma Advisory Committee (STAC)

1:30 p.m. (subcommittees meeting between 8:00 a.m. and 1:30 p.m.)

Hilton Garden Inn, 235 Hoosick Street, Ferris Ballroom A, Troy, NY

Wednesday, October 18, 2017

NYS Board of Examiners of Nursing Home Administrators

10:30 a.m.

New York State Department of Health, 875 Central Avenue, Main Conference Room, Albany, NY

Thursday October 19, 2017

Drug Utilization Review Board (DURB)

9:00 a.m. to 4:00 p.m.

Empire State Plaza, Meeting Room 6, Albany, NY

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