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VBP Updates

VBP Level 2 Strategy for Partially Capitated Plans- Request for Comment

The Department of Health held a stakeholder meeting last week to discuss MLTC VBP Level 2 for Partially Capitated Plans. The Department is requesting feedback and comments on the material presented by **Friday, March 2, 2018** to inform strategy decisions for MLTC VBP Level 2 for Partially Capitated Plans. All comments can be sent to the New York State Department of Health at mltcvbp@health.ny.gov.

The presentation [slide deck](#) can be found under the MLTC section of the VBP Resource Library [here](#).

VBP Workgroup Meeting

Last Thursday, the VBP Workgroup met in Albany. Topics discussed included: takeaways from the VBP Bootcamps; an update on MLTC VBP Benefit design; an update from the Children’s Subcommittee; an update on the Social Determinants of Health and Community Based Organizations; a discussion on PPS Sustainability; and review of the new “VBP Roles Document”, the VBP Evaluation Report, VBP Roadmap Updates, and the MCO Data Sharing Readiness Survey.

The PowerPoint presentation from the meeting can be found [here](#). Highlights from the meeting include:

- **New Risk Adjustment Being Considered for Mainstream MMC:** Jason discussed that the State is considering new risk adjustment methodologies for mainstream MMC that is designed to better risk adjust Medicaid members to incorporate the social determinants of health. Both Minnesota and Massachusetts have implemented social determinants in setting payments and measuring quality. Massachusetts, in particular, appears to be a model which the Department is looking to duplicate. There is a desire at the State to have this completed in time for it to be in place for the 2019 rate cycle.

- **VBP Bootcamp Takeaways:**
 - The Workgroup discussed whether standards or guidelines should be added to the VBP Roadmap to illustrate best practices for risk adjustment as it applies to target budget setting as well as whether any additional oversight should be provided to support data sharing between MCOs and contracted VBP Partners. Ultimately, there was consensus not to add any new VBP Roadmap provisions to address risk adjustment, and that the topic would be better addressed through subsequent webinars that focus both on educating providers on the benefits and challenges regarding risk adjustment in provider contracting.
 - There was a recommendation made to put the monitoring of data exchange between MCOs and VBP contracted providers in level 2 and 3 arrangements for purposes of negotiating target budgets into the MMC Contract to ensure MCO compliance with the new Roadmap provisions.
 - There was also a recommendation from the VBP Workgroup for the State to make it easier for providers to access UAS data received by MLTC plans.
- **MLTC Benefit Design:** As of January 31, 2018, 77% of all MLTC contracts have been amended to meet Level 1 requirements. Workgroup members commented because the \$50 million in adjustments for Potentially Avoidable Hospitalization performance for MY 2018 is not payable until 2020-21, incentives are not appropriately synched with the measurement year.
- **Social Determinants of Health and Community Based Organizations:** The Bureau of Supportive Housing has been encapsulated into the new SDH CBO Bureau. The first report identifying savings and changes to Medicaid member utilization based on housing investments is available online, with additional reports expected.
- **PPS Sustainability:** Most PPSs continue to assess all options to maintain their sustainability following DSRIP. Services PPSs are expected to provide post-DSRIP include population health, technology and analytics; performance improvement services; and network management.
- **VBP Roles:** The VBP Workgroup discussed the attached [document](#). The purpose of this document is to clarify the roles and responsibilities of respective Stakeholders moving forward under VBP reform. DOH asked VBP Workgroup members to provide feedback. The document will be released for public comment after Workgroup comment is received. Once the document is final, it will be added as an appendix to the VBP Roadmap.
- **VBP Evaluation Report:** The first evaluation report of the State’s VBP progress is to CMS is due in May. The State asked VBP Workgroup members if they would be willing to provide positive examples of VBP to include in the report.
- **MCO Data Sharing Readiness Survey:** The State will provide a survey update on PPS-MCO health data sharing in March. According to the State, two MCOs have entered into data sharing arrangements with PPSs. One member of the Workgroup asked how these plans were able to circumvent HIPAA and patient privacy laws that appear to prevent this information flow from the MCO to the PPS. The State did not provide a response.

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DFS Issues Guidance to Municipalities Seeking to Form Health Insurance “Muni-Coops”

Last week, at the direction of the Governor, the Department of Financial Services (“DFS”) [published guidance](#) to local governments on the formation of health insurance consortia known as “Muni-Coops.” Muni Coops are health risk-sharing agreements that permit municipal corporations to share costs of health benefits for their collective employees.

The guidance seeks to explain the requirements for municipalities considering Muni Coops, and to clarify some misconceptions about the requirements. The guidance addresses stop-loss flexibility, as well as geographic boundaries, size and other issues. The guidance reflects current practice and does not offer any new variations or requirements.

In addition to the guidance, the Governor has directed DFS to provide technical assistance to local governments considering creating a Muni Coop or looking for other avenues to address rising costs for employee health coverage.

DFS has also posted a 2011 [report](#) on its website entitled "Municipal Cooperative Health Benefit Plans - Impact of Claim Reserve Requirements," to help municipal corporations investigating whether to form a cooperative.

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2018 APD Stakeholder Forum Meeting

The NYS All Payer Database ("APD") will be holding a stakeholder forum on **May 16, 2018** at the Empire State Plaza, Concourse Meeting Room 6 in Albany, NY.

Those interested in attending should return the RSVP form to nysapd@health.ny.gov by **May 2, 2018**.

WebEx availability and other materials will be sent to pre-registered participants as the meeting date approaches, and will be available on the APD Public Website, [here](#).

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Regulatory Modernization Initiative Report

Last week, the Department of Health [issued a report](#) on the Regulatory Modernization Initiative ("[RMI](#)"). The report outlines all workgroup recommendations, highlights the steps that DOH has taken to implement recommendations to date, and previews next steps for DOH moving into 2018.

Additional information on the work of each RMI workgroup can be found at the DOH website, [here](#).

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Legislative Spotlight

The Legislature will be in session on Tuesday, February 27 through Wednesday, February 28. The Senate Health Committee will be meeting on Tuesday, February 27. The Assembly Codes Committee will also be meeting on Tuesday, February 27.

Bills of potential interest include:

- [S.1870/A.2442 \(Hannon/Gottfried\)](#): This Bill would permanently carve out from the Medicaid managed care program, persons receiving services under the traumatic brain injury ("TBI") waiver or nursing home transition and diversion ("NHTD"). TBI/NHTD services would continue to be provided under the waiver programs as they existed as of January 1, 2015. This bill is on the Senate Health Committee agenda.

- [S.2816-A/A.587-B \(Hannon/Rosenthal\)](#): This bill would add testing of cytomegalovirus to the list of testing that must be performed on a newborn. Such testing would only be required if a newborn infant is identified as or suspected of having a hearing impairment. This bill is on the Senate Health Committee agenda.
- [S.4536/A.6234 \(Helming/Skartados\)](#): This bill would provide that rural hospitals designated as critical access hospitals be reimbursed by Medicaid in the same manner that Medicare pays critical access hospitals - payments for emergency services and outpatient services at 101% of the reasonable costs to provide such service. This bill is on the Senate Health Committee Agenda.
- [S.6358 \(Hannon\)](#): This bill would repeal the requirement that a person/firm/organization possessing an automated external defibrillator (“AED”) have a collaborative agreement with an emergency health care provider. This bill is on the Senate Health Committee Agenda.
- [S.7628 \(Valesky\)](#): This bill would update the hospice residence Medicaid rate to equal 94% of the weighted average medical assistance fee for service rate reimbursed to nursing homes located in the managed long term care region that the hospice residence is located. This bill is on the Senate Health Committee Agenda.
- [A.6733/S.2763-A \(Lavine/Golden\)](#): This bill would establish statutory guidelines for pharmacy audits performed or ordered by a pharmacy benefit manager (“PBM”). Further, it would require PBMs to pay a claim submitted by a pharmacy if the initial reason for denial is based on a clerical or other non-intentional error if the relevant prescription was still effectively filled. This bill is on the Assembly Codes Committee Agenda.
- [A.7108 \(Gottfried\)](#): This bill would require health insurers to complete utilization review of a request for nursing home care after an inpatient hospital admission within 24 hours of the request. This bill is on the Assembly Codes Committee agenda.

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Upcoming Calendar

<p>Wednesday, April 18, 2018</p>	<p>NYS Board of Examiners of Nursing Home Administrators</p> <p>10:30 a.m.</p> <p>Department of Health, 875 Central Avenue, Main Conference Room, Albany, NY</p>
<p>Wednesday, May 16, 2018</p>	<p>NYS All Payer Database Stakeholder Forum Meeting</p> <p>11:00 a.m. to 3:15 p.m.</p> <p>Empire State Plaza, Concourse Meeting Room 6, Albany, NY</p>

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