NEW YORK STATE MEDICAID REDESIGN TEAM AND THE AFFORDABLE CARE ACT

(MRT & ACA)

The Affordable Care Act

(ACA)

The Affordable Care Act

- Officially called the Patient Protection and Affordable Care Act (PPACA)
- AKA "ObamaCare"
- Provisions phased in from 2010 - 2020
- Implementation in New York is well underway

NYC Health

Current provisions

- Young adults can stay on their parents' insurance plans until age 26 (2010)
- No lifetime limits on essential benefits (2010)
- Insurers must cover preventive services at NO COST (2010)*
  - No co-pay, no deductible, no co-insurance
  - Advisory Committee on Immunization Practices (ACIP)
  - US Preventive Services Task Force (USPSTF)
- Insurers cannot deny children coverage based on a pre-existing condition (2010)*
- Insurers must spend approximately 80% of premium dollars on health care or provide refunds to consumers (2011)

NYC Health

Provisions Beginning in 2014

- Insurers cannot charge higher premiums based on gender or health conditions (2014)
- No annual limits on essential benefits (2014)
- Payments to doctors will be based on quality measures (2012-2014)
  - Incentives for positive health outcomes
  - Disincentives for hospital re-admissions or infections acquired in the hospital

Current HIV-Related Provisions

- Medicare Drug Coverage Gap "donut hole"
  - Discounts increase annually until coverage is 100% in 2020
- Pre-Existing Coverage Insurance Plan (PCIP): temporary program (until 2014) for people with pre-existing medical conditions
  - Due to under-funding, this program has been closed to new enrollees as of March 2013
  - Locally called the New York Bridge Plan (a GHI product)

HIV-Related Provisions Beginning in 2014

- Medicaid Coverage for Adults up to 138% Federal Poverty Line (FPL): New York State currently covers childless adults up to 100% FPL.
- Health Insurance Exchanges: Individuals and Small Businesses can buy coverage, with tax credits and subsidies for families up to 400% FPL

Upcoming HIV-Related Provisions (continued)

- No Pre-existing Condition Exclusions: variation in premiums based on health conditions not allowed; variations allowed for age (up to 3x), geographic area, family composition, and tobacco use (up to 1.5x)
- No Annual limits on Coverage*

*Grandfathered Plans

- The Affordable Care Act exempts most plans that existed when the law went into effect (2010) from certain provisions. These provisions have an asterisk in previous slides.
  - Protections that DO NOT APPLY are:
    - The provision of preventive services at no cost to the client
    - New protections for appeal of claims and coverage denials
    - Protections of choice of providers and access to emergency care
    - Annual dollar limits on key benefits *for individual plans only*
    - Pre-existing condition exclusions for children *for individual plans only*

Health Insurance Exchanges

- Virtual Marketplaces to help consumers and small businesses determine eligibility and shop for insurance
- Some will be eligible for subsidies. To check for possible eligibility, this calculator is newly published: http://kff.org/interactive/subsidy-calculator/
- New York – operating a state-run exchange
- All qualified health plans (QHPs) offered in the exchange will be required to cover "Essential Health Benefits"
- No plans can discriminate based on age, disability, expected length of life

NYC Health

Essential Health Benefits (EHB)

- Health plans offered must include certain items and services
  - Ambulatory patient services
  - Emergency services
  - Hospitalization
  - Maternity and newborn care
  - Mental health and substance abuse disorder services, including behavioral health treatment
  - Prescription drugs
  - Rehabilitative services and devices
  - Laboratory services
  - Preventive and wellness services
  - Pediatric services, including oral and vision care
- States can choose a benchmark plan which includes these benefits
- Details about the NY State Benchmark Plan are still pending

NYC Health

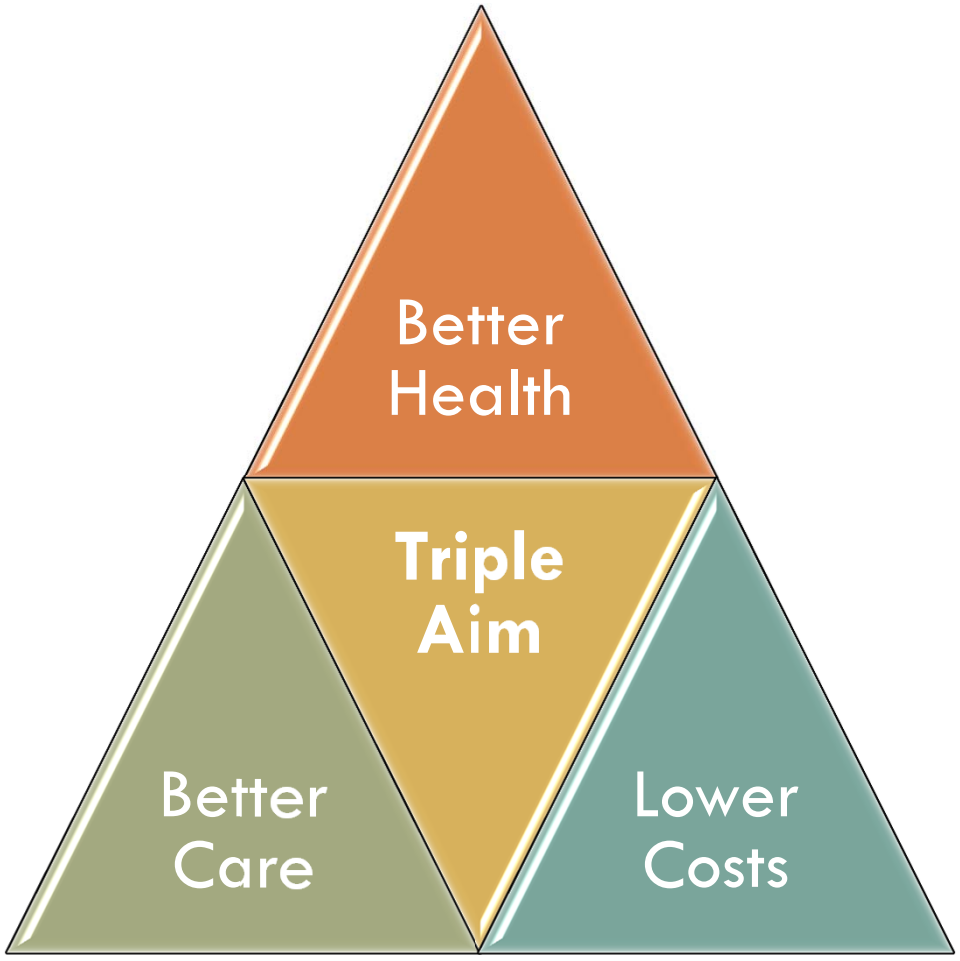
Medicaid Redesign Team (MRT)

New York State

What is Medicaid Redesign?

- It is a collection of initiatives to reduce costs to the State (by an estimated $2.2B); many programs mirror ACA items; major provisions include:
  - Transition from Fee-for-Service (FFS) to Medicaid Managed Care
  - Managed Long Term Care (MTLC) to control the increase in home care and personal care costs
  - Global Medicaid Spending Cap
  - All designed to meet the Centers for Medicare and Medicaid Services (CMS) 'Triple Aim'

Triple Aim- CMS



Medicaid Waivers

- If a state wishes to provide benefits that are different from what is required and/or allowed by federal provisions, then they must apply for a waiver from the federal government.

MRT Waiver

- Operating since 1997, the 1115 Partnership Plan waiver allows New York State (NYS) to do the following:
  - Mandate Medicaid managed care for some recipients;
  - Offer health coverage to low income uninsured adults who were ineligible for Medicaid through Family Health Plus; and
  - Extend family planning services to women losing Medicaid eligibility through the Family Planning Expansion Program.

MRT Waiver Amendment

- Published April 2013, NOT yet approved
- Reinvestment plan for approx. $10B projected savings from MRT efficiencies (mostly moving people out of FFS and into Managed Care)
- This plan has not yet been accepted and there will possibly be changes, but it does give an idea of the plans and intentions going forward.

Reinvestment Plan Components

1. Health Homes Development Fund ($525M)
2. New Care Models ($375M)
3. Medicaid Supportive Housing Expansion ($750M)
4. Long Term Transformation and Integration to Managed Care (LTMCs)($839M)
5. Health Workforce Development ($500M)
6. Public Health Innovation ($395M)
7. Primary Care Expansion ($1.25B)
8. Expand Vital Access/Safety Net ($1.5B)
9. Public Hospital Innovation ($1.5B)
10. Capital Stabilization for Safety Net Hospitals ($1.7B)
11. Hospital Transition ($520M)
12. Regional Health Planning ($124M)
13. MRT Waiver Evaluation and Program Implementation ($500M)

Items in Orange potentially impact RW service categories

Health Homes Development Fund ($525M)

- Member Engagement: marketing and agency level outreach and consumer education; does NOT provide individual level incentives, this is done through the current case finding fee
- Staff Training and Retraining: paid for via health workforce development; curricula being developed to include
  - Understanding that HH care management is to be comprehensive
  - Decrease communication challenges
  - Improve cultural competence
  - Improve outreach, engagement, and care management
  - Promote multidisciplinary, holistic care coordination
- Health Information Technology (HIT) implementation: tech fixes to allow real time data sharing
- Joint Governance: TA for existing collaborations and startup funds and model development for new collaborations

New Care Models ($375M)

- 5 year demonstration projects that include formal evaluation in the last year; possible models include:
  - Peer services
  - Moving difficult to place clients from hospitals to nursing home settings
  - Expand availability of environmental modifications and technology for homebound elderly and disabled
  - Patient Navigation for changes in Medicaid and the overall health system
  - Enhance intensive inpatient substance use resources to increase medical/professional focus of programs
  - Medical respite care for chronically homeless: post-discharge recovery from illness or injury

Medicaid Supportive Housing Expansion ($750M)

- Focused on Health Home populations; mentions that other resources are expected to be leveraged for some rental subsidies.
- Capital Expansion ($75M/year)
- Services ($75M/year): focuses on specific populations that including chronically homeless PLWHAs and the recently released with chronic health conditions
  - Crisis management, case management, patient navigation and care coordination, counseling, relapse management, linkages to community resources, education and employment help, landlord/tenant mediation, entitlement advocacy, budgeting and legal help

Long Term Transformation and Integration to Managed Care (LTMCs) ($839M)

- Increased enrollment ("the majority of community-based long-term care recipients…")
- Expect to fully integrate Medicaid and Medicare services by January 2014
- Activities
  - Capital and maintenance for nursing homes
  - Capital funding for assisted living
  - Expansion of NY Connects (expansion of Aging and Disability Resource Centers-ADRCs into NYC and other areas)
  - Quality Improvement
  - Health Information System Integration
  - Ombudsperson program to field complaints and find solutions (1 contract)

Health Workforce Development ($500M)

- Medical professional and paraprofessional training to fill emerging need
- Training for care coordination, health coaching, patient navigation, chronic disease management, and long term care
- This includes training for Health Homes

MRT Considerations

- All of these proposed programs are State-wide, unclear what % of funds would be in NYC
- Some of this funding is intended to be short-term. How do we consider that for planning purposes?

Next Steps/ Questions for discussion

- What potential effect does MRT have on RW and the NYC service system for PLWHA?
- What service categories may be affected?
- Which groups of consumers may be affected (demographics)? How many consumers may be affected?
- Which areas need further discussion or presentation?
- What are the timing issues related to the items discussed?
- Does the Policy Committee have recommendations at this point?

Next Steps?

Timeline and Planning Process for Policy Items