



**Department
of Health**

Office of
Health Insurance
Programs

Managed Long Term Care Premium Rate Update



**Division of Finance and Rate Setting
September 7, 2017**

Agenda

- SFY 2017-18 Global Cap
- MLTC Premium Rate Update & Key Issues
- VBP Implementation
- Questions

SFY 2017-18 Global Cap

FY 2018 Global Cap Projections

- The Global Spending Cap increased to \$19.5B in 2018, reflecting underlying growth of \$962 million, including \$211 million for minimum wage rate adjustments effective January 1, 2017.

Price (+\$885 million)	<ul style="list-style-type: none"> Trend increases for mainstream managed care rates (\$411 million) and long term managed care rates (\$101 million); Various FFS rate packages (\$161 million); and Minimum Wage Adjustment (\$211 million).
Utilization (+\$267 million)	<ul style="list-style-type: none"> Annualization of 2016-17 new enrollment; and New enrollment for 2017-18 (8,100 NH eligibles; 13,000 community-based).
MRT/One-Timers/Other (-\$190 million)	<ul style="list-style-type: none"> Lower Essential Plan Contribution (-\$187 million); Recovery of Cash Advances (-\$127 million); and ACA enhanced FMAP (-\$106 million); offset by Restoration of the 2% ATB (\$200 million); and Acceleration of the ACA repayment (\$59 million).

Long Term Care Investments

- The Global Cap includes significant resources for Long Term Care services:

(\$ in millions; Gross)	
Minimum Wage (LTC only)	\$492
New Community-Based Enrollment	\$396
Restoration of the 2% ATB (2014-15 through 2017-18)	\$280
Universal Settlement	\$170
Fee For Service Rates (Case Mix)	\$108
TOTAL	\$1,446

Enrollment Results through July 2017

- Medicaid enrollment through July 2017 decreased by 12,417 recipients since March 2017. This is comprised of:

Medicaid Enrollment Summary FY 2018					
	March 2017	Converted to EP	New Enrollees	July 2017	Net Increase / (Decrease)
Managed Care	4,662,814	(8,339)	52,952	4,707,427	44,613
Mainstream	4,462,764	(8,339)	42,835	4,497,260	34,496
Long Term Managed Care	200,050	0	10,117	210,167	10,117
Fee-For-Service	1,450,753	0	(57,030)	1,393,723	(57,030)
TOTAL	6,113,567	(8,339)	(4,078)	6,101,150	(12,417)

Pressures / Risks

- Continued MLTC Enrollment Growth
- Pharmacy Spending
- Federal Healthcare Landscape
 - ✓ DSH Cuts
 - ✓ Cost Sharing Reduction (CSR) subsidy elimination.
 - ✓ Audits

MLTC Premium Rate Update & Key Issues

SFY 2017-18 Rate Setting Program Alignment

- Program Alignment is being done to align all MLTC programs (Partial Cap, FIDA, PACE and MAP) and to eliminate inconsistencies between programs.
- Refinements include:
 - Rating Periods
 - All MLTC programs rates to be set on a SFY
 - Regions
 - All MLTC programs will now have the same rate regions
 - Base Data Sources
 - Information available for rate adjustments due to timing
 - Timing of rate releases to plans
 - Compliance with CMS Regulations

Nursing Home Transition Survey (NHT)

- Nursing Home Survey Submission Policy to be released.
- DOH will send quarterly surveys to Partial Cap, FIDA, PACE and MAP Plans:
 - First Quarter - April 1 through June 30 (survey issued in July)
 - Second Quarter - July 1 through September 30 (survey issued in October)
 - Third Quarter - October 1 through December 31 (survey issued in January)
 - Fourth Quarter (Final) - January 1 through March 31 (survey issued in April)
- Data collected from the survey will be used to update the plans actual number of nursing home members.

Home Care Minimum Wage Reconciliation Survey

- Registration process with OPA began Monday, August 28th
 - Email notification sent 8/28
 - Mail notification sent 9/1
- Survey accessible week of September 11th
- Webinar week of September 11th
- Due September 22nd
- Funds will be used to support direct salary costs and related fringe benefits
- Unused funds will be returned to the State
- OMIG/DOL are responsible for enforcement

MLTC Rate Timeline

- Partial Capitation and FIDA:
 - The table below shows the rate revisions that will be done for SFY17-18 for Partial Capitation and FIDA plans to update the rates to reflect actual nursing home transition enrollment based on survey data received from plans, as well as risk score updates due to service area reductions.

Rate Package Effective Date	Initial Rate	NH Survey 1 (April – June)	NH Survey 2 (April – September)	NH Survey 3 (April – December)	NH Survey 4 (April – March)
April 2017	New Risk Score	X	X	X	X
July 2017	New Risk Score		X	X	X
October 2017			New Risk Score	X	X
January 2018	New Risk Score				X

- PACE DRAFT April 2017 Rates – September 2017
- MAP DRAFT April 2017 Rates – September 2017
- MA DRAFT January 2017 Rates – October 2017
- QIVAPP SFY16-17 – Award amounts issued to plans

SFY 2017-18 Premium Rate Updates

- Rate Revisions in July and October 2017.
 - Updated risk scores for entire plan membership in all regions
 - Will reflect service area reductions
 - Update nursing home enrollment blend
 - Potential update in January 2018 for risk scores and NH enrollment
 - Exploring additional investment in July 2017
- The Department is exploring the establishment of an MLTC efficiency adjustment to fund future plan mergers and consolidations (from new resources rather than rate withhold).
- Engaged CMS in separate rate cells for nursing home, high cost/ high need and HARP populations.

VBP Implementation Update

Important Considerations

- Level 1 VBP leverages existing QI programs and measures.
- The Potentially Avoidable Hospitalizations (PAH) measures (Category 1 P4P) fulfills the Level 1 definition in the Roadmap.
- As Medicare data linkages become possible, a wider range of hospitalization measures will be possible.
- Progressing to VBP Level 2 is important.
- DOH is committed to involvement of stakeholders.
- Exploring financial incentives to move both plans and providers to Level 1.

VBP University

- VBP University is an online, educational resource created to raise awareness, knowledge and expertise in the move to Value Based Payment (VBP).
- VBP University combines informational videos and supplemental materials that stakeholders interested in VBP can use to advance their understanding of this massive transformation effort
- To watch an overview of the VBP University curriculum from NYS Medicaid Director, Jason Helgerson, go to:
http://www.health.ny.gov/health_care/medicaid/redesign/dsrip/vbp_u/docs/vbpu_welcome_overview.mp4.
- VBP Bootcamps will take place in October and November 2017 in locations throughout the state. More information including dates and locations will be distributed shortly.

Questions?

- Questions regarding MLTC rate-setting can be submitted via e-mail to:

MLTC Rate-Setting Bureau Mail Log – mltcrs@health.ny.gov