



**Department  
of Health**

Office of  
Health Insurance  
Programs

# Managed Long Term Care Update



**Division of Finance and Rate Setting  
March 19, 2019**

# Agenda

- MLTC Premium Rate Update & Key Issues
- Questions

# MLTC Premium Rate Update & Key Issues

# Partial Capitation Rate

- April 2018 Rate Revision:
  - Drafts Released to Plans March 8, 2019
  - SADC budget reduction
  - LHCSA Budget Reduction
  - Minimum Wage funding for Transportation Providers
  - Congestion Pricing
  - Physical Therapy benefit change
  - Nursing home enrollment projections that reflect the final SFY 2017-18 NHT survey
  - Risk score freeze at June 2017 assessment information

# FIDA Rate

- April 2018 Rate Revision:
  - Drafts Released to Plans on March 11, 2019
  - SADC budget reduction
  - LHCSA Budget Reduction
  - Minimum Wage funding for Transportation Providers
  - Congestion Pricing
  - Physical Therapy benefit change
  - Nursing home enrollment projections that reflect the final SFY 2017-18 NHT survey

# MAP, PACE and MA

- MAP April 2018 rates
  - Rates at DOB for approval
  - Minimum Wage funding for Transportation Providers
  - Congestion Pricing
  - Nursing home enrollment projections that reflect the final SFY 2017-18 NHT survey
- PACE - April 2018 rates at DOB for approval
- MA – January 2019 draft rates target release April 2019

# SFY 2018-19 Budget Actions

- The following SFY18-19 Budget Actions incorporated in rates:

| Budget Action   | Effective Date | Rate Implementation Date |
|---|----------------|--------------------------|
| Admin Reduction to \$200                                    | April 2018     | April 2018               |
| Physical Therapy Visit Limitations                          | April 2018     | Revised April 2018       |
| NH Benefit Limitation                                       | TBD            | TBD                      |
| Limit LHCSA Contracts w/MLTC Plans                          | October 2018   | Revised April 2018       |
| Restrict MLTC members from plan transitioning for 12 months | TBD            | TBD                      |
| Social Adult Day Health Benefit Efficiency                  | October 2018   | Revised April 2018       |

# Partial Capitation Program Pool Distributions

- SFY 2018-19 Quality Incentive Pool Projection – capped at \$150 Million
  - Budget reductions decrease the total pool value to \$142M
- SFY 2018-19 High Cost High Need Risk Pool Projection- \$190 million
  - Withhold of 2% and payout of pool done simultaneously six months following end of SFY18-19
- SFY 2018-19 Nursing Home Price Mitigation Pool - TBD
  - Requires accurate encounter data reporting including begin and end service dates
- SFY 2018-19 QIVAPP – \$73.5 Million

# Minimum Wage

- SFY 2018-19 rates include adjustments to account for the minimum wage increase effective 12/31/18 statewide.
- Plans and providers advised to enter into contracts to enable providers to pay employees in accordance with statutory wage obligations.
- Plan costs being reconciled with funding paid to plans. If plans incurred costs greater than initially paid in rates, plans will be reimbursed through rate adjustments.
- OMIG/DOL are responsible for enforcement. Audits are commencing.



# Additional Items

- Risk Adjustment Workgroup
  - Second workgroup meeting scheduled for March 20th
  - New risk adjustment model to address high cost high need populations
- Minimum Wage
  - DOH is working with OMIG/DOB on the minimum wage reconciliation. SFY16-17 reconciliation complete and paid.
  - New Plan Cost Report available
  - Guidance and FAQs available at [https://www.health.ny.gov/health\\_care/medicaid/redesign/min\\_wage\\_guidance.htm](https://www.health.ny.gov/health_care/medicaid/redesign/min_wage_guidance.htm)
- QIVAPP
  - QIVAPP – DOH is currently reviewing the program.

# Next Steps

- SFY 2019-20 Premium Rates
  - Continue program alignment
  - Update risk scores with new model
  - Revised enrollment based on most recent NHT data
  - Incorporate previous and new budget actions
  - Reflect new CFCO services

# Questions?

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

MLTC Rate-Setting Bureau Mail Log – [mltcrs@health.ny.gov](mailto:mltcrs@health.ny.gov)