

HEALTH MANAGEMENT ASSOCIATES

RHP4 Learning Collaborative

Waiver Extension MCO PIPs

November 19, 2015

HealthManagement.com

Florida

- October 2015: After more than six months of conversations, the state and federal governments finalized a deal that will bring \$1.6 billion in supplemental Medicaid dollars to Florida between October and June 30, 2017.
 - The deal will reduce funding in LIP dollars from \$1 billion this year to \$608 million in Fiscal Year 2016-17.
 - The reduction is due in part to how the federal government defines uncompensated care. The federal government is excluding any uncompensated care costs for people who would be eligible for coverage under a Medicaid expansion under the Affordable Care Act but aren't covered because the state didn't move ahead on the expansion.

Florida Cont.

- In addition to lowering the amount of money, the federal government also is changing the rules that outline how it can be spent.
 - Eligible providers will be split between two groups: hospital and school physician practices.
 - The providers will be placed in tiers based on the ratio of uncompensated charity care to the percentage of their privately insured patient care. Providers in the same tiers must be paid the same percentage of their charity care.
 - The greater the proportion of uncompensated charity care the more LIP payments a provider can receive. Counties that contribute local dollars will no longer be guaranteed an 8.5 percent return on their investment.
- The state received four temporary extensions before it received final approval from the federal government Oct. 15.

California

On 10/31/15 DHCS and CMS agreed to 1115 Waiver Renewal Concept, extending the current waiver through Dec. 31, 2015

- http://www.dhcs.ca.gov/provgovpart/Documents/CMS_1115_Waiver_Renewal_Letter_103115.pdf

The total initial federal funding in the renewal is \$6.218 billion, with the potential for additional federal funding in the global payment program to be determined after the first year.

California Cont.

The conceptual agreement includes the following core elements:

- **Global Payment Program (GPP)** for services to the uninsured in designated public hospital systems (DPH). The GPP converts existing DSH and Safety Net Care Pool (SNCP) uncompensated care funding – which is hospital-focused and cost-based– to a system focused on value and improved care delivery. The funding of the GPP will include 5 years of the DSH funding that otherwise would have been allocated to DPHs along with \$236M in initial federal funding for one year of the SNCP component. SNCP component funding for years two through five would be subject to an independent assessment of uncompensated care.
- **Delivery system transformation and alignment incentive program** for DPHs and district/municipal hospitals (DMPH), known as PRIME (Public hospital Redesign and Incentives in Medi-Cal). The federal funding of PRIME for the DPHs is a total of \$3.2655 billion over the five years of the Waiver, which includes \$700 million for each of the first three years, \$630 million in year four, and \$535.5 million in year five. The federal funding for the DMPHs is a total of \$466.5 million over the five years of the Waiver, which includes \$100 million for each of the first three years, \$90 million in year four, and \$76.5 million in year five.

California Cont.

- **Dental transformation incentive program.** The funding of this program is \$750M in total funding over 5 years.
- **Whole Person Care Pilot (WPC)** program which would be a county-based, voluntary program to target providing more integrated care for high-risk, vulnerable populations. The funding of this program would be up to \$1.5B in federal funds over 5 years.
- **Independent assessment of access to care and network adequacy** for Medi-Cal Managed care
- **Independent studies of uncompensated care and hospital financing**

Texas DSRIP Planning and Negotiations with CMS

- HHSC previously indicated the DSRIP protocols would be submitted to CMS in early 2016. Based on further discussions with CMS, HHSC now plans to:
 - Submit a proposal for a transition year (DY6) in early 2016; and
 - Submit the revised DSRIP protocols in late spring/early summer 2016.
- HHSC will submit high-level proposals to CMS for consideration on an ongoing basis.
 - Based on CMS feedback about the feasibility of various elements, HHSC then will work with stakeholders to develop detailed requirements.
- HHSC will let stakeholders know of items under discussion with CMS and provide opportunities to submit feedback on these proposals through the HHSC website.

Themes from CMS for Texas

- DSRIP is a substantial federal investment – Texas needs to demonstrate the value of the investment
- Need to continue to strengthen healthcare systems – a community of providers coordinating across the care continuum
- Outcomes measurement is important, including shared outcomes
- Sustainability is the goal – how to take what’s being learned through DSRIP, sustain/replicate best practices, and embed these practices into everyday Medicaid business?
- Further Alignment with DSRIP and Managed Care

Performance Improvement Project Topics

- Increase access to and utilization of outpatient care to reduce PPVs due to respiratory tract infections (URTIs)
- Improve care transitions and care coordination to reduce behavioral health-related admissions and readmissions
- Increase access to care and improvement management of COPD to reduce COPD-related PPAs
- Improve care transitions and care coordination to reduce behavioral health-related admissions and readmissions

MCOs Serving RHP 4

- Christus Health Plan
- Driscoll Children's Health Plan
- Scott and White Health Plan
- Superior
- United