

Safety Net Payment Presentation

December 1, 2016

Questions / Answers

Q1: Slide 4 breaks out FQHC and Non-FQHC payments, is this roughly the same percentage paid to each as the funding that has previously been provided?: **Response** – Yes.

Q2: The \$29.3M GROSS in the Mitigation Pool for the non-FQHCs Art. 31s assumes Federal Share - yes? Is the dollar amount actually \$11M NET because of the UPL? **Response** – Please refer to slide #4 labeled “Available Funding and Mitigation Pool (cont’d)” which was slightly revised after the presentation to provide more details. The \$23.9M is the gross value and the state share is \$11.95M.

Q3: Is this applicable to Article 28 OASAS hospital based clinics? **Response** – No, OASAS clinics are not included (which are Article 32 certified) nor are hospital-based clinics.

Q4: Now with HARP and the reduction of FFS Medicaid will this reduce the payments for Article 31 clinics? **Response** – As FFS declines, the payment will decline.

Q5: When would we expect to receive any of what we should have received in 2015? We are preparing 2017 budget we ALREADY HAVE CASH FLOW ISSUES!!!! **Response** – Distribution schedules by facility are currently being prepared to release with the funds so that providers are informed as to how their distribution was calculated. We are hopeful to have these schedules prepared soon.

Q6: For providers with less than 2 years of experience, does this include long time providers that open new sites? **Response** – No, this is for a newly opened clinic and not a new extension/satellite site.

Q7: Will the slides be sent out in an e-mail? **Response** – The slides have been posted to the Department of Health’s public website at the same location as these Q&As.

Q8: Is this topic only related to FQHC or hospital based clinics too? **Response** – Hospital-Based clinics are not included in this distribution. Only freestanding clinics are included.

Q9: If NYS ACA options are eliminated or decline, it seems as if uncompensated care eligibility will increase...how are we planning for this? **Response** – The discussion for this question is outside of this presentation.

Q10: Are the non-FQHC safety net providers essentially the HHC clinics? Who are these providers? **Response** – There are a number of non-FQHC clinics (clinics that do not have the FQHC designation). HHC clinics have recently received the FQHC designation and are included in the FQHC distribution and not the non-FQHC distribution.

Q11: Does the elimination of the Supplemental Pool nullify the PHL 2807 law that prohibits the Art. 31s from getting state payments unless there is FFP? **Response** – This is a State Plan Amendment (SPA) for a Safety Net Payment and is not based on the statute. The SPA allows state funds to be paid to Article 31 clinics.

Q12: Can you please review the criteria for type of visits that are counted as uncompensated visits. **Response** – The criteria is the same as the prior Indigent Care Pool. Please refer to slide 5.

Q13: Can you provide actual rate runs for providers, in particular Article 31s so they can better understand new payment model on behalf of the NYS Council for Community Behavioral Healthcare. **Response** – The Department is developing schedules by provider which will be posted on the secure network. This is similar to the Indigent Care Pool schedule posting. Details will be provided as to where the data was extracted for the eligibility criteria and the formulas for the distribution.

Q14: Are FIDA claims counted as Medicaid FFS. **Response** - FIDA is a joint Medicare and Medicaid managed care demonstration designed to integrate care for beneficiaries. It is not applicable to this issue.

Q15: When will the clinics receive the uncompensated care payments? **Response** – The payments clinics will receive are referred to as Safety Net Payments as the uncompensated care payments can no longer be paid due to CMS denying the approval of the waiver for payment of the pool. The Department is currently in process of developing the schedules, as stated in question 13, to provide the details to providers for their distribution.

Q16: When will the 7/2016 through 3/2017 payment be made and will it be in one sum lump payment? **Response** – Please refer to question 13. The distribution will need to be made in multiple lump-sum payments since the Department cannot make a payment for a time period that has not occurred. CMS requires the aggregate payment to be tied to a claims period.

Q17: Can you explain the impact on OMH VAP funds? **Response** – This question is outside of this presentation.

Q18: For 2017-2018 when the 2015 cost report will be used to establish the proper tier for this period, is it correct to assume that the quarterly payments will be made for the current quarter and if so how will we assure that all visits are captured if you are paying April through June in July? **Response** – The distribution will be calculated using 2015 as a base year to determine the distribution amounts. The actual payments will be timed to the April 2017 – March 2018 time period. The distribution calculated using the 2015 base year data will be divided into 4 quarterly payments for payment. The first payment will be made July 2017 (after the first 3 months of April 2017 thru June 2017).

Q19: If we received funds from the supplemental pool in 2016. Will we have to pay those funds back? **Response** – No, the mitigation pool calculation will only occur with the state funds that were paid for the 2015 distribution.

Q20: Does this apply to non Article 28 and Article 31 clinics? **Response** – No.

Q21: If an OMH clinic has a 6% Uncompensated Care rate on the 2014 CFR OMH 4 (base year) they would be eligible for the 2016 Safety Net Distribution. If their 2015 Uncompensated Care rate on the 2015 CFR OMH 4 dropped to 4% they would NOT be ineligible for 2017 Safety Net Distribution. Is this correct? **Response** – That is correct.

Q22: Will the payments be made attached to each service provided like COPS was? **Response** – No, they will be paid in aggregate/lump-sum payments.

Q23: What if we no longer would qualify in 2016 but we did in 2015 and would have received dollars in 2015? **Response** – If the clinic's 2016 gross distribution is less than the 2015 gross distribution, the clinic will keep the state share of the funds paid for the 2015 distribution. If the clinic's 2016 gross distribution is greater than the 2015 gross distribution, the state share of the funds paid are recouped from the clinic and used in the mitigation pool.

Q24: Since Article 31s received no prior funding, assuming they are not paying into mitigation pool so are they most like example 4 in slide 11? **Response** – As the Article 31s did not actually receive the prior funding (Article 31s did not receive the 2015 state share payment), the funds were still available and were used in the mitigation pool calculation. An Article 31 clinic could receive mitigation funds.

Q25: How can we find out if we properly recorded and handed in the data needed to determine the funding for 2015-2016 and moving forward? **Response** – Clinics should review their cost reports submitted to either the Department or OMH.

Q26: If we are an article 28 D&TC for profit are we eligible? **Response** – Please refer to slide 5. For profit clinics are not eligible.

Q27: Are the amounts in line 9 & 10 constant amount (FQHC)? **Response** – Line 9 is the sum of the result of each clinic's Medicaid visits applied to the tiers. This value will fluctuate with each distribution calculation since each year there will be new base year visits used in the calculation. Line 10 is the total funds available. For 2016/2017, the total funds available for both the FQHC & non-FQHC distribution is \$151.5M. It is expected that this funding will be reduced to \$110M in 2017/2018 so line 10 will also be reduced going forward based on the FQHC's proportional value of the \$151.5M.

Q28: Are we automatically included if we previously received uncompensated care pool funds?
Response – No, each year a clinic must qualify based on the eligibility criteria (such as 5% of visits will use the base year data for that distribution year).

Q29: This may have been asked, but if we accrued for Indigent Care revenues in our 2016 financial statements, will be receiving the State share, or should we adjust those revenues out of our statements?
Response – There are no Indigent Care revenues for 2016, however, a portion of the new Safety Net distribution can be allocated to 2016. Please refer to slide 10.