



Department
of Health

NYS DOH VAP Exception

Appeal Request:

Medicaid Managed Care PCPs – Criterion for Safety
Net Designation Analysis and Recommendation

Thursday, July 07, 2016



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Safety Net Primary Care Physician Proposal

Summary:

Medicaid managed care has successfully increased access for Medicaid members to independent primary care providers (PCPs) in many communities, especially in rural areas, in the State of New York. Independent PCPs are vital in providing services and choice of providers in their communities to Medicaid members. These PCPS should be included in the PPS efforts to create integrated delivery systems and other system transformation efforts.

The Delivery System Reform Incentive Payment (DSRIP) Special Terms and Conditions (STCs) hold that non-qualifying providers can participate in DSRIP Performing Providers Systems (PPS); however, they are only eligible to receive DSRIP payments totaling no more than 5 percent of a project's total valuation. To obtain the Safety Net (SN) designation per the STCs, non-hospital based providers must have at least 35 percent of all patient volume in their primary lines of business and must be associated with Medicaid, Uninsured, and Dual Eligible members. Currently, only 35 percent of Medicaid managed care PCPs meet this requirement. The percentage of Medicaid managed care PCPs, not currently designated as a SN provider, is as high as 90 percent within some PPS networks.

Given the limited number of PCPs with the SN designation, the New York State (NYS) Department of Health (DOH) is requesting a policy exception to the current definition that would allow additional criterion applicable only to Managed Care plan assigned PCPs for DSRIP purposes. This criterion would employ a statewide threshold, which would confer the PCPs' SN status based on the number of Medicaid members assigned by their respective Managed Care Organizations (MCOs). Under this threshold, PCPs across the state would need to serve more than 25 Medicaid members to achieve the SN designation.

NYS DOH tested various parameters, which was the foundation to the proposed criterion presented in this document. Earlier analysis considered county-specific thresholds however, differentiation between county types did not have any material impact on results. Therefore, the analysis presented below is statewide and is not broken down by county or region. The patient panel size of 25 Medicaid members would also represent and recognize significant/sufficient Medicaid engagement on the part of the providers across the state.

Employing the revised criterion to the SN definition would increase both the number of PCPs with SN status and the total number of Members covered by SN providers overall. An estimated 71 percent of DSRIP participating Managed Care plan PCPs will be granted SN status under the proposed threshold, thereby covering almost 99 percent of the Medicaid Managed Care members enrolled with these DSRIP participating PCPs. This will further incentivize PCP participation in PPS, allow PCPs to become eligible to receive a portion of the



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95 percent of DSRIP valuation dollars slated for SN providers, and further facilitate inclusion of this vital provider group in health care transformation as part of NYS DOH's DSRIP goals.

Background:

- The goals of DSRIP (25 percent reductions in emergency department (ED) visits, avoidable hospitalizations and readmissions) depend on development of community services that support improvement in population health.
Currently, per the STCs guidelines, 95 percent of DSRIP valuation dollars must flow to SN providers.
Nearly 65 percent of the Managed Care Assigned PCPs involved in NYS DSRIP are not currently designated as SN providers. In some PPS, the percentage is over 90 percent. Providers' ineligibility for DSRIP performance payments make it difficult for PPS to effectively engage these crucial providers.

Recommendation:

This document recommends a policy that designates Managed Care Assigned PCPs as SN providers based on a threshold set for the number of Medicaid members assigned by a MCO plan to a PCP. This policy recommends that if a PCP has more than 25 MCO assigned Medicaid members, they qualify as SN. The analysis is based on PCP and Medicaid membership as of December 31, 2015.

Below is the count of PPS whose percentage of SN PCPs fall into a given range, both before and after the proposed criteria. All PPS would have in excess of 60 percent of their PCPs classified as SN; only two PPS currently have this level of SN PCPs.

Table with 3 columns: Category (Count of PPS with X% - Y% of PCPs designated as SNs), Current State, Future State. Rows range from 80% - 89.9% down to 0% - 9.9%.

(Graph on the following page also illustrates which PPS fall into each of the categories above)

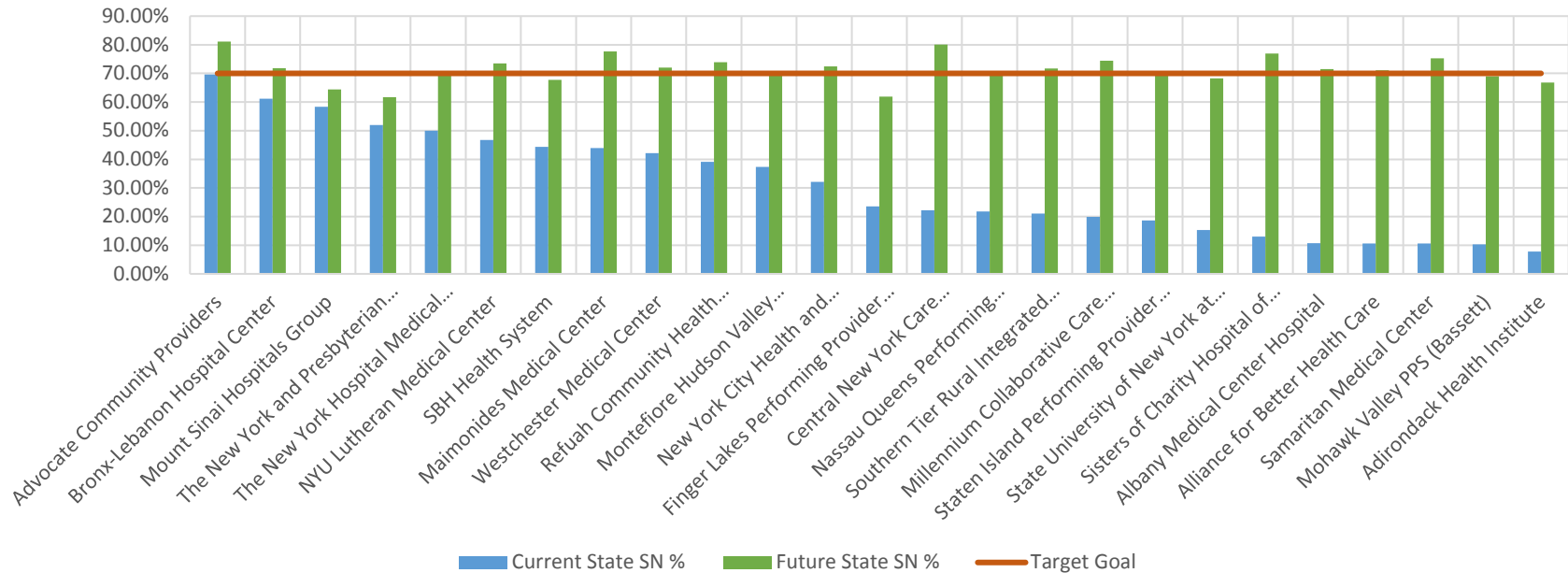


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Graphical Representation of the Data:

Below is a graphical representation of how the percentage of in-network SN PCPs by PPS would increase based on this proposal. Please note that 17 of 25 PPS have over 70 percent of their PCPs designated as a SN after the proposed criterion is implemented and the remaining 8 PPS will have greater than 60 percent of their PCPs designated as SN.

Current State vs. Future State: MCO Assigned PCP SN Percentages



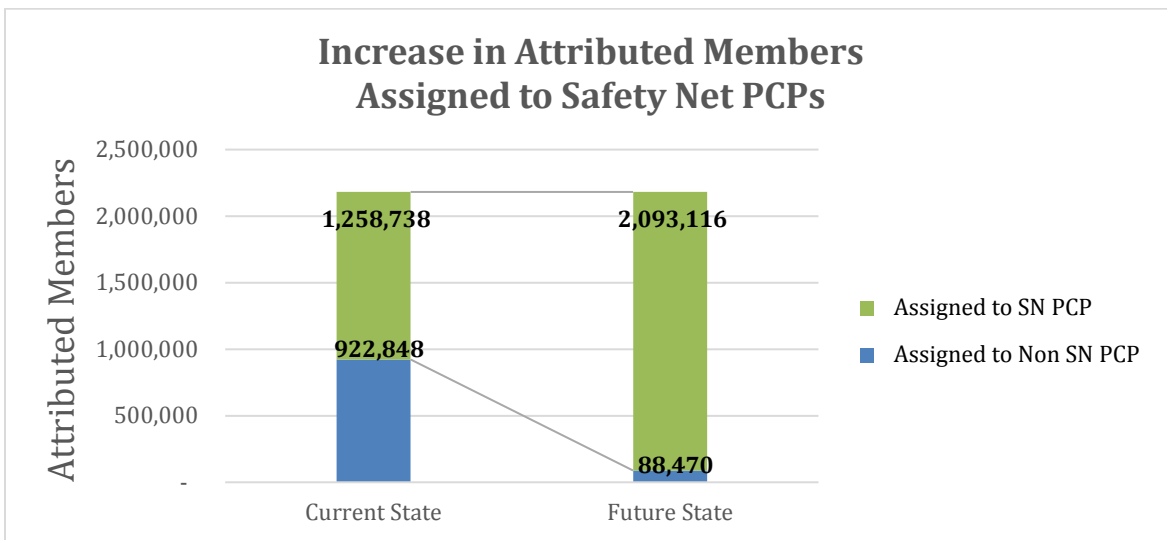


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Attribution Analysis:

The following analysis has been generated to measure the increase in attributed Medicaid members among SN designated PCPs following the application of the proposed criterion. This analysis demonstrates impact at the member level for Medicaid members attributed to DSRIP PPS via their PCP relationship.

	Current State	Future State
Members Assigned to Non Safety Net PCP	42.30%	4.06%
Members Assigned to Safety Net PCP	57.70%	95.94%



	Members Assigned to SN PCP	Members Assigned to Non SN PCP
Current State	1,258,738	922,848
Future State	2,093,116	88,470
Percentage Change	66.3%	-90.4%
Change in Members Assigned - Future State	+ 834,378	- 834,378



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Summary Statistics:

Below is a summary of the results of the SN policy change that considers all PCPs with over 25 assigned Members as Safety Net providers. Under the new policy, the percentage of statewide SN PCPs increases from 35 percent to 71 percent and Medicaid managed care enrollees SN PCP assignment expands from 59 percent to 99 percent.

	# of PCPs - Current State				# of PCPs - Future State			
	Safety Net (SN)		Non-Safety Net (NSN)		Safety Net (SN)		Non-Safety Net (NSN)	
	# of SN PCPs	% of Total DSRIP PCPs	# of NSN PCPs	% of Total DSRIP PCPs	# of SN PCPs	% of Total DSRIP PCPs	# of NSN PCPs	% of Total DSRIP PCPs
Total	5,632	35%	10,490	65%	11,389	71%	4,733	29%

	Assigned Members - Current State				Assigned Members - Future State			
	Members w/ SN PCP		Members w/ NSN PCP		Members w/ SN PCP		Members w/ NSN PCP	
	# of Members	% of Total Members	# of Members	% of Total Members	# of Members	% of Total Members	# of Members	% of Total Members
Total	2,729,718	59%	1,920,593	41%	4,616,356	99.27%	33,955	0.73%

Conclusion:

Employing the revised criterion to the SN definition would significantly increase both the number of PCPs with SN status and the total number of Members assigned to SN PCPs overall. An estimated 71 percent of Managed Care plan PCPs will be granted SN status, thereby covering over 99 percent of Medicaid members. This will further incent PCP participation in PPS, allow PCPs to become eligible to receive a portion of the 95 percent of DSRIP valuation dollars slated for SN providers, and further facilitate NYS and CMS goals for the DSRIP program.