



VALUE BASED PAYMENT FOR FULLY INTEGRATED DUALS ADVANTAGE (FIDA) PLANS

The overall goal of the movement toward value based payment (VBP) in New York State's Medicaid program is to improve individual and population health outcomes by providing more integrated care, care coordination, and incentives for high quality care in a financially sustainable delivery system.

Key defining factors of New York State's VBP approach include:

- Addressing the Medicaid program with a holistic, all-encompassing approach;
- Leveraging managed care to deliver payment reforms;
- Addressing the need to change provider business models through positive financial incentives;
- Allowing maximum flexibility in implementation within a robust, standardized framework; and,
- Maximizing the focus on transparency for the costs and outcomes of care.

FIDA plans should consult the VBP Roadmap, available at the VBP Resource Library ([Link](#)), for more information.

VBP Goal for FIDA Plans

Following the VBP Roadmap for fully capitated Managed Long Term Care (MLTC), the VBP arrangement for FIDA is a total cost of care arrangement, inclusive of all services provided to the member. FIDA plans and providers should engage in VBP contracts for total cost of care with a target budget covering all services.

What are the Levels of VBP Applicable to the FIDA Plans?

FIDA plans are fully capitated plans and are treated similarly to mainstream managed care plans for VBP. Three levels, or types of contracts, are available depending on the preference and capacity of the contracting parties. Level 1 is a shared savings arrangement with no downside risk. Level 2 is a shared savings/shared losses arrangement with limited downside risk. Level 3 is a prospective global capitation payment.

Level 2 and 3 VBP contracts are required to include at least one "Tier 1" community based organization (CBO) in order to implement a social determinant of health (SDH) intervention. FIDA plans should consult the VBP Resource Library for more information on SDH interventions and implementation.

Are FIDA Plans Subject to Penalties for Not Moving into VBP Arrangements?

Consistent with VBP Roadmap requirements, penalties applicable to mainstream managed care plans will also apply to MAP plans, beginning in January 2018. The 2018 VBP target is 10% of FIDA plan spending in Level 1.

What Quality Measures are Recommended for FIDA VBP?

Additional information on the quality measures recommended for VBP for FIDA plans is forthcoming.

What is the Deadline for VBP Contracting for FIDA Plans?

FIDA plans are required to submit VBP contracts to cover all provider types by March 31, 2018 and may retroactively cover the January 1 to March 31, 2018 period.

Questions can be sent to MLTCVBP@health.ny.gov.