

New York State Department of Health Updated Value Based Payment Roadmap

Executive Summary

Overview

A Path toward Value Based Payment, New York State Roadmap for Medicaid Payment Reform (the VBP Roadmap) is the New York State Department of Health's (NYSDOH) foundational document governing expectations for Managed Care Organizations (MCOs) and providers to move towards Value Based Payment (VBP) reform. While NYSDOH has continued to support the goals and transition towards VBP, since the expiration of the Delivery System Reform Incentive Payment (DSRIP) program in March 2020, NYSDOH has not updated or refined the *VBP Roadmap* to reflect the current status of NYSDOH's movement towards value based care and NYSDOH's ongoing expectations. Accordingly, in the last quarter of 2021, NYSDOH reviewed and updated the *VBP Roadmap* to reaffirm its commitment to transition MCOs and providers to a value based payment environment. This update to the *VBP Roadmap* condenses and clarifies the previous iteration and does not contain any material changes to the requirements of the program.

The *VBP Roadmap* was updated based on the following objectives:

- Reinforce NYSDOH's continued expectations for the design of VBP arrangements;
- Streamline the *VBP Roadmap* to more clearly identify the contracting requirements and expectations of NYSDOH;
- Make technical clarifications and remove outdated references that are no longer applicable to VBP contracting; and
- Collect feedback for a forthcoming, more substantive update in connection with the design, negotiation, and implementation of NYSDOH's next 1115 waiver, intended to address health disparities and continue the journey of delivery system and payment reforms in support of stronger, integrated, and more equitable healthcare for all New Yorkers.

This Executive Summary provides an overview of the updates made to the *VBP Roadmap*. If you have additional questions about the updated *VBP Roadmap*, please contact vbp@health.ny.gov.

Summary of Updates to the VBP Roadmap

General highlights and updates to the *VBP Roadmap*:

- NYSDOH continues to expect MCOs and VBP contractors to meet the VBP goals as defined in the DSRIP waiver.
- The structure and organization of the updated *VBP Roadmap* has been modified from the previous version to begin with historical context on VBP and its goals, followed by a succinct list of requirements that describes what shall be included in VBP contracts. Additional guidance and topics of interest have been moved to the appendices.
- Applicable requirements are grouped into sections dedicated to (1) on-menu (a defined set of VBP arrangements), (2) off-menu (flexible VBP arrangements), (3) arrangement specific, and (4) reporting requirements. For more details on these sections and definitions, please reference the updated *VBP Roadmap*.

- Requirements have been clarified and further defined to accurately reflect the current contracting process. For instance, direct language has been used to summarize the contracting levels and relevant examples have been included for social determinants of health (SDH) interventions.
- Guidelines have been grouped to appear in two areas:
 - Arrangement specific guidelines are included with the requirement to which they align in the body of the updated *VBP Roadmap*.
 - Guidelines that apply to broad subject matter, such as attribution, have been moved to the appendices.
- The footnotes contain links to the location of relevant resources for easy reference. NYSDOH contact information is also included for any additional questions, clarification, or resources that VBP contractors may need.
- The updates to the *VBP Roadmap* do not require changes to existing VBP contracts, but should be incorporated, to the extent applicable, as new contracts are executed or existing contracts are renegotiated and renewed.

Topic specific updates to the *VBP Roadmap*:

- **Integrated Primary Care Arrangements:** In this updated *VBP Roadmap*, all references to Integrated Primary Care (IPC) arrangements and associated requirements have been removed. After evaluating overall VBP contract participation, NYSDOH found that standard IPC definitions were not being used. As a result, NYSDOH is reevaluating its data and analytic capabilities to support chronic care and primary care bundles. While this reevaluation takes place, data and analytic support for the chronic care and primary bundles will be suspended. NYSDOH continues to encourage participants to explore innovative primary care VBP arrangements through off-menu options.
- **Managed Long-Term Care Partially Capitated Arrangements:** Managed Long-Term Care (MLTC) Partially Capitated arrangement requirements have been rewritten as guidelines. NYSDOH has concluded that the structure of the MLTC Partially Capitated approach does not reflect current VBP principles. NYSDOH continues to encourage MLTC Partially Capitated plans to build on their VBP efforts and recommends that plans evaluate the outcomes and impacts of their current VBP contracts to make an informed determination about VBP participation. Given the change from requirement to guideline, NYSDOH support for MLTC Partially Capitated quality reporting as of Measurement Year (MY) 2020 has been suspended until further notice.
- **Data Tools:** Links have been added to improve accessibility to available data tools to support VBP contractors, such as the Medicaid Analytics and Performance Portal (MAPP).
- **Innovator Program:** Descriptions of the Innovator Program have been retained in an appendix to highlight the participant accomplishments and reflect the ongoing importance of this model to future VBP design as providers seek to undertake higher risk arrangements with appropriate delegation of management and administrative services.
- **DSRIP:** Programmatically, the goals of VBP reform established through the DSRIP program remain the same, but given the program's conclusion in March 2020, references to DSRIP have been removed except where they are needed for historical context.
- **Member Incentives:** All references of member incentives have been removed from the updated *VBP Roadmap*, as these rules are best addressed in separate federal and NYSDOH guidance.
- **Penalties:** NYSDOH retains its authority to enforce penalties on MCOs that do not meet VBP goals. A description of penalties that align to the prior DSRIP VBP goals for MCOs will remain.

- **VBP Quality Improvement Program:** References to the VBP Quality Improvement Program (QIP) have been removed in this update as successor programs are being designed through alternative federal authorities.
- **Target Budget Setting:** Target budget setting has been clarified to indicate that VBP contractors are compared to their own historical cost, and that they must define their own method of target budget calculation, including the frequency of budget rebasing. The Next Generation ACO approach for target budget setting is included as a guideline in the appendices. Specific examples of target budget calculations have been removed.