



**Department
of Health**

Office of
Health Insurance
Programs

April 2016 – March 2017 Medicaid Managed Long Term Care Premium Rates

Bureau of Managed Long Term Care Rate Setting
Division of Finance and Rate Setting
Office of Health Insurance Program
Department of Health

August 2016

2016 MLTC Partial Capitation Rate Methodology

- The April 2016 – March 2017 rate development changes

	2016 Premiums
MMCOR Base	CY 2013 and CY 2014
Eliminate Geographic Factor	NYC, Mid-Hudson/Northern Metro, Northeast/Western and Rest of State medical base rate set based on region-specific cost report data
Care Management	Care Management pmpm developed for each of the four regions
Administrative Cap	\$215 pmpm
Wage Adjustments	Adjustment to comply with Home Care Worker Wage Parity Law on CY 2013 Personal Care base data as well as FLSA requirements
Risk Scores	Risk scores developed for each of the four regions for plans in multiple regions.
Nursing Home Rate Blend	Projected SFY2016-17 Enrollment based on plan survey data
Efficiency Adjustments	None applied on community (Existing) portion of payment rate or NH portion of payment rate

MLTC Rate Development

- **100% Risk-Adjusted**
 - CY 2013/14 MMCOR base adjusted for:
 - Incurred But Not Reported (IBNR) adjustments
 - Reinsurance
 - HR&R
 - Nursing Home Fee Schedule
 - DME MRT Adjustment
 - Wage Parity
 - 12/13 Hour Live-In Billing
 - FLSA
 - Risk Scores:
 - 100% UAS
 - Based on March 2016 enrollment data and the most recent UAS assessments through December 2015 period.

Current Status of 2016 MLTC Rates

- The average MLTC Partial Capitation April 2016 percent increase from the April 2015 rates is 4.09%
 - The community (existing) portion of the rate + 0.26%
 - The nursing home portion of the rate + 3.83%

Premium Component	% Change in Premium
Trended MMCOR Base	(4.20%)
Wage Parity	4.05%
12/13 Hour Live-In	0.11%
FLSA	1.15%
IBNR	(0.85%)
Nursing Home	3.83%
Final Rate to Rate Impact	4.09%

Note: % change is from blend of all SFY15-16 phase rates for one annualized rate

Nursing Home Transition

- SFY 2015-16 implemented five phases of rate adjustments to account for nursing home enrollment changes.
- MLTC Partial Capitation and FIDA plans surveyed at three points during year to submit nursing home enrollment changes
- SFY2016-17 will provide one projected enrollment for the year
 - Projection based on March 2016 survey results and plan enrollment mix
 - Trended forward on most recent six month enrollment trend from Survey in NYC (three months in Upstate)
- Will continue plan nursing home enrollment survey through SFY16-17
- Option to adjust rates during year if enrollment projection is inaccurate

Anticipated Adjustments to April 2016 Rates

- MLTC
 - Minimum Wage Adjustment – October 2016
 - New CFCO Services – December 2016
 - NH Transition adjustment if necessary

MLTC Projected Timelines

Milestone	Comment/Projected Completion
April 2016 Partial Capitation Rates	Draft Rates -- August 2016
April 2016 FIDA rates	Draft Rates -- August 2016
April 2016 PACE Rates	Draft Rates -- September 2016
October 2016 Partial Capitation Rates	Draft Rates -- September 2016
October 2016 FIDA Rates	Draft Rates -- October 2016
October 2016 PACE Rates	Draft Rates -- October 2016
January 2016 MAP Rates	Draft Rates -- December 2016
January 2016 MA Rates	Draft Rates -- December 2016

Questions?

- Managed Long Term Care Rate Setting
 - MLTCRS@health.ny.gov