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TO: Memo Distribution List

LeadingAge New York

FROM: Hinman Straub P.C.

RE: Guidance on Final Reconciliation Process for the Quality Incentive/Vital Access Provider Pool (QIVAPP)

DATE: April 17, 2015

NATURE OF THIS INFORMATION: This is general information you might find helpful or informative.

DATE FOR RESPONSE OR IMPLEMENTATION: Final Reconciliation Documents under the QIVAPP Program are due on May 1, 2015

HINMAN STRAUB CONTACT PEOPLE: Sean Doolan and Michael Paulsen

THE FOLLOWING INFORMATION IS FOR YOUR FILING OR ELECTRONIC RECORDS:

Category: #4 Regulatory Process

Suggested Key Word(s):

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On April 15, 2015, the Department of Health held a webinar to provide guidance to Managed Long Term Care (MLTC) plans and their contracted home care providers on the requirements to complete the final reconciliation for funds to be distributed under the Quality Incentive/Vital Access Provider Pool (QIVAPP). The webinar provided an overview of plan and provider eligibility requirements, as well as the process for plans to complete the reconciliation submission due on May 1, 2015. A copy of the webinar is [attached](#).

For background, QIVAPP was developed to support wage parity requirements by providing funding to MLTC plans serving members in New York City to be passed through to qualifying Licensed Home Care Service Agencies (LHCSAs). Eligible applicants for this funding are MLTC plans, including Partial Capitation, PACE, and MAP plans. To qualify for payment, plans must show full compliance with the Public Health Law, including the wage parity statute, and meet certain QIVAPP standards. A total of \$70 million in funding is available under the program to be distributed to eligible plans, which will then be distributed to their contracted qualified incentive pool providers (QIPP).

In December 2014, DOH announced that \$35 million of the QIVAPP had been allocated to MLTC plans based on the hours submitted under the QIVAPP application for providers preliminarily identified as meeting program requirements. The Department calculated the number of QIPP hours based on survey results provided by MLTC plans. The allocation was based on the actual (April 1, 2014 – May 31, 2014) and projected (June 1, 2014 – March 31, 2015) number of hours submitted by each participating MLTC for home and personal care aide services provided by an eligible provider (QIPP).

In order to receive the federal-share funds (\$35 million) under QIVAPP, DOH has established a final reconciliation process for MLTCs. The process requires MLTC plans to submit an attestation form for each provider with updated hours for the period April 1, 2014 to February 28, 2015 and with projected hours for March 2015. In addition, the attestation form requires MLTC plans to verify that each home care provider receiving funds through QIVAPP meets all of the eligibility requirements under the program.

A review of MLTC plan eligibility requirements, provider eligibility requirements, and the final reconciliation process is provided below.

1. Plan Eligibility

To be eligible to receive the remaining QIVAPP funds, MLTC plans participating in the program must meet the following criteria:

- Continue to be in compliance with the wage parity statute;
- Complete and submit the revised QIVAPP Reconciliation excel spreadsheet (distributed March 26, 2015); and
- Submit a QIVAPP Reconciliation Attestation to the Department by May 1, 2015 for each eligible contracted provider.

2. Provider Eligibility

In order to complete the QIVAPP Reconciliation Attestation, MLTC plans are required to ensure that their contracted providers are still eligible providers under the program (i.e. meet the “pool standards”).

While the first MLTC plan submission and round of funding resulted in DOH determining whether a number of providers were eligible under the program, DOH also identified home care providers who were asked to submit additional information to support their QIVAPP eligibility. The latter category of providers did not receive QIVAPP funds under the first round (state-share) of funding. As a result, MLTC plans should verify the eligibility status of all contracted providers prior to submitting QIVAPP Reconciliation Attestation for each provider. It is important to note that the pool standards have not changed from the last submission.

The “pool standards” for eligibility include the following:

- The MLTC plan has contracted with the provider to pay a base amount (\$18.50 per hour) that reflects the cost of investments for home and personal care aide services;
- The provider maintains or participates in a specialty training program for home health aides and personal care aides that exceeds the DOH minimum training requirement and/or the in-service requirement;
- The provider has a written quality assurance (QA) program that has been successfully implemented and is currently active; and
- The provider participates in a health benefit fund for their home health aides and/or personal care aides and/or provides comprehensive health insurance coverage to their employees.

3. Final Reconciliation Process

On the revised QIVAPP Reconciliation excel spreadsheet, MLTC plans are required to provide the actual QIVAPP eligible hours¹ for period of April 1, 2014 and February 28, 2015 for each eligible provider. The MLTC plan is also required to include an estimate of QIVAPP eligible hours for the period of March 1, 2015 – March 31, 2015 for each provider. The Department expects that each provider’s reported actual hours are supported by claims submission data. The spreadsheet must be submitted, along with an attestation form for each provider, by May 1, 2015.

The total pool value (both state and federal share) will be reallocated based on updated hours received and CMS approval. As a result, some plans may see a reduction in payment distribution if the original application hours exceed the reconciled hours. MLTC plans are expected to recoup funds distributed their contracted providers that had lower reconciled hours than original application hours. The Department did not provide further guidance on the process for recoupment.

¹ QIVAPP eligible hours are hours for home and personal care aide services provided after April 1, 2014 paid at the qualifying base contract amount of \$18.50 per hour.

4. Documentation Requirements

MLTC plans are required maintain supporting documentation to validate provider eligibility and actual hours submitted under the program. The webinar clarified that MLTC plans are required to maintain a copy of each provider's Wage Parity certification. In response to questions regarding the types of additional documentation that should be retained, the Department responded that they will provide further guidance in a separate written Question and Answer (Q&A) document.

Plan submissions that cannot be validated upon review of supporting documentation may be referred to the Department for possible recoupment of QIVAPP funds, and/or for OMIG referral.

5. Timeline

MLTC plans received the state-share (\$35 million) lump-sum payment in cycle 1958 on March 18th. Plans were instructed to pass through the entire amount of these funds to eligible providers by mid-April. DOH expects that all of the funds should be passed-through to providers by the end of the week of April 13th.

The remaining allocation of funds through QIVAPP is subject to review and approval by the U.S. Centers for Medicare and Medicaid Services (CMS). While CMS approval is expected, there is no deadline for the funds to be approved. While approval is expected shortly, the Department did not provide an estimated timetable for approval.

In response to questions regarding the expansion of the program to future fiscal years, the Department responded that they will evaluate the process and impact of the program after the final distribution is made prior to expanding the program to cover future years.

Please contact us with any questions that you may have.



**Department
of Health**

Office of
Health Insurance
Programs

Quality Incentive/Vital Access Provider Pool

Update

April 15, 2015

Agenda

- **Introduction**

Mark Kissinger, Director, OHIP Division of Long Term Care, NYSDOH
John Ulberg, Director, OHIP Division of Finance and Rate Setting, NYSDOH

- **Review of QI/VAPP**

Alene Hokenstad, Senior Director, IPRO

- Background
- Eligibility

- **Plan Attestation**

- Standards for Pool Eligibility
- Documentation

- **Attestation Validation**

Daniel Carmody, Manager, OHIP Division of Finance and Rate Setting, NYSDOH

Review of QI/VAPP

A. What Is QI/VAPP?

- Program focused on quality home and personal care services in MLTC
- Rewards plans that invest in their network providers
- Funds of 70 million dollars to be distributed to eligible plans, which will then distribute to their contracted qualified incentive pool providers (QIPP)

Review of QI/VAPP continued

B. How is a Plan eligible for QI/VAPP funds?

- Plan is in compliance with wage parity statute
(§ 3614-c, *Home Care Worker Wage Parity*)
- Plan completes revised QI/VAPP Reconciliation excel spreadsheet, distributed March 26, 2015
- Plan submits a QI/VAPP Reconciliation Attestation to DOH - Due May 1, 2015
 - Plans are required to make sure that both they and their contracted providers meet all of the requirements.
 - Documentation is required and will be subject to validation.
 - Failure to meet any of the eligibility requirements will disqualify the Plan from receiving QI/VAPP funds.

Plan Attestation to DOH

Due 5/1/2015- Pool Requirements

- #1. Pay A Base Hourly Rate of \$18.50
- #2. Offer a Specialty Training Program that Exceeds the DOH Requirement
- #3. Have a Written, Implemented and Currently Active Quality Assurance Program
- #4. Provide Comprehensive Health Coverage which Must Equal or Exceed the DOH Sample Qualified Incentive Pool Provider Benefit

Plan Attestation #1:

Pay a Base Hourly Rate

- Pay a base contracted amount, defined as \$18.50 per hour, that reflects the cost of investments for home and personal care aide services.
- Those QI/VAPP eligible hours cannot be counted prior to April 1, 2014.
- If rates were subsequently increased after April 1st but before September 1st, only hours paid at the qualifying level are eligible to determine QI/VAPP payment.

Plan Attestation #2: Offer a Specialty Training Program

- Maintain or participate in a specialty training program for home health aides and personal care aides.
- Training programs must exceed DOH minimum training requirement and/or the in-service requirement which is:

Home Health Aides

- Basic: 75 hours
- In-service: Twelve (12) hours per year.

Personal Care Aides

- Basic: 40 Hours
- In-service: Six (6) hours per year.

Plan Attestation #2 continued: Offer a Specialty Training Program

- Provide a letter of support for the training program from a labor organization. The Department will consider exceptions if a QIPP can demonstrate a specialty training program, but cannot obtain a letter of support.

Plan Attestation #3:

Have a written Quality Assurance Program

- A QIPP must have a written quality assurance program that has been successfully implemented and is currently active
 - Not a new requirement for LHCSAs -Section 766.9(k)
 - Includes internal review of policies and patient records
 - Must include Complaint Resolution Process
 - Written summary of review findings

Plan Attestation #4:

Provide Comprehensive Health Coverage

- A QIPP must participate in a health benefit fund for their home health aides and/or personal care aides and/or provide comprehensive health insurance coverage to their employees.
- The DOH Sample Qualified Incentive Pool Provider Health Benefit that must be provided is posted on the Department's website.

Plan Attestation #4 continued:

Provide Comprehensive Health Coverage

| Health Benefit Package Should Include: |
|--|
| Hospital Care |
| Hospice |
| Emergency Room Visits |
| Behavioral Health Services Inpatient/Outpatient |
| Maternity |
| Medical Services |
| Prescriptions |
| Vision |
| Dental |
| Hearing Aids |

http://www.health.ny.gov/health_care/medicaid/redesign/docs/2014-06-13-benefits_overview_qivapp_application_attach2.pdf

Plan Documentation

Plan Documentation:

- **QI/VAPP Reconciliation spreadsheet**

Eligible Hours for State Fiscal Year 2014-15

- Actual hours from 4/1/14 - 2/28/15
- Projected hours from 3/1/15 - 3/31/15

- **Attestation**

Validation of Attestation

- Plans should maintain a copy of the provider Wage Parity certification whether or not they have received QI/VAPP award
- ALL supporting documentation for the Plan attestation is subject to validation
- Plan submissions that cannot be validated upon review of supporting documentation will be referred to the Department for possible recoupment of QI/VAPP funds, and/or for OMIG referral

QI/VAPP Distribution

- Total Pool value of \$70 million
- State share of \$35M was released to plans based on information submitted by September 2, 2014.
- Reconciliation of total pool value based on updated information including hours and attestation provided by May 1, 2015.
 - Information must be included for all providers
- The total pool value of \$70M will be reallocated based on updated hours received and CMS approval.

QI/VAPP Distribution Examples

Example – Pool Allocation to Plans

| | A | B | C | D | E |
|--------------|----------------------------|--------------------------|------------------|-------------------------|----------------------------------|
| | Original Application Hours | State Share Distribution | Reconciled Hours | Reconciled Distribution | Final Plan Distribution (D - B) |
| Plan A | 1,000,000 | \$10.0M | 1,500,000 | \$23.9M | \$13.9M |
| Plan B | 500,000 | \$5.0M | 800,000 | \$12.7M | \$7.7M |
| Plan C | 300,000 | \$3.0M | 600,000 | \$9.5M | \$6.5M |
| Plan D | 900,000 | \$9.0M | 1,100,000 | \$17.5M | \$8.5M |
| Plan E | 800,000 | \$8.0M | 400,000 | \$6.4M | (\$1.6M) |
| Total | 3,500,000 | \$35M | 4,400,000 | \$70M | \$35M |

Example - Plan Specific Allocation to Providers

| Plan A | A | B | C | D | E |
|--------------|----------------------------|--------------------------|------------------|-------------------------|--------------------------------------|
| | Original Application Hours | State Share Distribution | Reconciled Hours | Reconciled Distribution | Final Provider Distribution (D - B) |
| Provider A | 50,000 | \$0.5M | 0 | \$0M | (\$0.5M) |
| Provider B | 500,000 | \$5.0M | 550,000 | \$8.8M | \$3.8M |
| Provider C | 150,000 | \$1.5M | 350,000 | \$5.6M | \$4.1M |
| Provider D | 100,000 | \$1.0M | 150,000 | \$2.4M | \$1.4M |
| Provider E | 200,000 | \$2.0M | 450,000 | \$7.2M | \$5.2M |
| Total | 1,000,000 | \$10M | 1,500,000 | \$24.0M | \$14.0M |

For more information

Any questions concerning the reconciliation process should be directed to the Office of Health Insurance Programs, New York State Department of Health by e-mail at:

hcworkerparity@health.ny.gov

Information about QI/VAPP is available on the Department's website:

http://www.health.ny.gov/health_care/medicaid/redesign/mrt_61.htm