

SFY 2014-15 Mandatory Rate Review Plan Conference Call

Bureau of Long Term Care Rate Setting
Division of Finance and Rate Setting
New York State Department of Health

October 22, 2014

Mandatory Rate Objectives

- ▶ Transition Medicaid FFS enrollees eligible for long term care services and supports to MLTC
- ▶ Develop rates from survey of FFS enrollees based on medical expenses and assessment
- ▶ Mandatory rates began July 2012 and transition to fully-blended risk adjusted rates as of April 2015
- ▶ Mandatory rates trend toward risk rates over time as efficiencies increase
 - Continuity of Care Policy Requirements Expiration
 - Personal Care Contracting Policy Requirements Expiration

Overview and Fiscal Impacts

- ▶ Key elements of SFY14–15 Mandatory Rates:
 - April 1, 2014 to September 30, 2014
 - Regional rates
 - October 1, 2014 to March 31, 2015
 - NYC Risk–Adjusted rate
 - Blend NHC and Non–NHC rate to one rate
 - Managed care efficiency adjustment increase
 - 12 month wage parity increase included

Overview and Fiscal Impacts (cont'd)

- ▶ Key elements of SFY14–15 Mandatory Rates:
 - Admin held at \$215
 - Surplus reduced from 2% to 1%
 - Allocated back to plans through Quality Pool
 - 2% High Cost/ High Need Risk Pool Withhold
 - Advance 50%
 - 25% based on hours reported on 2013 survey
 - 25% of region average withhold to all plans
 - Reconcile with 100% distribution

Overview and Fiscal Impacts (cont'd)

- ▶ On a statewide basis, the following is the rate to rate change from April 2013 to April 2014 mandatory transition premiums:
 - Statewide Percent Change in Premiums: – 5.45%
 - Region 1: – 5.16%
 - Region 2: – 10.74%
 - Region 3: – 12.75%
 - Region 4: N/A
 - Note: change in premiums does not include 2% High Need/High Cost Risk Pool withhold or addition of pool payments
 - Aggregate Expenditures from April 2013 to April 2014
 - 2013 – \$2.3 Billion
 - 2014 – \$3.0 Billion

Impact of Blend

- ▶ April 2014 first cycle with NHC and Non-NHC blend
- ▶ Variables taken into account with blend
 - CMS approval
 - Historical NHC and Non-NHC rates have been developed from base period data with 80% NHC and 20% Non-NHC
 - FIDA
 - Continuity in rate development
 - Rate Ranges
 - Final Rate must accommodate multiple pool add-ons
 - Quality
 - Risk
 - QIVAPP
 - BIP

Impact of Blend (cont'd)

► NHC and NON-NHC Blend

	Base Period Data		DOH Enhanced Blend	
	NHC	Non-NHC	NHC	Non-NHC
FY12 FFS Base Data	\$4,380.63	\$2,190.12	\$4,380.63	\$2,190.12
Blend	\$3,938.65		\$4,161.58	
Program Changes and Trend Adjustments	\$4,404.38		\$4,653.67	
Managed Care Efficiency Adjustment	-23.71%		-23.71%	
Long Term Care Services	\$3,360.31		\$3550.50	
Care Management Services	\$227.50		\$227.50	
Administrative Services	\$215.00		\$215.00	
Surplus	\$38.41		\$40.33	
Final Rate	\$3841.22		\$4033.33	

► DOH Rate Enhancement Amount

Region 1 – \$191.78

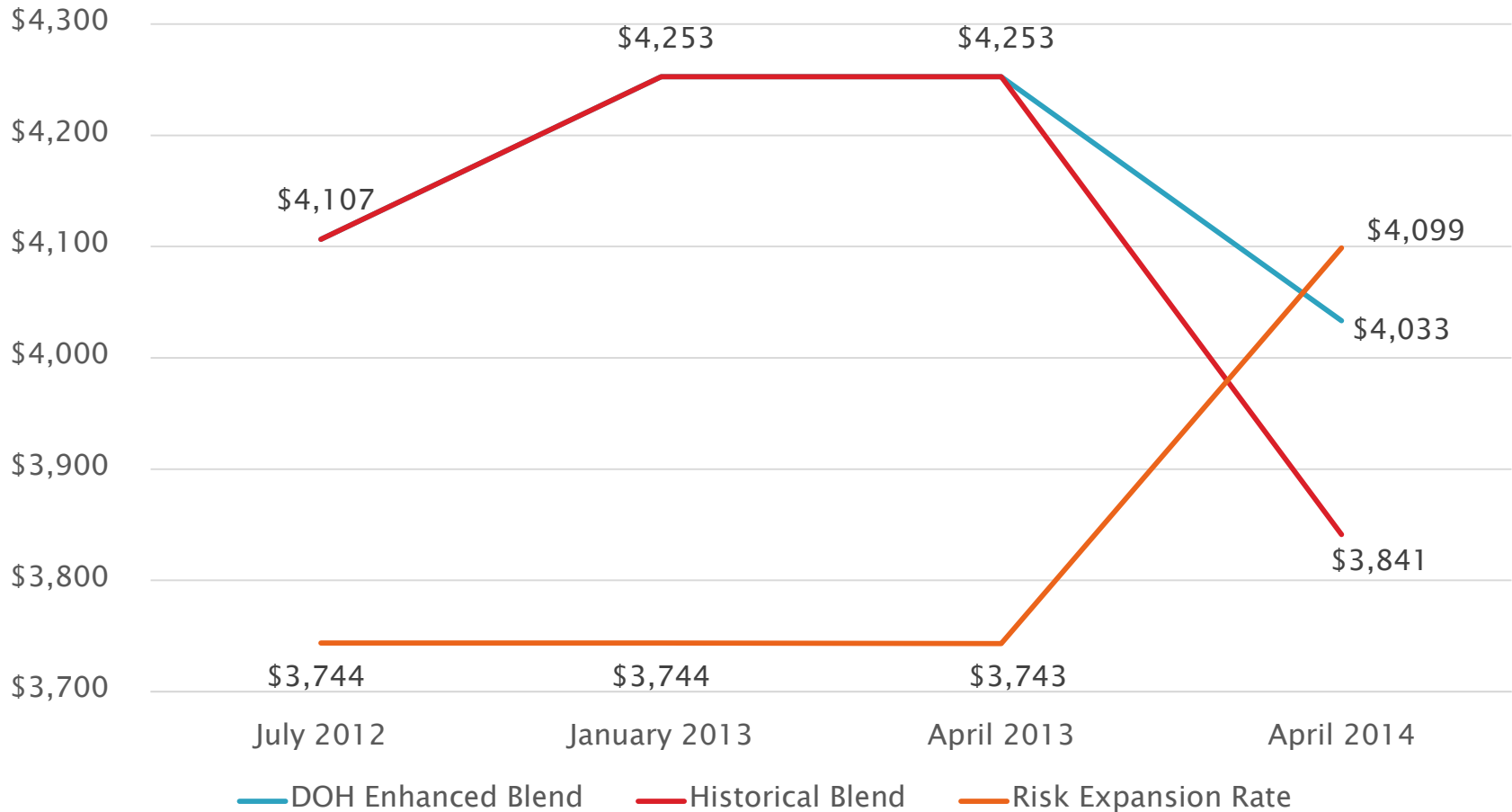
Region 2 – \$234.50

Region 3 – \$160.63

Region 4 – \$125.77

Mandatory to Risk Rate Trend

Not-For-Profit NYC Region Average Rates



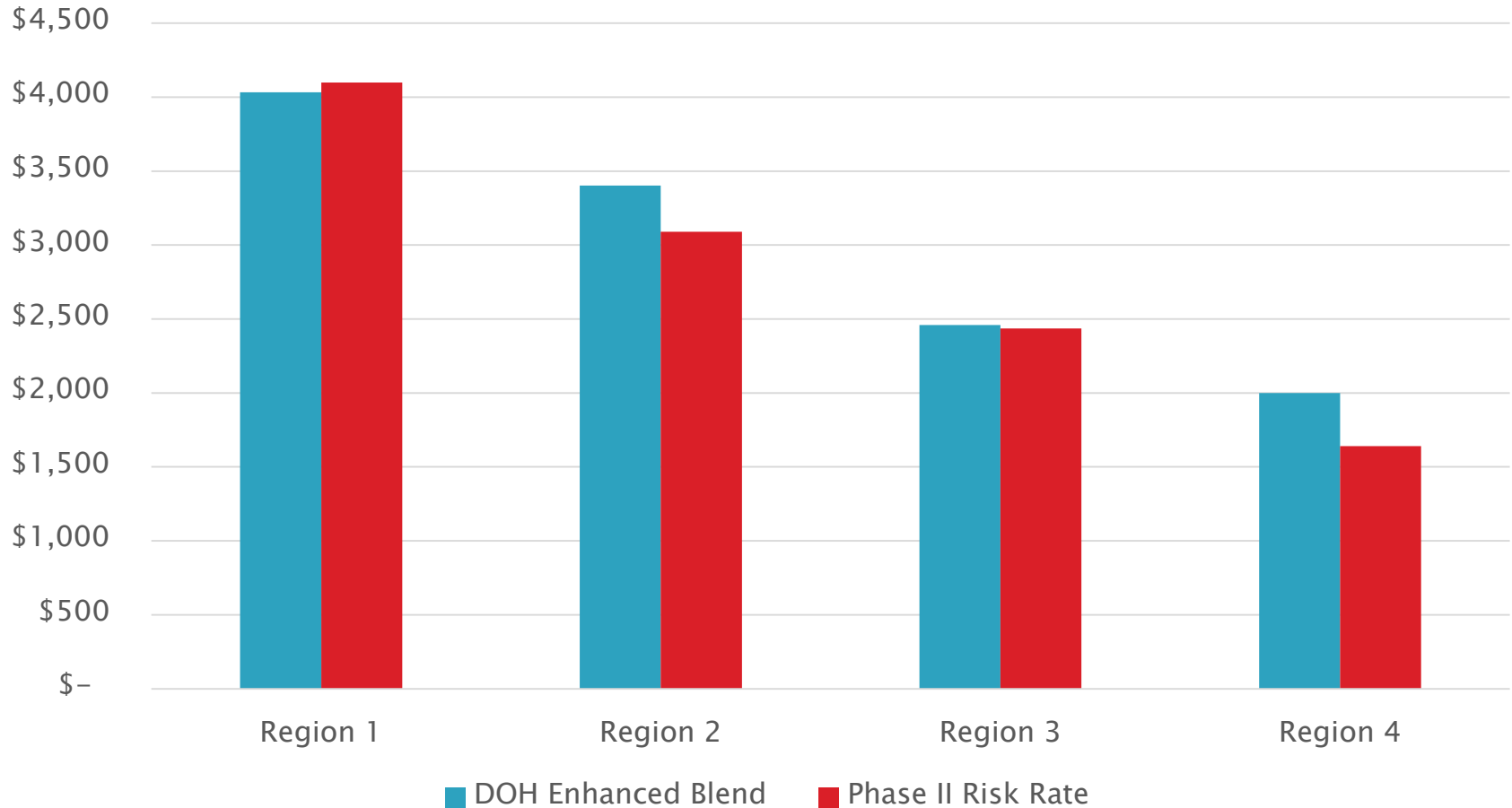
Note: 2014 rates prior to 2% High Need/High Cost Risk Pool Withhold

Mandatory Comparison to Risk

	2013 Mandatory Rates		2014 Mandatory Rate	2014 Risk Rate
	NHC	Non-NHC	Combined	Phase II
Region 1	\$4,295.15	\$2,176.12	\$4,033.33	\$4,098.79
Region 2	\$3,848.54	\$1,989.40	\$3,402.14	\$3,089.19
Region 3	\$2,845.39	\$1,508.51	\$2,459.20	\$2,435.49
Region 4	N/A		\$1,998.69	\$1,640.04

- Not-for-Profit regional rates prior to 2% high cost/high need risk pool withhold.
- Note:
 - 2013 Mandatory Rate: 2% Surplus, \$215 Admin
 - 2014 Mandatory Rate: 1% Surplus, \$215 Admin
 - 2014 Risk Rate Phase II: 1% Surplus, \$215 Admin

Comparison of Mandatory and Risk Rates



Pool Funding

- ▶ High Cost High Need Risk Pool
 - 2% Withhold
 - NYC – \$54.7 Million
 - Upstate – \$2.4 Million
- ▶ Quality Pool
 - Surplus reduction from 2% to 1%
 - NYC – \$27.4 Million
 - Upstate – \$1.9 Million
- ▶ Total Pool Funding
 - NYC – \$82.1 Million
 - Upstate – \$4.3 Million

Rebilling of Rate Codes

- Rate codes 3479 and 3480 have been added to provider profiles for all plans operating in counties that have gone mandatory.
- Each plan's risk-based premium has been loaded initially. This will allow plans to begin rebilling immediately.
- Once mandatory transition rate approvals are secured, the new premium rates will be loaded for payment. eMedNY will process the retroactive claims automatically.
- Plans should continue to bill under 3479 and 3480 based on NHC or non-NHC using blended rate.

Upcoming Changes to Mandatory Rates for SFY 2015–16

- ▶ Mandatory Rates will be incorporated under the risk adjustment methodology for SFY15–16.
 - CY12 and CY13 cost report base data of mandatory and existing enrollees combined
 - Mandatory enrollees included in model development
 - One risk score for each plan for all enrollees

Questions

- ▶ Questions regarding rate methodology can be submitted via e-mail to:

Bureau of Long Term Care Reimbursement
Managed Long Term Care Rate Setting:

MLTCRS@health.ny.gov