

Balancing Incentives Program (BIP)

Background

A total of \$15 million of Federal dollars are available for this initiative through the state's approved BIP plan to expand Managed Long Term Care in non-urban areas. BIP Federal dollars must be spent by September 30, 2015.

The funding is available to PACE Organizations and Partial Plans to encourage expansion into non-urban (vulnerable) counties in Upstate NY in support of Care Management For All, with an emphasis on the PACE program since it includes a comprehensive benefit package of services that Plans are responsible to cover. Vulnerable counties are identified as those Upstate counties with 2 or fewer Plans participating. Upstate is identified as PACE/Partial Rating Region 3 Northeast/Western and Region 4 Rest of State (other regions do not have any counties with 2 or fewer Plans). Funding is available under two scenarios: 1) new Plans entering the program and operating in vulnerable counties, and 2) existing Plans already in the program and expanding into vulnerable counties. Existing Plans currently operating in vulnerable counties are not eligible for funding.

This approach is consistent with the Network Incentive Payment (NIP) included in April 1, 2013 premiums for the Mainstream Managed Care Program to encourage more than 2 Plans to participate in specific vulnerable counties in support of Care Management For All (regions that have a county that has 2 or fewer Plans receive a NIP).

In order to be eligible for funding, a qualified Plan must:

- Submit a Letter of Intent for PACE and/or Partial Plans by 10/31/2014;
- Submit an application for PACE or Partial Plans to DLTC by deadlines established in the timeline below; and
 - PACE applications due 12/1/2014
 - New MLTC Partial Plans due 2/2/2015
 - MLTC Service Area Expansions due 3/2/2015
- Have an enrollment level of 25 members by 9/1/2015.

In addition to the upcoming open period for plans to submit new/expansion applications for PACE plans for CMS approval, DLTC will consider requests to include plans that submitted an application during the recent PACE CMS Application Open Period, October 6-10, 2014. Health plans which submitted a PACE application to CMS during this period may apply to participate in the BIP Bonus Program by completing the Letter of Intent and complying with all other program requirements and deadlines.

Plans that have not reached the enrollment level by 9/1/2015 will be subject to claw back of the initial and second payment as set forth in the milestone table below.

Scope

Any new or current PACE or Partial Plan that may be approved to operate in vulnerable counties are eligible for a bonus payment. A review of Upstate counties shows that there are 34 vulnerable counties across PACE/Partial Rating Regions 3 and 4 as follows (see Attachment #1):

MLTC/PACE Region 3 Northeast/Western: Fulton, Genesee, Madison, Orleans, Warren,
Washington, Wyoming counties

MLTC/PACE Region 4 Rest of State: Allegany, Broome, Cattaraugus, Cayuga, Chautauqua,
Chemung, Chenango, Clinton, Cortland, Delaware, Essex, Franklin,
Hamilton, Jefferson, Lewis, Livingston, Ontario, Otsego, St. Lawrence,
Schoharie, Schuyler, Seneca, Steuben, Tioga, Tompkins, Wayne, and
Yates counties

Bonus Payment

Each Plan that expands into a vulnerable county (or counties) will receive a bonus payment regardless of whether it's a new Plan in operation or an existing Plan expanding into a new county. This will be an offline payment that is not promulgated through premium rates on the eMedNY system. Bonus payments are subject to DOB and CMS approvals, must comply with Federal Regulations, and must be deemed actuarially sound. A bonus payment may be limited or reduced to comply with this requirement.

A maximum of three bonus payments are available to Plans for achieving certain milestones within the current expansion application process (see Table 1 below). An initial payment will be made to provide start-up funding in support of network development and other activities necessary to the expansion process. A second payment will be made upon approval of an application by DLTC, whichever is applicable. A final payment will be made for reaching a milestone enrollment level of 25 members. More rural counties are grouped together for this purpose since the number of eligibles in these counties can be limited. The following Table 1 summarizes these milestones, the county grouping for final payment, and bonus payment amounts:

Table 1

Milestone	Bonus Payment Amount
1) Initial Payment – the Department receives a complete Letter of Intent from the Plan	\$250,000 per Plan for PACE \$200,000 per Plan for Partial
2) Second Payment – application requirements are met and the DLTC approves the application *	\$350,000 per Plan for PACE \$300,000 per Plan for Partial
3) Final Payment – the Plan reaches a roster enrollment level of 25 members: <ul style="list-style-type: none"> As the sum total in the following group of counties – Hamilton, Lewis, Livingston, Madison, Orleans, Schuyler, Seneca, Tioga, Wyoming, and Yates counties Or, as the total enrollment in any other standalone county 	Payment ranges from \$60,000 to \$100,000 for each County and amounts vary by County according to Attachment #2

* any application that includes at least one approved county expansion will qualify for second payment

The Department reserves the right to claw back initial and/or second payments made to Plans upon determination that Plans have not actively pursued completion of the milestones in a good faith effort.

Timeline

PACE Applications:

Applications for **new PACE Organizations**, applications for **service area expansions of existing PACE Organizations**, and applications for **new PACE center sites** must follow the CMS application process as detailed below.

Milestone	Timeframe	Deadline
Complete PACE Applications due to DLTC	30 days (from LOI submission to application submission)	December 1, 2014
DLTC Review & Approval	30 days	January 2, 2015
CMS/PACE Application Period		January 5 – 9, 2015
DLTC submits application to CMS		January 9, 2015
CMS Review Period (1 st 90 days)	Up to 90 days from receipt of application	No later than April 9, 2015
RAI (or approval) issued by CMS	Within 90 days of date application received	No later than 4/9/15; (Example: 45 days would be 2/13/15)
Response to RAI submitted to CMS	Not specified	Not specified; (Example: 14 days would be 2/27/15)
CMS/State on-site visit	Within 45 days after CMS' receipt of the response to the RAI	(Example: 30 days would be 3/31/15)
State Readiness Review	Per CMS, the State may submit its response to the RAI while concurrently undertaking the SRR.	(Example: 2/27/15 – 3/31/15)
CMS Review Period (2 nd 90 days)	Starts upon completion of the on-site visit and completion of the SRR, if required	(Example: 4/1/15 – 6/30/15; 45 days would be 5/11/15)
Approval Received		(Example: 5/11/15; assuming timeframes above)
Plans begin enrolling new members		(Example: 6/1/15)
Enrollment Period for		(Example: 6/1/15 –

Milestone	Timeframe	Deadline
BIP Bonus Program		9/1/15)

MLTC Partial Plan Applications

Applications for Article 44 Certified Health Plans to Participate in Managed Long Term Care Partial Capitation Plans and Service Area Expansion Applications must be submitted according to the following schedule:

Milestone	Timeframe	Deadline
Deadline for Plans to submit Applications for new MLTC Partial Plans		February 2, 2015
Deadline for Plans to submit Service Area Expansion Applications		March 2, 2015
DLTC Review & Approval Process	90 days for new applications; 60 days for Service Area Expansion Applications	February 2 – April 30, 2015
Latest Date Approval would be received		May 4, 2015
Plans begin enrolling new members		June 1, 2015
Enrollment Period for BIP Bonus Program	3 months	June 1 – August 30, 2015

Attachment #1

Number of Plans in Each County by Rating Region counts are number of plan/county combinations <i>34 counties have 2 or fewer plans (highlighted in yellow)</i>					
	MAP	MLTC Partial Cap	PACE	Pre-PACE	Total
Rest of State	5	36	2		43
Franklin					0
Yates					0
Chemung					0
Lewis					0
St Lawrence					0
Schuyler					0
Clinton					0
Seneca					0
Hamilton		1			1
Ontario		1			1
Cortland		1			1
Wayne		1			1
Essex		1			1
Chautauqua		1			1
Otsego		1			1
Livingston		1			1
Chenango		1			1
Jefferson		1			1
Steuben		1			1
Tompkins		1			1
Tioga		1			1
Delaware		2			2
Broome		2			2
Cayuga		2			2
Allegany		1	1		2
Cattaraugus		1	1		2
Schoharie		2			2
Oswego	1	2			3
Greene	1	2			3
Columbia	1	2			3
Herkimer	1	3			4
Oneida	1	4			5
Northeast/Western	6	50	6	1	63
Genesee		1			1
Orleans		1			1

<i>(continued)</i>	MAP	MLTC Partial Cap	PACE	Pre-PACE	Total
Wyoming		1			1
Madison		2			2
Washington		2			2
Fulton		2			2
Warren		2			2
Montgomery	1	2			3
Saratoga		3			3
Niagara		4	1		5
Rensselaer	1	4			5
Schenectady	1	4	1		6
Monroe	1	4	1		6
Onondaga	1	5	1		7
Albany	1	6	1		8
Erie		7	1	1	9
Mid-Hudson/Northern Metro	3	30			33
Putnam		3			3
Sullivan		3			3
Dutchess	1	4			5
Ulster	1	4			5
Orange		7			7
Rockland	1	9			10
NYC Metro	19	70	5		94
Suffolk	3	13	1		17
Nassau	5	14	1		20
Westchester	3	16	1		20
NYC	8	27	2		37
Grand Total	33	186	13	1	233

Attachment #2

Final Payment – the Plan reaches a roster enrollment level of 25 members. The following tables provide payment amounts per County. Payment to the Plan will be the sum of each County award amount for all approved counties.

Group of Counties With Sum Total Enrollment Level of 25 Members	Payment Amount Per County
Hamilton	\$100,000
Lewis	\$100,000
Livingston	\$100,000
Madison	\$100,000
Orleans	\$100,000
Schuyler	\$100,000
Seneca	\$100,000
Tioga	\$100,000
Wyoming	\$100,000
Yates	\$100,000

Standalone Counties	Payment Amount Per County
Chemung	\$100,000
Clinton	\$100,000
Franklin	\$100,000
St Lawrence	\$100,000
Chautauqua	\$80,000
Chenango	\$80,000
Cortland	\$80,000
Essex	\$80,000
Genesee	\$80,000
Jefferson	\$80,000
Ontario	\$80,000
Otsego	\$80,000
Steuben	\$80,000
Tompkins	\$80,000
Wayne	\$80,000
Allegany	\$60,000
Broome	\$60,000
Cattaraugus	\$60,000
Cayuga	\$60,000
Delaware	\$60,000
Fulton	\$60,000
Schoharie	\$60,000
Warren	\$60,000
Washington	\$60,000

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