

5 Easy Steps to Prepare for DSRIP

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Objectives

- Provide members with the key information that they need to know *now*
- Provide a brief overview of the aspects of DSRIP that are most pertinent to LeadingAge NY members
- Outline key considerations in deciding whether or not to participate in a DSRIP initiative, and what type of initiative
- Leave members with specific action steps to take to participate
- Q&A

What is DSRIP?

- On April 14, 2014, Gov. Cuomo announced finalized terms and conditions for the NYS Partnership Plan 1115 Waiver Amendment (aka. MRT Waiver), which will allow the State to draw down \$8 billion in federal funds over next 6 years.
- Delivery System Reform Incentive Payment (DSRIP) program is one aspect of the waiver.
- DRSIP is funded at \$6.42 billion over 5-6 years.
- DSRIP is not a grant, it's an incentive payment.

3

Goals of DSRIP

- **Safety Net System Transformation:** transition of care from more institutional to community-based services
- **25% Reduction in Avoidable Hospitalization Over 5 Years:** improve quality and decrease cost
- **Medicaid Payment Reform:** continue to move Medicaid reimbursement away from fee-for service to value based payment
 - NYS will be working with managed care plans to submit a plan to CMS toward the goal of 90% of managed care payments to providers using value based payment methodology by the end of the 5-year period
- **System Integration:** collaboration among regional providers to change the way services are delivered

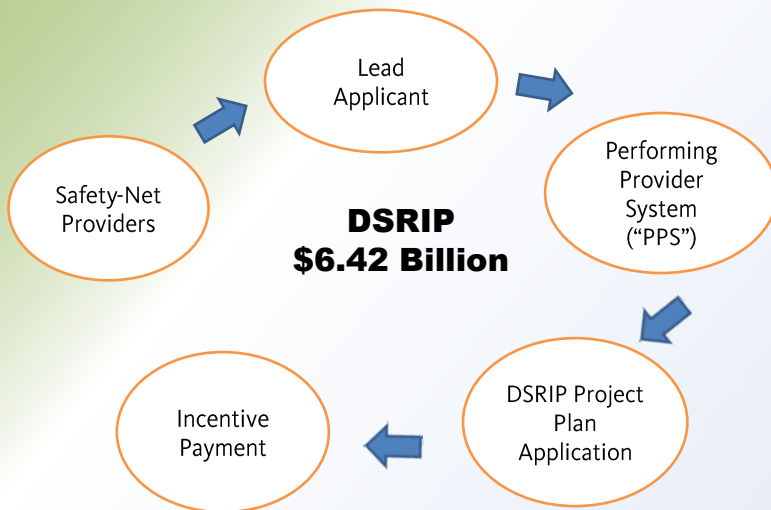
4

What a PPS Looks Like

5-10 projects total



5



6

Why is DSRIP so important?

*Five reasons why LeadingAge
NY members should pay
attention.*

7

1. Value in Reducing Hospital Use is Exponential

Reducing avoidable hospital/Emergency Department use is embedded in a wide range of federal and state policy initiatives including:

- nursing home quality pool;
- Accountable Care Organizations (ACOs);
- Medicare readmission penalties;
- bundling demonstrations; and
- the Fully Integrated Duals Advantage Program (FIDA)/managed care.

8

2. Collaboration is the New Currency

Providers will no longer be able to function as islands, and DSRIP only reinforces a trend that is already emerging; the delivery system is realigning. This is evident in:

- ACOs;
- medical homes and health homes;
- managed care provider network; and
- specific collaborative efforts like the Gold Stamp project.

9

3. Payment Systems are Changing

- Traditional fee-for-service Medicaid reimbursement may be nearly extinct in 5 years
- Incentive-based payments – such as those envisioned for the DSRIP – are already in place for ACOs, Medicare value-based purchasing and even the Medicaid global spending cap
- DSRIP could also prepare providers for more widespread use of bundling of acute and post-acute payments, which is already underway and will continue to gain traction at the federal level

10

4. Service Systems are Converging

- State and federal initiatives are seeking to break down the “silos” of care for physical, behavioral and mental health and create more integration.
- The State’s Health Innovation Plan seeks to advance the federal “triple aim” by improving delivery and public health in an integrated way at the regional level.
- Health homes and Managed Long Term Care plans (MLTCs) are offering services to special populations such as people with disabilities or mental illness, rather than forcing people to select one service or another.
- DSRIP offers a testing ground for creating synergies in these areas.

11

5. Infrastructure Funds are Scarce

- In a globally capped environment with continuing pressure on traditional revenue sources, DSRIP offers access to major new funding.
- Nearly \$7 billion is authorized over the next 5 years under DSRIP to offer incentive payments, which may be able to be used for infrastructure, capacity building and reconfiguration.
- DSRIP participants may also have greater access to available *capital* dollars.

12

Convinced?

Here are the five easy steps...

13

5 Easy Steps

1. Determine whether you are a safety net provider for DSRIP purposes
2. Identify the players
3. Define your role
4. Consider the risks and rewards of participation
5. Meet with hospitals in your region NOW

14

1. Determine if You are a Safety Net Provider

- It's important to [know the terms](#):
 - Safety Net Provider: 35% or more of patient volume served in key lines of business are Medicaid eligible, uninsured or dual eligible
 - Performing Provider System (PPS): a regional collaborative of providers working on a DSRIP initiative
- [Look at the DOH website](#) and determine if your organization has been identified as an eligible Safety Net Provider
- If you are not on a Safety Net Provider list, don't stop there. DOH will be updating/issuing new eligibility lists, so check your Medicaid/uninsured/dual eligible patient/resident percentages to determine if you qualify.
- If you truly are not a Safety Net Provider, what are your options?
 - 5% limit of total value of project [as a group](#).
 - Vital access (as it relates to LeadingAge NY members)
 - Health home
 - Only provider of that type in the community/community is not adequately served in that community without their participation

15

2. Identify the Players

- Hospitals are likely to be the lead.
- What hospitals are your biggest sources of referrals of Medicaid beneficiaries?
- Where do your Medicaid or dual eligible patients or residents go to for acute care?
- Are there other providers that serve a significant portion of your Medicaid residents/patients?
- Are there health homes in your area?

16

3. Define Your Role

- Review the DSRIP toolkit and identify DSRIP projects that align with your organization's services and strengths and your community's needs.
- Analyze your quality/performance data to pinpoint strengths/weaknesses in relation to DSRIP project metrics.
- Consider what particular strengths you bring to a PPS, as a single provider or a continuum.
- Consider potential to waive regulation.
- Review [DSRIP data](#) available.
- [Avalere Health data](#) through LeadingAge:
 - hospital discharge patterns
 - Medicare
- Note that community needs assessment will pinpoint focus areas.

17

4. Consider the Risks and Rewards of Participation

- This is an opportunity to help influence how the delivery and payment systems will evolve in NYS.
- If service delivery and payment systems are changing, what are the consequences of NOT participating?
- Opportunity to expand/build new relationships and engage in care management process.
- This is an incentive payment; money does not flow if the project is not successful.
- Funding can be reduced if other PPSs are not successful.
- The timeline and objectives are aggressive.
- Consider carefully the resources required to be successful.
- Bear in mind that you will receive a 'piece of the pie'; not the whole pie.

18

5. Meet with hospitals in your region NOW

- Show the hospitals or emerging PPSs how you can contribute to a project.
- Don't underestimate the value you bring to an emerging PPS.
- In order to meet aggressive objectives, hospitals will need the help of long term care and post-acute providers to ensure that consumers are well-managed outside hospital doors.
- You know your patients/residents best; help the PPS understand how you can affect outcomes.

19

What Projects Provide Opportunities?

- There are a lot of projects in the DSRIP [Project Toolkit](#).
- We have identified [those that are likely to provide](#) opportunities for LeadingAge NY members; however this is not exhaustive and you may see other opportunities unique to your organization.
- Keep in mind that each PPS will have 5-10 projects. DOH has provided specific criteria, including requirement that there is at least one mental health project.

20

Key Dates and Timelines

- DSRIP is a *six year* demonstration, this is **Year 0**
- Letters of Intent are due **May 15, 2014**
 - Non-binding
 - Submitted by potential leads
 - Posted publically-opportunity to help you identify emerging PPSs/leads
- Planning Design Grant Applications are due **June 17, 2014**
 - Submitted by lead applicant
 - Requires general outline of projects
 - Requires list of anticipated partners in PPS
 - Details can change as community needs assessment and other factors evolve
 - **Grant process will drive the solidification of collaboratives and projects in the next weeks.**
 - If receive funding – required to participate in DSRIP application

21

Key Dates and Timelines

- DSRIP Project Application Released August 2014 for public comment, final in October
- DSRIP Application due December 16, 2014
- Project Plan Awards made in early March 2015
- **Year 1 starts in April 2015**
 - \$ begins to flow
 - Reporting requirements

22

Coming Soon...

- **May 15:** PPS Letters of Intent due
- **May 28:** DSRIP Project Toolkit Comments due
- **June 17:** DSRIP Planning Grant Applications due

23

Additional Educational Resources

- Upcoming LeadingAge NY programs to provide examples related to DSRIP project focus areas.
- [Recorded INTERACT](#) audio program.

24

Questions?

25

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26