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## MEMORANDUM

**TO:** All Members

**FROM:** Patrick Cucinelli, Senior Director of Public Policy Solutions

**DATE:** March 28, 2011

**SUBJECT:** **DOH Briefing on Managed Long Term Care**

**ROUTE TO:** Administrator/Director

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ABSTRACT: DOH begins outreach on new Medicaid managed care initiatives.

### Introduction

NYAHS has been keeping members informed on details and developments surrounding the Medicaid Redesign Team (MRT), including their initiatives surrounding managed care. (Please refer to [NYAHS Doc. ID # n00005021](#).) Indeed, a major focus of the MRT proposals is to transition the majority of service for New York's Medicaid population into some form of managed care.

On March 24, the Department of Health (DOH) met with NYAHS and other principal stakeholders of both the mainstream and provider-based managed care organizations. Using the slide presentation attached to this memo, DOH detailed their vision as to how this transition will occur. The meeting was led by state Medicaid director, Jason Helgeson, who stated that it is the goal of DOH to eventually have almost all care delivered under the Medicaid umbrella coordinated by managed care organizations.

### Background

As detailed in [NYAHS Doc. ID # n00005021](#), there are no less than seven MRT proposals that in one form or another touch on managed care:

1. MRT # 70 Expand current statewide Patient Centered Medical Homes (PCMH)
2. MRT # 89 Implement Health Home for High Cost, High Need Enrollees
3. MRT # 90 Mandatory Enrollment in MLTC Plans/Health Home Conversion
4. MRT # 101 Develop Initiatives to Integrate and Manage Care for Dual Eligibles

5. MRT # 217 Create an Office for the Development of Patient-centered Primary Care Initiatives
6. MRT # 243 Explore Models to Implement Accountable Care Organizations (ACOs)
7. MRT # 1427 Allow consumer direction in MLTC; provide regulatory framework for CDPAP

Of these, the key proposal is MRT # 90, which states in part:

*Transition Medicaid recipients age 21 and older in need of community-based long term care services into Managed Long Term Care (MLTC) plans. Three models of MLTC are available in New York - partially capitated plans, Medicaid Advantage Plus and the Program of All Inclusive Care for the Elderly. Medicaid spending for long term care services continues to grow at a significant rate while the total number of Medicaid recipients receiving long term care services has remained flat. Between 2003 and 2009, Medicaid long term care expenditures increased by 26.4% from \$9.8 billion to \$12.4 billion annually.*

*Beginning in April, 2012 in New York City, where MLTC capacity is adequate, individuals who need community based long term care services for more than 120 days would be required to enroll in MLTC plans. This would include those currently served in personal care, Long Term Home Health Care [Note: NYAHS and other associations have been pursuing amendments that would include other providers such as the Long Term Home Health Care program and Adult Day Health Care as equivalent coordinated care providers.], Certified Home Health Agencies, as well as people who are new to long term care. Mandatory enrollment would expand throughout the rest of the State as MLTC plans become available. People who are in the Assisted Living Program, Nursing Home Transition and Diversion waiver, Traumatic Brain Injury waiver and those served through the Office of People with Developmental Disabilities would be exempted from mandatory enrollment.*

*Partially capitated plans will expand their target population beyond those who are nursing home eligible to include all Medicaid recipients in need of long-term, community based services. Necessary changes will be made to permit Consumer Directed Personal Assistance Program services to be made available through the MLTC plans.*

*Plan enrollment will be facilitated by removing the Local Department of Social Services from the enrollment process and implementing a post enrollment audit function. Additional MLTC plans must be approved or existing ones expanded to accommodate the growth this proposal will necessitate. All three models of MLTC are expected to expand and grow as a result of this initiative. A Workgroup will be established to provide input on the implementation of this proposal.*

*In addition, the Department has submitted an application to CMS in response to their "State Demonstrations to Integrate Care for Dual Eligible Individuals". If funded, the initial contract would provide money for planning activities to enable the Department to evaluate program options for people who are dually eligible for Medicare and Medicaid. A second round of applications would potentially lead to a demonstration initiative which could include ways to enhance enrollment in Medicaid Advantage, Medicaid Advantage Plus and PACE.*

*Effective October 1, 2011, MLTC plans are expected to qualify as a Health Home for Enrollees with Chronic Conditions pursuant to the federal Affordable Care Act. Enrollment*

*in MLTC will allow the State to take advantage of the increased federal reimbursement (90%) for the care management functions of the MLTC plan beginning in October, 2011.*

DOH defines managed care as: ***a health insurance plan or health care system that coordinates the provision, quality and cost of care for its enrolled members. In general, when you enroll in a managed care plan, you select a regular doctor, called a primary care practitioner (PCP), who will be responsible for coordinating your health care. Your PCP will refer you to specialists or other health care providers or procedures as necessary. It is usually required that you select health care providers from the managed care plan's network of professionals and hospitals.***

Source DOH Web site: [http://www.health.state.ny.us/health\\_care/managed\\_care/](http://www.health.state.ny.us/health_care/managed_care/).

For an analysis of the variety of managed care programs, including Managed Long-Term Care (MLTC), Program of All-inclusive Care for the Elderly (PACE), and Medicaid Advantage Plus (MAP), please refer to: [Comparison of New York State Public Managed Care Programs](#). These constitute the main programs that provide services to the Medicaid long-term care senior population.

## **Member Guidance**

As of this writing, we are awaiting the final state budget legislation reflecting the agreement announced on March 27<sup>th</sup>. All indications are that the final budget is moving forward with the managed care expansion.

Therefore, this will represent an issue that NYAHSAs members across the spectrum of long-term care services will need to address. NYAHSAs is currently planning major outreach to members on issues related to the expansion of managed care.

Again, please see attached to this memo a copy of DOH's slide presentation from the meeting on the 24<sup>th</sup>. NYAHSAs will be closely analyzing the final budget language and additional guidance from DOH and advising members accordingly.

Please contact me with any questions at [pcucinelli@nyahsa.org](mailto:pcucinelli@nyahsa.org) or call 518-867-8827.

Attachment

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