



Department  
of Health

# **Long-Term Care Workforce and Value-Based Payment Readiness Implementation**

## **Directed Payment Preprint Process Overview**

November 2021

# Key Parties and Funding

Who is involved in the directed payment process?



NYSDOH



MAP/MLTCP Plans



Eligible LHCSAs



CMS

What is the value and timing of the directed payment?

The State is splitting the gross investment in the Long-Term Care Workforce and Value-Based Payment Readiness initiative across two fiscal years to allow flexibility in appropriately directing funding based on lessons learned and assessed need.

## First Directed Payment

Timing: January 1, 2022 – March 31, 2022

Amount: \$361 million

## Second Directed Payment

Timing: April 1, 2022 – March 31, 2023

Amount: Up to \$1.1 billion

# Directed Payment Process

## Eligible LHCSAs (~250)



- Providers submit attestations and surveys to DOH to qualify for awards



## State



- State determines provider awards and pays MAP and MLTCP plans before March 31, 2022.



## Plans

MAP  
Plans  
(~8)



MLTCP  
Plans  
(~25)



- MAP and MLTCP plans distribute funding to the LHCSAs within defined contractual requirements



## Eligible LHCSAs



- Providers use funding in SFY22 and SFY23 to strengthen their workforces and prepare for VBP arrangements, with reporting to DOH

# Provider Class



- Provider class is limited to licensed home care services agencies (LCHSAs)
- Only LHCSAs with managed care revenue\* that meets or exceeds the revenue threshold in their respective regions are included in the provider class (approximately 250 LHCSAs)
- The threshold is set at the 66<sup>th</sup> percentile of providers in each region based on provider revenue, meaning that the third of providers with the highest managed care revenue in each region will be included in the provider class.
- DOH developed unique revenue thresholds for each region to account for regional variation.

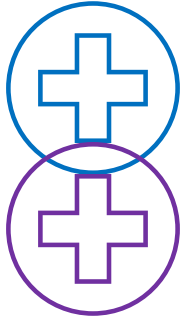
\*Managed care revenue is defined as 2019 managed care revenue received from MLTCP and MAP plans

# State Responsibilities



1. State determines provider payments based on CY2019 revenue and compliance with attestation and survey requirements.
2. State oversees the provider attestation and reporting processes.
3. State communicates provider payment awards to plans and providers.
4. State coordinates plan payment process, including any coordination with CMS, prior to loading payments to plans.

# Plan Responsibilities



1. Plans receive payment amounts per provider from the State.
2. Plans receive copies of provider attestations and spending reports.
  - Allows plans to understand how providers are using the funding and provides a foundation for a future VBP arrangement or a stronger workforce.
3. Plans remit funding to providers following receipt from the State.
  - Plans must pay providers within thirty days to ensure that providers receive funding promptly.
  - Prompt distribution of funding will also enable early tracking of funding toward approved program expenditures.
4. Plans report to the State on payments made to providers.

# Provider Responsibilities

## Expectations for Initial Rewards:

In order to qualify for funding, providers must attest to planned use of ARPA HCBS funding on State-directed programs and services (see slide 8).

- This will allow the State to distribute funds immediately to allow providers to make the necessary upfront investments required to support workforce development.
- Attestation forms will include a request for spending plans and budgets to ensure spending is appropriately allocated to funding opportunities.

In order to qualify for funding, providers must complete an initial submission.

- The survey will provide the State with data to measure the impact of these investments.
- A preliminary survey will inform a baseline against which the State can compare data collected at later points.

## Attestation Commitments:

Providers will commit to reporting quarterly on actual and projected spending.

- Reporting will provide the State and plans with further insight into how providers are spending their awards and enable opportunities for monitoring and subsequent policy making.
- Enables the State to reward LHCSAs that spend money quickly and efficiently as part of future awards.

Providers will commit to completing quarterly surveys.

- Follow-up surveys will provide data to measure the impact of investments.

# Provider Investment Categories

## How must providers spend their awards?

These funds must be used for State-directed programs and services, including:



- Adopting workforce retention and job satisfaction strategies



- Developing and promoting completion of training programs in connection with local Workforce Investment Organizations (WIOs)



- Utilizing innovative technologies that assist with VBP contracting and increasing employee satisfaction



- Developing or utilizing strategies to recruit and retain a racially and ethnically diverse and culturally competent workforce



- Implementing strategies for effective care management and reductions in health care spending associated with effective service delivery

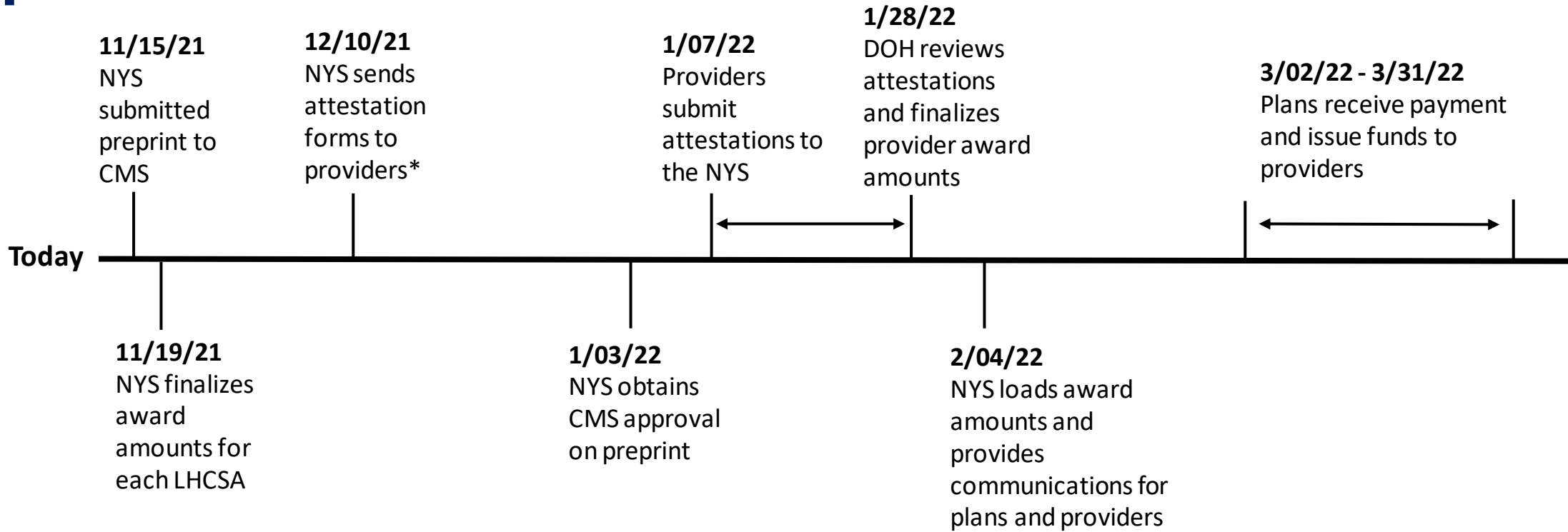


- Building appropriate personal protective equipment (PPE) stockpiles from state authorized sources

*Refer to the spending plan for full details on investment categories*



# Anticipated Timeline for Directed Payment Implementation



\*Attestations will be sent to providers with the caveat that payment is contingent on CMS approval; feedback may be provided