



**Department
of Health**

Office of
Health Insurance
Programs

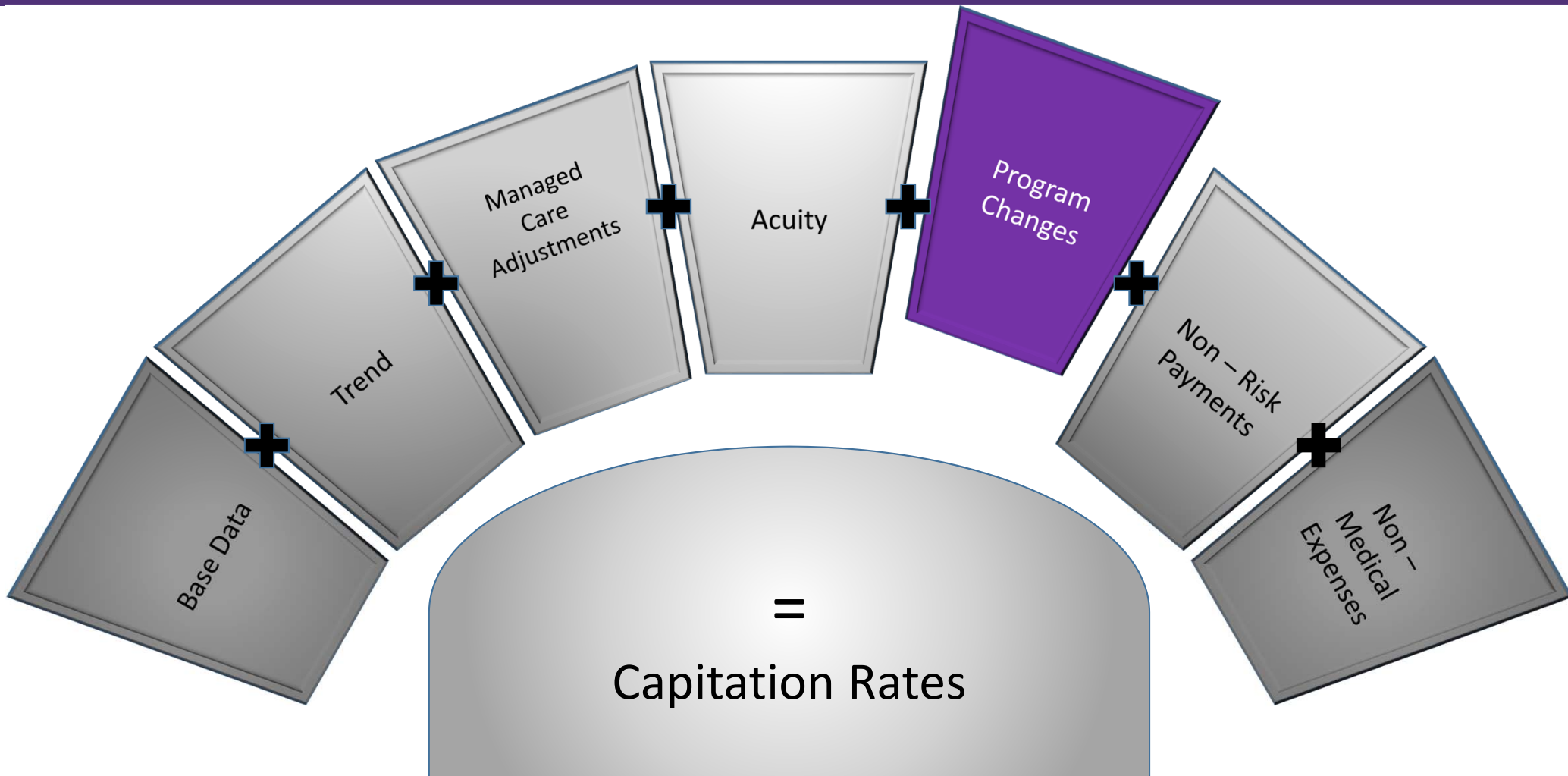
Nursing Home Transition and Diversion (NHTD) and Traumatic Brain Injury (TBI) Waiver Transition Managed Care Rate Setting Overview

Division of Finance and Rate Setting

October 2015

Rate Setting Guiding Principles

1. Capitation rates should match payment to risk.
2. Capitation rates should promote cost containment and quality health outcomes.
3. Capitation rates should provide a fair and reasonable level of reimbursement for the contracted health plans.
4. Capitation rates should support budget predictability.
5. The methodology for developing capitation rates should be sufficiently flexible so that it can be readily adapted to fit with the State's vision for Medicaid Managed Care over the next three to five years.
6. The capitation rates should appropriately reflect the states operational and/or resource realities.
7. To the extent that it is feasible and practical, the process for developing capitation rates should be a collaborative effort between Mercer, the State and the contracted plans.



Program Changes

MMC

- Non Dual Eligables
- Adjustment will be based on two historical years of Fee for Service (FFS) data (for utilization and cost purposes)
- Incorporate any programmatic requirements such as benchmarking to FFS rate, eligible populations, and benefit changes
- Work with Mercer to develop appropriate administrative and non-Medicaid load add-ons
- Our goal is to provide plans with an adequate premium to keep the same level of service for these populations.

MLTC

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Finalizing of Premiums

- Premiums are certified by an independent actuary before being presented to the Centers for Medicare and Medicaid Services (CMS) and the New York State Division of Budget (DOB) for approval.
- Once appropriate approvals are received, the premiums are loaded to the State's fiscal agent, eMedNY for payment to plans.

Questions?