February 13, 2015

Jason Helgerson
New York State Medicaid Director
NYS Department of Health
Corning Tower
Empire State Plaza
Albany, NY 12237

RE: Comments on DSRIP PPS Applications

Dear Mr. Helgerson:

On behalf of LeadingAge New York, I am writing to share our comments on the Delivery System Reform Incentive Payment (DSRIP) program Performing Provider System (PPS) Project Plan applications. LeadingAge NY has reviewed the applications and provided some general comments on themes we see throughout the 25 PPS project plans. We commend the provider community for coming together to plan in new and innovative ways, particularly during a period of major change at both the state and federal level. The applications show a great deal of thought and creativity, although the undertaking is complex and the timeframes ambitious.

The Role of Long-Term and Post-Acute Care Providers

In reviewing the applications, there is evidence of a concern we have consistently voiced; namely, Long-term and Post-acute Care (LTPAC) providers do not have as great a presence as they should in the PPS Project Plans. The project selections and key providers noted in the application materials strongly suggest that there is not a significant engagement of LTPAC providers, with a few exceptions. We fear that this will significantly compromise the likelihood of achieving DSRIP objectives.

First and foremost, LTPAC providers are well-suited to manage the health care needs of chronically ill, disabled and frail elderly individuals who are at elevated risk of hospitalization, and thus their under-representation could negatively impact the ability of PPSs to reduce hospitalization and emergency room visits. Further, if the ultimate goal is to reform the service delivery and payment systems, the failure to meaningfully include LTPAC service providers will result in major gaps in both service delivery transformation and payment reform.

Health Information Technology Milestones

We are extremely concerned about the overly ambitious goals in Project 2.a.i., which was selected by 22 of the 25 PPSs. As a whole, it does not appear that enough resources and focus have been given to fully bridge the gap between the current state and the vision for year 3 for Health Information

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Technology (HIT) and Health Information Exchange (HIE) penetration levels. While there is clear value in the objectives, there are insufficient resources dedicated to accomplish them.

LeadingAge NY's understanding of the DSRIP Project Plan application is that all Safety Net Providers in the PPS have Electronic Health Records (EHRs) that meet the HIE requirements for Regional Health Information Organizations (RHIOs), as well as SHIN-NY requirements by DSRIP Year 3. First and foremost, we urge the Department of Health (DOH) to be very explicit about what exactly this benchmark means, and confirm that our understanding is accurate. There is confusion in the field about what the requirements mean among providers who will need to achieve the benchmark. Further, the DSRIP metrics call for satisfaction of "meaningful use standards" by Year 3. LTPAC providers have been excluded from the federal EHR meaningful use incentive program. As a result, they have not had to meet the standards and EHR products designed for the LTPAC sector may not meet those standards. Accordingly, we are assuming that this metric does not apply to the LTPAC sector; but again this must be explicitly clarified.

Presuming that our understanding of the metrics is accurate, this requirement is overly ambitious given current levels of EHR and HIE penetration, lack of true interoperability among EHR products and challenges for LTPAC EHRs in connecting to the RHIOs. To date, RHIOs and EHR vendors have focused on connecting hospitals and physicians due to the need to satisfy meaningful use standards.

LeadingAge NY recently conducted an HIT survey of its members, which span the continuum of aging services providers. Based on the results, which we would be pleased to discuss with the DOH, we have a very long way to go before the LTPAC community is actively exchanging information through RHIOs. Nursing homes are furthest along, with 60 percent of the respondents reporting full or partial adoption of EHRs (note: these results represent a self-selected sample that may well be skewed towards providers that are adopters). Home care agencies had lower adoption rates; while assisted living and adult day health care adoption were extremely low. Importantly, all of these provider types are named as DSRIP Safety Net providers.

While EHR adoption is relatively low, the rate of HIE is even lower. Only 31 percent of respondents to the LeadingAge NY survey reported exchanging information with a RHIO. Just over half of respondents indicated that they exchange information with a hospital. However, in almost half of those cases the "exchange" is merely "viewing" the health information in the hospital record; they do not receive or transmit information. Only 25 percent of respondents receive electronic transfer documents when a patient transitions to their care, and only 13 percent generate such a document when a patient is transferred from their care. Only 8 percent receive electronic alerts when a patient or resident presents in an emergency room, is admitted to a hospital or is treated by another provider. Surprisingly, most of the HIE is occurring independently of the RHIOs, presumably through direct connections with other providers. Again, please note that not all of LeadingAge NY's members responded to the survey, and the responses are likely biased towards those providers that have made more progress in this area than others.

Further, EHR adoption is only part of the issue. There must also be the ability to exchange information bi-directionally with other providers within the PPS network, and with the RHIO. Enhancing systems to

enable this connectivity is also likely to have a significant cost as EHRs have been implemented piecemeal in regions.

While the formal Capital Restructuring Financing Program will likely address some of these needs, the capital funding request summaries suggest an intention among multiple PPSs to make investments in technology infrastructure, but they are unlikely to be sufficient. We caution that, without sufficient investment, the 22 PPSs that selected Project 2.a.i. will not achieve the HIT/HIE milestones, and federal monies could very well be left on the table.

Regulatory Flexibility

LeadingAge NY sees many opportunities to provide services in a more flexible and efficient manner, some of which were discussed in the projects, as well as others we have recommended to DOH. As providers attempt to furnish services in a more integrated manner, they will certainly need greater flexibility on "siloed" regulations that do not contemplate the collaborative approaches DSRIP requires. In this regard, we support a variety of waiver requests intended to allow the Certificate of Need (CON) process to move expeditiously; allow for physician home visits; provide more flexibility in home care ordering authority; and expand the use of telemedicine and telehealth. At the same time, LeadingAge NY asks that DOH consider certain concerns and mitigating factors in reviewing regulatory waiver requests:

- We are concerned about requests to waive the CON process and need methodologies for establishment of services that already exist in the region of the PPS. In the circumstance that there are existing providers in the service area, those providers should be brought into the PPS, rather than creating an entirely new infrastructure. Given the speed with which DSRIP milestones need to be accomplished, it makes more sense to rely on the experience and expertise of existing providers. Examples include:
    - a waiver of the CON regulations to allow a hospital to develop a new Certified Home Health Agency (CHHA) in a region where CHHAs are already established; and,
    - a waiver to allow expansion of transitional care units, which could be duplicative of skilled nursing facility and home care services in that region.
- We have concern about the waiver of admission/discharge/transfer regulations designed to facilitate referrals within the PPS network. It is important for consumers to be able to make informed choices about their care and providers, and objective information should be made available as a part of this selection. A waiver of this regulation could limit choice, and the consumer may not have access to objective information about the array of options. Given the apparent under-representation of LTPAC providers in PPS networks, this could compound the issue further. We also question whether the DSRIP networks will correspond with the Medicaid managed care networks that have already been formed, and whether this could cause further problems with the admission/discharge/transfer processes.
- We question how a waiver of policy prohibiting Medicaid beneficiaries from participating in Health Homes and Managed Long Term Care plans simultaneously will work. Specifically, which entity would ultimately be responsible for care management functions?

Allowing for Meaningful Public Input

We appreciate the amount of information that has been made available regarding DSRIP. It should be noted, however, that there is no publicly available complete partner list for each of the 25 PPSs. We question why that information is not available and respectfully urge DOH to make the lists available.

Additionally, while we appreciate the opportunity to review the 25 PPS applications, 30 days was not a sufficient amount of time to review and provide comment given the complexity and breadth of the information presented. Providing more information, and more time to review and comprehend the information, may have resulted in more meaningful input.

Nonetheless, we appreciate the opportunity to provide input on the DSRIP applications. We would be happy to discuss any of the above issues in greater detail.

Sincerely,

Daniel J. Heim
Executive Vice President