To: Jason Helgerson, New York State Medicaid Director

From: Multi-Association DSRIP Workgroup

Subject: Safety-net Thresholds for DSRIP Eligibility

Date: June 11, 2014

We wish to bring to your attention a number of mitigating factors that we understand are inadvertently impairing the ability of certain provider-types to qualify as DSRIP "safety-net" providers under the Department's Medicaid/uninsured thresholds.

Unlike various factors for "provider-specific appeal," which the Department has offered to consider, the situations we are writing about are driven by larger Departmental or Medicaid Redesign Team policies, or other circumstantial factors.

We respectfully ask that you consider threshold exemptions or accommodations for the following factors/circumstances, which will assist both the affected providers and their would-be PPS leaders and partners.

Assisted Living Programs and Adult Day Health Care

We are very concerned that the publically available safety-net data on the DSRIP web page fails to accurately identify all of the long term care and post-acute providers that actually meet the definition of a "safety net provider." We appreciate the Department's efforts to rectify some of the errors in the safety-net data, however we understand that there remain some issues to be resolved.

Assisted Living Programs (ALPs) and adult day health care (ADHC) programs – both of which fulfill an important safety net function – are still not safety-net designated. Despite the fact that both programs *can* serve a private pay consumer, we firmly believe that all ALPs and ADHCs well exceed the 35 percent threshold, inasmuch as they serve primarily dual-eligibles and some Medicaid-only individuals.

<u>We respectfully urge the Department to specifically name these other potential safety-net providers now, before PPSs and project selections are solidified</u>.

Licensed Home Care Services Agencies

Licensed Home Care Services Agencies (LHCSAs) have been informed that the State Health Department apparently lacks the cost report data to determine whether LHCSAs meet the safety-net Medicaid threshold for DSRIP participation.

The absence of this data largely emanates from the mandatory managed care enrollment policy, under which LHCSA services and rates are no longer provided via contracts with local districts (which had triggered past cost-reporting), but via managed care contracts. As a consequence, LHCSA cost reporting (no longer the same) is not available for determining LHCSAs' DSRIP eligibility. In the absence of the cost reports, Departmental staff are instructing LHCSAs to individually appeal for Departmental exemption.

Categorically subjecting all LHCSAs to the individual appeal process unfairly positions and penalizes these agencies in both process-demand and PPS partnership potential. Moreover the agency-specific appeal process itself, while suited to other sectors, is incompatible with LHCSA operation and services. The appeal form and the requested data are county-specific, whereas many LHCSAs operate in multiple county service areas and would serve PPSs in these multiple regions; these agencies also have multiple operating certificate numbers, whereas the appeal is linked to a single op-cert number. Additionally, the appeal process requests statistical reporting for 2012, which is not the time period covered by the Department's most recent statistical report mandated of LHCSAs.

We ask that the Department categorically address LHCSA qualification for safety-net eligibility, and also revise the appeal format for individual agency factors necessitating appeal.

Certified Home Health Agencies and Long Term Home Health Care Programs

The mandatory managed care enrollment policy has also created an abrupt change in patient/payor mix that likewise unfairly impacts certified home health agency (CHHA) and long term home health care program (LTHHCP) Medicaid qualification for DSRIP eligibility. Mandatory enrollment of the long term home care population (predominately Medicaid) has precipitously shifted CHHA and LTHHCP Medicaid patients to MLTCs and mainstream plans. Especially affected are CHHAs which had sponsored LTHHCPs, all or most of whose Medicaid patients are now MLTC enrollees.

After years of substantial (and in the case of LTHHCPs, near-exclusive) Medicaid service, these agencies suddenly find themselves in a statistical portrayal that mischaracterizes their position and unfairly jeopardizes their eligibility and potential for DSRIP participation. These agencies and their would-be PPS leaders and partners are unfairly affected for DSRIP by this coincidental result of state policy, and not their retreat from Medicaid or community service.

We ask that the Department allow periods of Medicaid service prior to mandatory managed care enrollment as a basis for qualifying these longstanding essential providers for safety-net status.

Non-Clinic Based Behavioral Health Providers

Currently, many of the recovery based community mental health programs are not listed as safety net providers in DSRIP. This excludes many of the agencies that provide critically needed peer services, housing, PROS, Clubhouse Programs and employment, education, case management, children's and advocacy

programs. Though many of these agencies do not bill at a threshold of 35% Medicaid, they all clearly have a client mix that is well over 35% Medicaid.

Adding Patient Characteristic Survey data to Medicaid claims data should help us to better identify the range of relevant services necessary to allow New York's DSRIP program to meet its required goals.

The broad appeal of DSRIP to the behavioral health community is the ability to provide innovative collaborative projects that leverage behavioral health while helping to reduce unnecessary hospitalizations. This is consistent with the mission and work of the existing community provider agencies. Based both on the Safety Net Provider definition in DSRIP and on the behavioral health community's valued experience in keeping people out of the hospitals and in the community, we urge you to support the inclusion of these community mental health programs in DSRIP.

Primary Care and Federally Qualified Health Centers

Given the existing need for increased primary care capacity as demonstrated in The Plan, we recommend the state include a mechanism for newly established federally qualified health center (FQHC) sites to fully participate as safety-net providers under the DSRIP program.

The Terms and Conditions appear to provide no mechanism for new FQHC sites (or any other new provider, for that matter) to be built into an existing PPS network and therefore no opportunity for them to fully participate in the DSRIP program.

Given the stated goal of expansion of the primary care safety-net, we urge the state to leverage federal opportunities for FQHC expansion and ensure a genuine pathway for new FQHC sites to become full participants in the DSRIP program. The inclusion of new FQHCs into existing PPS networks will prove critical to achieve the goal of safety net system transformation.

We appreciate your careful consideration of these issues and, especially in view of the limited timetable, ask your help in expeditiously resolving them.

Thank you.