

Preliminary Overview of Medicaid Redesign Team (MRT) Proposals

MRT Overview:

- MRT reduction target was revised to \$2.3 billion for SFY 2011-12. A package of 79 proposals was voted on Thursday and has been accepted by the Governor to be introduced as amendments to the Executive budget release.
- A 2% across the board provider rate cut (\$345 million), a trend factor freeze (\$186 million) and redesign reforms (\$1.1 billion) are included in the package. "Industry-led" cost containment initiatives (\$640 million) are still to be determined. The state will make additional across the board cuts if this MRT target is not reached by the industry initiatives.
- A 4% global cap is placed on total program growth (down from a projected 13% annual increase without cost containment). The cap for the State's share of Medicaid expenditures is set at \$15.1 billion (excludes federal and county shares) of the total program's \$53 billion cost.
- Ongoing MRT workgroups will be established, including housing, payment reform, basic benefit review, program streamlining, assisted living program redesign, workforce flexibility, long term care waiver redesign, and managed long term care implementation. Final reporting deadline of November 1, 2011.
- Additional MRT meetings are scheduled for May 3, September 1 and November 1, focused upon comprehensive long term reform.

Proposals Impacting AIDS Institute Programs:

1-HIV Testing in Article 28 settings: (#49) Reimburse Article 28 clinics for HIV counseling/testing using APGs. The conversion of the HIV specific counseling and testing rates to APGs will result in less reimbursement, but it will expand availability of reimbursement to all physicians participating in the Medicaid program. Essential features from the HIV specific system have been retained, and improvements regarding access to the rapid test have been introduced.

2-Housing NYNY 4: (#196) An Interagency housing workgroup will submit a NYNY 4 proposal by 7/1/11 to the Medicaid redesign team. An investment of \$75 million is budgeted for a NYNY 4 agreement to support 5,000 to 10,000 housing opportunities for those at risk of nursing home placement.

3- Rapid Managed Care Enrollee Expansion (#5 and #1458): Over 3 years, MRT proposals move most Medicaid populations and services into various forms of managed care and create health homes for beneficiaries with complex and costly conditions. The remaining HIV populations not enrolled in managed care will enroll including, but not limited to: HIV enrollees outside of NYC, AIDS Home Care populations (as part of the LTHHCP), restricted recipients, homeless, dual Medicaid/Medicare eligibles and nursing home populations. In addition, pharmacy, personal care and nursing home care are placed into the managed care benefit package over three years.

4-AIDS Nursing Services in Home Care Settings: (#37) Eliminate Case Mix Adjustment for AIDS Nursing Services in Certified Home Health Agencies (CHHA) and Long Term Home Health Care Program (LTHHCP). This proposal intersects with other proposals which require all CHHA and LTHHCP participants to enroll in managed care effective 4/1/12 and implement episodic pricing for CHHAs.

5-AIDS Home Care: (#139) Implement the new five year waiver for LTHHCP: This initiative is already underway, the LTHHCP includes AIDS Home Care services. Expansion of services includes assistive technologies, community transition and community support to enhance the programs ability to return nursing home placed persons into the community.

6-AIDS Nursing Homes: (#889) Redesign NYS bed hold policy for nursing homes. Nursing homes will only receive bed hold if they meet enrollment targets for Medicare managed care enrollment of dual eligibles. AIDS NH providers often report a higher case mix of Medicaid-only patients.

7-Care Management/Health Homes (# 70, 89, 90, 93,101, etc): The budget includes an extensive redesign of existing care management program models .Health homes for complex patients, patient centered medical homes, managed care and managed long term care (MLTC) expansions, a new LTHHCP waiver (includes AIDS Home Care), expanded peer services, and the integration of substance abuse and mental health services into interim Behavioral Health Organizations. Comprehensive care management, care coordination and transitional care across settings are emphasized.

8-Interim Behavioral Health Organizations (BHOs) (#93) are proposed to manage currently carved-out behavioral health and chemical dependence services. This is a joint OMH/OASAS proposal to create 5-6 regional managed behavioral health care organizations as an interim arrangement while moving toward integrated care financing and delivery models such as Special Needs Plans (SNPs) or develop fully capitated arrangements directly with integrated provider systems.

9-Fee for service Pharmacy (#11,15A-L, #155): A full spectrum of fee for service pharmacy proposals are proposed in conjunction with the proposal to carve pharmacy into the managed care benefit package.

15a, 15e: Rebuild NY Preferred Drug List

15b: Tightening the Early Refill Process

15c: Reduce Pharmacy Reimbursement and Dispensing Fees

15d: Increase the Number of Immunizations that a Pharmacist May Administer

15f: Voluntary Mail Order for Maintenance Medications

15g: Eliminate Part D Drug Wrap in Medicaid coverage for antidepressants, atypical anti-psychotics, anti-retroviral and anti-rejection drugs.

15h: Prior Authorization for Exempt Drug Classes The proposal eliminates the Preferred Drug Program exemption for antidepressants, atypical anti-psychotics, anti-retrovirals used in the treatment of HIV/AIDS.

15k: Limit opioid prescriptions to a four prescriptions fill limit every thirty days for Medicaid beneficiaries

15l: Proper disposal of unused meds and waste reduction through short cycle dispensing and re-dispensing

155: Mandate participation in the OMIG Card swipe Program for all Pharmacies

Managed Long Term Care:

90: Mandatory Enrollment in MLTC Plans/Health Home Conversion

1032: Establish a Housing Disregard as Incentive to Join MLTC

1427: Allow consumer direction in MLTC; provide regulatory framework for (CDPAP)Consumer Directed Personal Assistance Program

Other Community Based Long Term Care:

68: Uniform Assessment Tool (UAT) for LTC

4652: Reform Personal Care Services Program in NYC

153: Develop innovative telemedicine applications by reducing regulatory barriers and providing financial incentives Certified Home Health Agency Services

61: Home Care Worker Parity - CHHA / LTHHCP / MLTC

209: Expand Hospice