NYS Coalition of
MLTC and
PACE Plans

TESTIMONY OF

THE COALITION OF NEW YORK STATE PUBLIC HEALTH PLANS AND

THE NEW YORK STATE COALITION OF MANAGED LONG TERM CARE PLANS

ON THE GOVERNOR'S PROPOSED SFY 2021-2022 HEALTH AND MEDICAID BUDGET

SUBMITTED FOR THE

JOINT LEGISLATIVE BUDGET HEARING ON HEALTH

SENATE FINANCE COMMITTEE CHAIR LIZ KRUEGER AND ASSEMBLY WAYS AND MEANS CHAIR HELENE E. WEINSTEIN PRESIDING

FEBRUARY 25, 2021

About the PHP and MLTC Coalitions

Members of the Joint Legislative Budget Committee: Thank you for the opportunity to testify on behalf of the Coalition of New York State Public Health Plans ("PHP Coalition") and the New York State Coalition of Managed Long Term Care Plans ("MLTC Coalition").

The PHP Coalition represents eight health plans that serve over four million New Yorkers enrolled in the State's public health care coverage programs—Medicaid Managed Care (MMC), HIV Special Needs Plans (HIV SNPs), Health and Recovery Plans (HARPs) and Child Health Plus (CHP)—as well as two-thirds of those receiving coverage through the Essential Plan (EP) and Qualified Health Plans (QHP) offered through the New York State of Health Marketplace. The MLTC Coalition represents 14 plans serving over 137,000 enrollees in New York's Managed Long Term Care (MLTC) Partial Capitation ("Partial cap"), Program for All-Inclusive Care for the Elderly (PACE), and Medicaid Advantage Plus (MAP) programs–over half of all adults enrolled in these programs.

Over the last two decades, the Coalitions and its member plans have been integral to the State's Medicaid Redesign efforts, which have resulted in the transformation of our health care system. Over the past decade, New York has made *significant* improvements in access to health care, quality of care, and health outcomes. Per The Commonwealth Fund's 2020 State Health System Scorecard—which measures states across dimensions of access and affordability, prevention and treatment, potentially avoidable hospital use and cost, and healthy lives—New York gained more spots in the national ranking than any other state and is now the "leading state" in our region. All this has occurred while the State's annual Medicaid growth rate has been cut in half—from 13% in 2011 to 6% today. *As the major providers of public coverage, Coalition plans have been essential to accomplishing these achievements.*

The Key Role of Coalition Plans in Responding to COVID-19

The important role that MMC and MLTC plans play in New York's health care delivery system has been spotlighted during the COVID-19 pandemic. Since the pandemic struck, plans have been working in concert with health care providers and community-based organizations to swiftly respond to member needs in order to ensure that individuals have the services and supports to allow them to safely isolate at home. Within days of the pandemic beginning, plans began conducting targeted outreach to members, redesigning their care management operations, and providing resources to members that would allow them to remain safely at and receive care in the home, such as food and personal protective equipment (PPE), and more. Throughout the pandemic, Coalition plans have supported members in myriad ways, including:

- **Coordinating care to keep members at home** by directing triage operations to rapidly initiate services upon hospital discharge, meticulously coordinating back-up caregivers for their members when many personal care workers became unavailable or members were uncomfortable with aides coming into their homes due to the pandemic, and performing targeted outreach to members with HIV and diabetes to connect them to telehealth and peer support services to ensure they remained able to manage their conditions from home.

- **Providing PPE, food, and supplies** by mailing thousands of care packages with surgical masks, gloves, thermometers, soaps, and other supplies and PPE to members, partnering with community organizations to stand up pop-up food access points, hosting virtual food drives, covering meal delivery services, and creating online directories to connect members with specific food access points nearest to them.

- **Conducting targeted outreach to the most vulnerable** by proactively identifying members most vulnerable to the threats of COVID – including individuals with underlying health conditions, elderly members isolating by themselves, and members with disabilities – and conducting targeted outreach to help ensure their safety at home and connecting them to services and resources where needed.

- **Improving access to telehealth services** by training care managers on telehealth applications and launching telehealth services to better help members access services.

- **Connecting members to testing services** by alerting them – sometimes through multi-lingual, large-scale text campaigns – to the testing sites nearest to them and creating pop-up COVID testing sites in the most vulnerable communities to improve member access to testing services.

- **Providing additional eligibility and coverage assistance** by implementing secure text messaging-based solutions to help members without access to in-person assistance or fax machines share documents necessary to enroll in or renew government-sponsored coverage.

The Importance of the Medicaid Quality Incentive Pool

The PHP and MLTC Coalitions would like to express our grave concerns with the Governor's proposal to discontinue Medicaid managed care quality incentive program funding, for both MMC and MLTC programs. In response to these concerns, the Coalitions have proposed language that would require the State to fund the quality pools. We are appearing today to ***respectfully request that the Legislature reject the Governor's proposed cuts, restore the quality pool funding to their original levels and advance legislation that would require the State to fund the quality pools*.**

The quality incentive funding available to MMC and MLTC plans reflects the State's commitment to the delivery of high-quality and high-value care in the Medicaid program and has proven to be an important tool for improving the care provided to the State's Medicaid beneficiaries. With the vast majority of the State's six million Medicaid beneficiaries now enrolled in managed care, it is the primary source for advancing quality and funding value-based care in Medicaid. To meet the State's goals for high-quality care, Coalition plans use the quality incentive funds to provide essential services that improve health care outcomes and address health equity, invest in providers' efforts to provide evidence-based practices and tailored care management, and support value-based care arrangements.

Despite the importance of this funding, the Governor has proposed to eliminate the quality pools in this year's Executive Budget. This comes after years of hundreds of millions of dollars in cuts to funding for MMC and MLTC plans, including a number of cuts to the existing quality pools. These cuts will negatively impact the State's notable Medicaid quality ranking and, importantly, hinder efforts to advance State priorities, like reducing health disparities and moving toward value-based payment, all at time when, now more than ever, the State's most vulnerable residents need access to the care to keep them safe and healthy.

Moreover, cuts to quality pool funding will disproportionately affect high-quality plans. Quality incentive funds are only distributed to plans that achieve high-quality scores. The absence of any quality incentive funding means that high-performing plans stand to lose funding, while low-performing plans will not be affected.

Cuts to Quality Incentive Funding Will Reduce Essential Services Available Members and Hinder Efforts to Advance Health Equity.

Quality incentive program funds provide essential services to the State's neediest and most vulnerable — services that improve members' health outcomes, reduce health disparities, and increase quality of life. Particularly during the pandemic – as plans respond to member needs to ensure that they have the right services and supports in place to safely practice social distancing, get vaccinated, and weather the economic crisis and aftermath of the pandemic – these funds are even more important for non-profit plans that cannot raise capital through commercial markets. Furthermore, eliminating the quality funding is directly at odds with efforts to address social determinants of health and health equity – two State priorities explicitly called out by the Governor in his State of the State address this year, and important ones for New York State.

To illustrate the importance of the quality pools, consider the following examples of how plans have used these funds to support members:

- **Investments in staff and programs to support social determinants of health interventions**, for example, to employ housing coordinators who assist members with housing applications and help navigate the placement process, and partner with community organizations to provide meals for members who are food-insecure.
- **Development and maintenance of member rewards programs** designed to engage members in their own preventive or chronic care needs, which provide rewards to members to support healthy lifestyles. During the pandemic, plans were able to distribute non-perishable food items, formula, diapers, PPE, such as hand sanitizer and face masks, cleaning supplies and other items through such reward programs.
- **Delivery of key services to homebound MLTC members**—services like hearing, vision and dental exams, flu vaccinations administered by nurse practitioners in members' homes and fall prevention strategies, all of which help keep members healthy at home but are not reimbursed under the MLTC program.
- **Case management programs for high-risk members**, such as:
    - A Care Transitions Program that facilitates smooth discharge from acute care to rehabilitation settings to the home to reduce the risk of readmission.
    - Integrated case management for members with physical and behavioral health needs.
    - The provision of in-home customized medication education and pharmacy services for pediatric members with uncontrolled asthma and telephonic counseling for parents of children with asthma.
- **Programs that increase access to care and services for members,** including offering 24/7 on-demand video and telephone access to a licensed medical professional for non-emergency conditions and a team of dedicated staff to support members needing assistance with scheduling appointments.
- **Community health fairs and screening events**, which offer dental and vision exams, flu vaccines, and mammograms to members in the community.
- **Programs that facilitate member engagement** through texts, calls, and mailings that remind members of important health screenings, appointments, and medications due for pick-up at the pharmacy.

Reductions to MMC Quality Incentive Funding Will Result in Significant Payment Cuts to Providers.

Both mainstream and MLTC plans use quality incentive funds to invest in resources for providers and reimburse them for high-value, evidence-based interventions that are not otherwise covered by Medicaid but

that improve member health and quality of care. Very often these practices are located in areas with the least access to quality health care and are responsible for supporting the State's most vulnerable residents. Some examples include:

- **Payments to providers who deliver high-quality care to members**, enabling providers to invest in programs and technology that support continued delivery of top-quality care for New York's lower-income populations.
- **Direct financial support of primary and behavioral health providers via higher reimbursement** that funds more intense interventions for high-need members and investments in care management resources to better engage members in their care.
- **Technical assistance and continuing medical education for providers** in maternal and child health, substance use disorders, pediatric and geriatric care, and other key areas for serving Medicaid beneficiaries.
- **Partnership with research facilities to develop, test, and scale successful models of care**, such as using maternal care navigators to improve connections to follow-up care for high-risk mothers, using community health workers to improve cardiovascular outcomes in South Asian communities, and implementing care transition supports for members with schizophrenia.

Quality Incentive Funding Cuts Will Reduce Value-Based Payment (VBP) Contracting.

Plans use the quality incentive dollars to fund VBP arrangements with providers; cuts to these funds will reduce the number of VBP arrangements and hinder plans' ability to achieve the State's VBP goals. This is particularly true for plans providing coverage through the MLTC Partial cap program. While these plans believe in the State's goals for reducing potentially avoidable hospitalizations and provide the community-based services that prevent more costly acute care, these plans do not cover hospitalizations and, therefore, do not achieve any "savings" as a result of their VBP efforts.

Eliminating the Medicaid managed care quality incentive program will undo much of the hard work the State, providers and plans have done over recent years to establish programs like the following:

- **"Pay-for-Performance" reward programs for providers that meet certain quality performance metrics** by providing members with enhanced care management to ensure members remain engaged in care, vaccinations, cancer screenings and medication counseling and undertaking initiatives to improve member experience.
- **Investments in provider infrastructure needed to move to VBP.** Plans provide funding to enable providers to make investments needed to enter into VBP contracts and track their progress via electronic portals. Some of these programs support larger provider groups with in-field quality coordinators, who conduct quality data reviews and provide documentation and coding education to help with quality performance monitoring.
- **More advanced types of VBP, including arrangements in which providers take on risk for caring for their patients.** In these arrangements, plans tie higher provider payment with better performance on State quality measures. Cuts to plan quality payments will surely inhibit progress toward these types of value-driven models.

We therefore request that the Legislature restore full funding for the Medicaid quality programs and enact legislation that would ensure funding for the quality pools moving forward, to ensure these critical funds are preserved.

We thank you again for the opportunity to provide testimony on this critical issue. Coalition plans look forward to continued partnership with the Legislature to ensure that a strong and sustainable health care system is in place to not only serve the growing number of New Yorkers that rely on public health care programs, but also to reflect and enrich the collective vitality of the State.

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If you have any questions, please do not hesitate to contact the Coalitions' representatives at Manatt: Tony Fiori at 212-790-4500 (AFiori@manatt.com), Megan Sherman at 518-431-6707 (MSherman@manatt.com) or Hailey Davis at 212-790-4644 (HDavis@manatt.com).

APPENDIX I: MEMBERS OF THE COALITION OF NEW YORK STATE PUBLIC HEALTH PLANS

Plan	Product Lines Offered	Counties Served
Affinity Health Plan	Mainstream MMC, HARP, CHP, EP	New York City, Nassau, Orange, Rockland, Suffolk, and Westchester counties
Amida Care	HIV SNP	New York City
EmblemHealth	Mainstream MMC, HARP, CHP, QHP, EP	*Public Insurance Programs*: New York City and Nassau, Suffolk, and Westchester counties *EP and QHP*: New York City and Albany, Broome, Columbia, Delaware, Dutchess, Fulton, Greene, Montgomery, Nassau, New York City, Orange, Otsego, Putnam, Rensselaer, Rockland, Saratoga, Schenectady, Schoharie, Suffolk, Sullivan, Ulster, and Westchester counties
Fidelis Care	Mainstream MMC, HARP, CHP, QHP, EP	Every county in the State (for most product lines)
Healthfirst	Mainstream MMC, HARP, CHP, QHP, EP	New York City, Nassau, Orange, Rockland, Suffolk, Sullivan, and Westchester counties
MetroPlus Health Plan	Mainstream MMC, HARP, CHP, HIV SNP, QHP, EP	New York City
MVP Health Care	Mainstream MMC, HARP, CHP, QHP, EP	*Public Insurance Programs*: Albany, Columbia, Dutchess, Genesee, Greene, Jefferson, Lewis, Livingston, Monroe, Oneida, Ontario, Orange, Putnam, Rensselaer, Rockland, Saratoga, Schenectady, Sullivan, Ulster, Warren, Washington, and Westchester counties *EP and QHP*: 50 counties in the State
VNSNY Choice	HIV SNP	New York City, Nassau, and Westchester counties

APPENDIX II: MEMBERS OF THE NEW YORK STATE COALITION OF MLTC PLANS

Plan	Product Lines Offered	Counties Served
ArchCare Senior Life	Partial Capitation MLTC, PACE[1]	New York City, Putnam, Westchester
EverCare	Partial Capitation MLTC	Dutchess, Orange, Rockland
ElderServe Health (RiverSpring Health Plans)	Partial Capitation MLTC	New York City, Nassau, Suffolk, Westchester
Fallon Health Weinberg	Partial Capitation MLTC, PACE	Erie, Niagara
Fidelis Care at Home	Partial Capitation MLTC, MAP	New York City and 57 additional counties[2]
Hamaspik Choice	Partial Capitation MLTC	Dutchess, Orange, Putnam, Rockland, Sullivan, Ulster
HomeFirst/Elderplan	Partial Capitation MLTC, MAP	New York City, Dutchess, Nassau, Orange, Putnam, Rockland, Sullivan, Ulster, Westchester
MetroPlus Health Plan	Partial Capitation MLTC	New York City
Montefiore Diamond Care	Partial Capitation MLTC	New York City, Westchester
Nascentia Health	Partial Capitation MLTC	Albany and 47 additional counties[3]
Senior Health Partners/Healthfirst	Partial Capitation MLTC, MAP	New York City, Nassau, Westchester
Senior Network Health	Partial Capitation MLTC	Herkimer, Oneida
VillageCareMAX	Partial Capitation MLTC	New York City
VNSNY Choice	Partial Capitation MLTC, MAP	New York City and 29 additional counties[4]

[1] ArchCare only offers PACE in New York City and Westchester.

[2] Albany, Allegany, Broome, Cattaraugus, Cayuga, Chautauqua, Chemung, Chenango, Clinton, Columbia, Cortland, Delaware, Dutchess, Erie, Essex, Franklin, Fulton, Genesce, Greene, Hamilton, Herkimer, Jefferson, Lewis, Livingston, Madison, Monroe, Montgomery, Nassau, Niagara, Oneida, Onondaga, Ontario, Orange, Orleans, Oswego, Otsego, Putnam, Rensselaer, Rockland, Saratoga, Schenectady, Schoharie, Schuyler, Seneca, St. Lawrence, Steuben, Suffolk, Sullivan, Tioga, Tompkins, Ulster, Warren, Washington, Wayne, Westchester, Wyoming, Yates.

[3] Allegany, Broome, Cattaraugus, Cayuga, Chautauqua, Chemung, Chenango, Clinton, Columbia, Cortland, Delaware, Erie, Essex, Franklin, Fulton, Genesee, Greene, Hamilton, Herkimer, Jefferson, Lewis, Livingston, Madison, Monroe, Montgomery, Niagara, Oneida, Onondaga, Ontario, Orleans, Oswego, Otsego, Rensselaer, St. Lawrence, Saratoga, Schenectady, Schoharie, Schuyler, Seneca, Steuben, Tioga, Tompkins, Warren, Washington, Wayne, Wyoming, Yates

[4] Albany, Columbia, Delaware, Dutchess, Erie, Fulton, Greene, Herkimer, Madison, Monroe, Montgomery, Nassau, Oneida, Onondaga, Orange, Otsego, Putnam, Rensselaer, Rockland, Saratoga, Schenectady, Schoharie, Suffolk, Sullivan, Ulster, Warren, Washington, Westchester