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School of Law / Institute for Health Policy & Practice
Health Law & Policy

NH Medicaid and Payment Reform

JUNE 21, 2018

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Section II:

What does the landscape look like for payment reform in general in New Hampshire across payers?

Why does the movement towards alternative payment models in Medicare, commercial plans and Medicaid matter to LTSS providers?

What is different about NH's long term care delivery system?

How should LTSS providers prepare for change?

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Panel Discussion

- Brief Overview of NH Landscape: Lucy Hodder, UNH Law/IHPP
- Developments in Care Coordination Models: Nancy Rollins, Easter Seals
- Developments in Acute Care Services and APMs: Betsey Rhynhart, Executive Director, NH Accountable Care Partners at Concord Hospital
- NH County Perspective – Funding, Integration and PACE: Commissioner George Maglaras, Strafford County Commissioner, Chairman

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Today's Landscape

- The Affordable Care Act put into motion system wide and all payer benefit reform and payment reform
  - **Benefit Reform**: Expand health insurance coverage to as many people as possible, include a broad array of essential services, allow for rational payment system.
    - Value based health plans
  - **Payment Reform**: With a focus on Medicare, experiment with innovative payment models in order to reduce cost through the goals of the triple aim.
    - Value based payments

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What is Payment Reform?

CMS: An Alternative Payment Model (APM) is a payment approach that gives added incentive payments to provide high-quality and cost-efficient care. APMs can apply to a specific clinical condition, a care episode, or a population.

- Innovative payment models that seek to align payment with the goals of the "triple aim"
- Providers are accountable for quality and patient experience
  - Payment increase and decrease based on performance/outcomes
  - Providers are "at risk" for their own performance and even the overall experience of the patient across providers
- Incentives are aligned among providers, payers and patients/clients
- Payments encourage coordination among providers in order to enhance patient centered care.

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What's happening in NH?

APMs in Medicare, Commercial, Medicaid

Global Payments and Accountable Care	Practice Transformation – Paying for Quality	Collaborative Care
• ACOs -MSSP • Bundled payments for episodes of care (retrospective) • Case rates/capitation • Other total cost of care models	• MACRA/MIPS • Primary Care enhancements • Medical Homes • Other pay for performance options	• Integrated Behavioral Health • Case or care management enhancement payments • DSRIP Waiver projects

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Medicare: Why Do We Care?

- Medicare is an important payer for many providers who care for patients also receiving LTSS services.
- 90% of NH individuals who receive LTSS services in NH are dual eligible for Medicaid and Medicare according to the Report of the Association of Counties.
- CMS is driving payment reform in Medicare and Medicaid.
  - 50% Medicare payments will be tied to quality or value through Alternative Payment Models by the end of 2018.
  - MACRA/MIPS -Providers will receive a decrease in payment if not either:
    - MIPS: Merit Based Incentive Payment System rewards and penalizes providers based on quality reporting on key measures through electronic health records, practice improvement measures and total cost of care **or**
    - AAPM: Participating in an advanced alternative payment model

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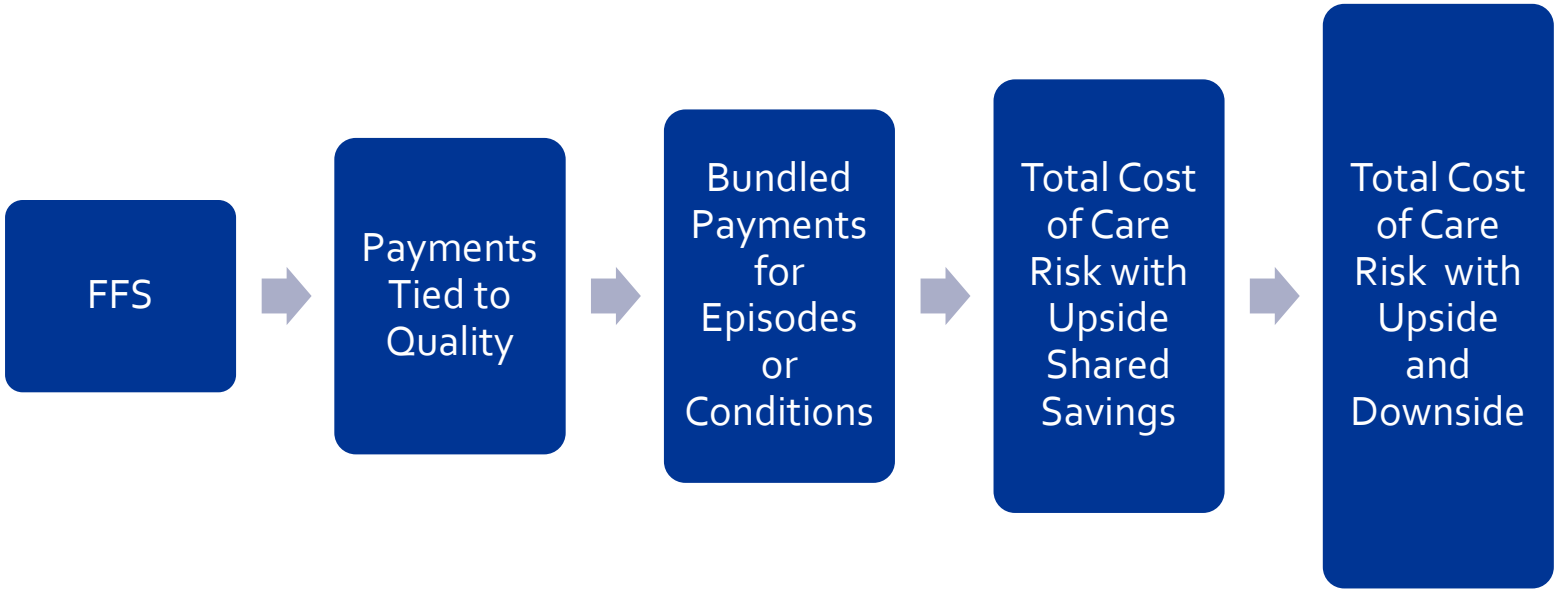
Where Medicare is Headed?



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NH's Medicare ACOs

- **Dartmouth-Hitchcock Health Next Generation ACO**
  - Dartmouth-Hitchcock health clinics (Concord, Keene, Bed/Manch, Nashua), numerous Skilled Nursing Facilities
  - # Enrollees attributed (2017): **22,607**
- **NH Accountable Care Partners MSSP ACO (6 hospitals/1 FQHC/1 CMHC/1 VNA)**
  - Concord Hospital, Catholic Medical Center, Wentworth Douglass Health System (MGH affiliate), Elliot Health Systems, Exeter Health Resources, Southern NH Health System, Mid-State, Riverbend, Concord VNA
  - # Enrollees attributed (2017): **55,000**
- **New Hampshire Rural ACO – initial Level 1 (6 hospitals/3FQHCs)**
  - AVH, Weeks Medical Center, UCVH, Littleton RH, Cottage Hospital, Monadnock Community Hospital, Coos County FHC, Indian Stream HS, Ammonoosuc HC,
  - # Enrollees attributed (2017): **11,788**

http://www.dartmouth-hitchcock.org/about_dh/d-h-health-next-generation-aco.html
https://www.concordhospital.org/about-us/accountable-care-organization/
https://caravanhealth.com/public-reporting-new-hampshire-rural-aco/

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Commercial Payers and Risk Contracts

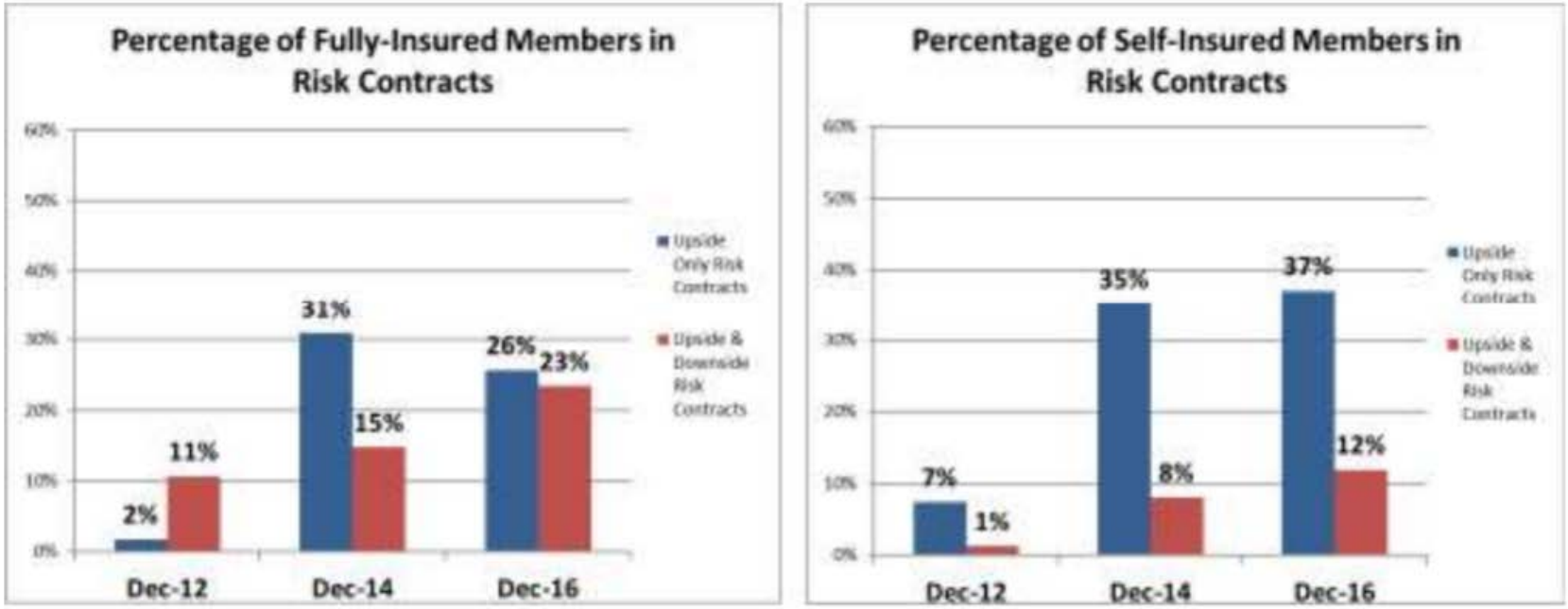

Figure 52: Members in Risk Arrangements for Fully-Insured and Self-Insured Markets[110]

New Hampshire Insurance Department's Final Report of the 2016 Health Care Premium and Claim Cost Drivers, December 1, 2017, p. 59, https://www.nh.gov/insurance/reports/documents/nhid-2016-medical-cost-drivers-final-report.pdf.

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Change Results in Consolidations and Affiliations

- **Benevera Health and Tufts Freedom Plan**: hospital/health plan affiliations.
- **Hospital mergers**
  - Memorial Hospital and MaineHealth
  - CMC/Monadnock Community Hospital/Huggins
  - Wentworth Douglass Hospital and Partners/MGH
  - North Country Hospital Affiliation
  - Elliot Hospital and Southern NH Medical Center
  - Exeter Hospital and Partners/MGH (with Wentworth) exploring regional network opportunity
- **Health plan and Rx drug entity merger proposals**
  - CVS Health – Aetna
  - Cigna – PBM Express Scripts

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What about NH Medicaid?

A complicated landscape

Interesting Relationships?

Managed Care?

IDNs

Aligning Incentives?

Funding?

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NH Medicaid: Interesting Financial Relationships

NH NF CFI LTSS

- *FY 2017 Financing*: Lots of small providers
  - April 2018: 7448 nursing clients, and 3437 CFI clients (4,011 in NF beds)
  - FY 17: 18% of Medicaid LTC spend on CFI versus 67% on NF
  - FY 17: 1/3 of all CFI payments were to 5 largest CFI providers (out of 183)
- Counties and CMS shoulder the financial burden of LTC LTSS care (NH general fund pays about $20 million out of about $400 million spend)
- Counties also operate 11 Nursing Facilities
- Acute care hospitals also shoulder much of the medical cost associated with these patients.

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Managed LTSS Care

- On again and off again in NH
- 24 states operate MLTSS programs in 2017, a 50% increase from 2012 (Truven), and operate many more programs.
- Most common population served by MLTSS is older adults
- Why? …aligning incentives across Medicare and Medicaid, improving care coordination, increasing predictability of costs and expenditures.
- Targeted Case Management and developing comprehensive care plans is a primary CFI service provided by at least 7 case management agencies in NH
- Care coordination, including assessment and case management, is a critical component of MLTSS
  - Many MLTSS providers either provide in-house, share functions, or delegate to qualified care coordination agencies
  - DHHS's plan for MLTSS in March 2018 recommended MCOs take responsibility for CFI wavier case management including developing person centered service plans, authorizing services and service coordination services.

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Medicaid 1115 Transformation Waiver (DSRIP)

- $30 million over 5 years ($150 million) funding reform to support integrated care and treatments to Medicaid patients with mental health conditions and SUDs.
- **New Hampshire DSRIP Waiver**: Building Capacity
  - Focusing on behavioral health
  - 7 Integrated Delivery Networks
  - Statewide HIT task force
  - Statewide behavioral health integration goals and projects
  - IDN Specific Projects including:
    - Care transition and care coordination teams
    - Expanded Intensive SUD Treatment Options
    - Enhanced Care Coordination for High Need Populations
    - Community Re-entry Program for Justice Involved Adults and Youth
    - Medication Assisted Treatment of SUD
    - Integrated Treatment for co-occurring disorders

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Counties and Integrated Delivery Networks

- Counties are integrally involved in one way or another in NH Medicaid's DSRIP waiver reform effort
- DSRIP includes a goal to transition 50% of provider payments to APMs by 2020
- Counties involved as part of DSRIP projects (mostly pre and post incarceration)
- Counties also involved in funding DSRIP and certified public expenditures

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Home and Community Based Providers- How to prepare?

- Map your clients journey through the health and services system-
  - How do they find you?
  - Where do they go next?
  - How are you part of the case management services and support system that is now and will be integral to any future reform?
- Who are your service partners?
- Who are your financial partners?
- How do you measure your value to clients and to the system as a whole?
- What kind of financial, technology and data supports do you have access to around your work to help you measure your success?