Managed LTC Expands to Nursing Homes: Are You Ready?

Greater New York Health Care Facility Association
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D-DAY

- **March 1, 2014**
  - **Nothing changes for current NH residents**
  - **Enrollment in MMCP or MLTC Mandatory for Beneficiaries 21 and over who need NH placement**

Other Dates to Keep in Mind

- **September 1, 2014**
  - **Upstate counties will be phased into mandatory enrollment**
  - **Current NH residents in downstate counties may voluntarily enroll in MMCP or MLTC**

Transition Is Complete

- **January 2015**
  - **Current upstate residents allowed to enroll voluntarily.**

What does this mean for you ?

- **No residents will be required to change NHs**
- **New placements will be based on MCO contractual arrangements and needs of individuals**
- **NHs without contracts will see referrals shrink**

Some Good News

- **Residents can change MCOs to be in a network that includes your NH**

Payment Arrangements

- MCOs required to pay your Medicaid rate or a negotiated rate acceptable to you for 3 years after your county is transitioned into Managed Care
- After the 3 year period, rates will be negotiated
- DOH hopes for risk sharing arrangements

Review Processes and Evaluation Criteria

- **PASRQ process and PRIs will be used to ensure Consumer is placed in LEAST RESTRICTIVE SETTING**
- **MDS and Care Assessment Areas continue**
- **Enrollee's due process rights remain unchanged**

Choice of NHs

- **Each plan must have at least 8 NHs in network for Kings, Queens, Bronx, Suffolk, Nassau, and Westchester counties**
- **5 in network NHs for New York and Richmond**

Impetus for Reform

- **New York spends more than any other state on Medicaid, by far**
- **Yet health outcomes are not impressive**
- **New York was 49th in home care generated hospital admissions**
- **34th in NH admissions**

Overarching goal – Avoid hospitalizations

- Demonstrate a strong track record of keeping residents out of hospitals
- Avoid ER use
- Return residents to the community

Highlights of Today's Program

- Background of managed long term care
- In depth look at financial consequences, including cash flow, NAMI, and capital reimbursement
- Special Considerations in contract negotiations
- FIDA, NHQP and DSRIP
- Steps you can take now to prepare for transition to managed care

Contracting Issues

- **MCOs have little flexibility with contract**
  - **Contracts approved by DOH**
  - **Material changes require additional approval**
  - **NYS Mandatory Provisions prevail and cannot by modified**

Improving Your Bargaining Position

- Demonstrate quality through NHQP data and CMS ratings
- Medical Director with specialty in gerontology
- 24° coverage by physician or NP
- Integration with Major Hospitals
- EMR capability

Your rights

- **Payment "for clean claims" within 45 days**
  - **May be shortened by DOH**
- **Payment of undisputed portion of claim within 45 days**
- **MCO should allow billing after 90 days in isolated circumstances**
- **Due process rights**

Due Process Rights

- **Opportunity to remedy any problems before MCO can terminate agreement unless there is evidence of imminent patient harm, fraud or abuse**

Due Process Rights Cont'd

- If contract is terminated MCO may not require member to transfer to a different NH
- Must continue placement or out of network provider at fee for service rate in effect prior to transfer
- Member may transfer voluntarily

Credentialing

- DOH recommends MCOs delegate credentialing to NHs
- Requires formal agreement approved by DOH.
- Less administrative burden.

Delegated Credentialing Agreement

- Requires DOH Approval
- Sets forth credentialing procedures
- Staffing
- Reports to MCO

General MCO Contract Issues

- **Concept of Medical Necessity**
- **Authorization for services (Exception for Emergencies)**
- **No billing of enrollees, LDSS or DOH**
  - **Exception:** can bill enrollee for non-covered services if enrollee agrees in writing

Contract Issues

- Coordination of Care Planning
- Liaison between NH and MCO
- Claims processing
- Authorization procedures
- Indemnification

MCO's Responsibilities

- **Care Management**
- **Informing provider of pertinent P+P's and billing procedures**
- **Appointing Liaison**
  - **Nurse Navigator Concept**

Overlap of MCO and SNF's Responsibilities

- Care planning and care coordination
- Quality Improvement
- Credentialing
- Compliance with Law and Regulations

Care Management Administrative Services Agreement (CMAS)

- **MCO may delegate care management to NH:**
  - **Requires a contract approved by DOH**
  - **NH would perform the required MCO Assessments and Reassessments**
  - **NH would develop care plan to meet both MCO and NH requirements**

MCO Plan of Care

- **Mental status**
- **Clinical status**
- **Types of services and equipment required**
- **Prognosis**

Care Plan, Cont'd

- Nutritional requirements/Fluid intake
- Medications and treatments
- Safety measures to protect against injury
- Goals, specific to Member needs
- Care Manager works with Multi-Disciplinary Team

Other Contract Issues

- **Provider Appeals**
- **Obligation to continue Treatment in case of MCO insolvency**
  - **MCO Escrow and Capital Reserve Requirements**

Litigation

- **Breach of Contractual Payment Obligations**
- **Breach of Prompt Pay Laws**
- **Antitrust suites – Refusal to Contract**

Litigation, Cont'd

- **Class Action Suits Address Core HMO Abuses**
  - **Interference with Care Delivery**
  - **Placing Profits over People**
  - **Bundling and Downcoding**

Litigation by Members

- **Refusal to Cover Treatment, especially when outcomes are poor**
- **Juries have awarded large verdicts when people died after HMO refused to authorize treatment**

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