

Managed Long Term Care Contracts

New York State Health Facilities
Association
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Mandatory Enrollment

- June 1, 2014
 - Nothing changes for current NH residents
 - Current residents may voluntarily enroll

Some Good News

- Residents can change MCOs to be in a network that includes your NH
- No residents will be required to change NHs
- MCOs will be required to pay you for residents who voluntarily enroll and elect to stay in your Facility



Overarching goal – Avoid Unnecessary Hospitalizations

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

Contracting Issues

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

- NY's Prompt Pay Law - Payment for "clean claims" within 45 days
- Payment of undisputed portion of claim within 45 days
- DOH will be monitoring
- Due process rights

Billing

- Make sure you know what is required for a clean claim
- MCO does not have to pay claims submitted after 90 days
- MCO should allow billing after 90 days in isolated circumstances

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

Indemnification

- MCO assumes no responsibility for patient care
- SNF is ultimately responsible for providing medically appropriate services
- If MCO denies authorization but you feel service is necessary, provide service and appeal

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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