

Managed Long Term Care Contracts

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Presented by Kathleen Carver Cheney, Esq. Partner, Novack Burnbaum Crystal LLP Direct Line: 646-912-7555 Mobile: 845-721-9807 Email: kcheney@nbclaw.com



675 THIRD AVE, FLR 8 | NEW YORK, NY 10017 | TEL. +1.212.682.4002 ©2014 NOVACK BURNBAUM CRYSTAL LLP | WWW.NBCLAW.COM

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 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

- 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

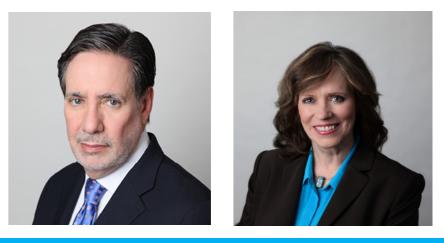
Litigation by Members

- 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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