

# Medicaid in 2017: Innovating in an Era of Uncertainty

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### Overview

- The changing role and face of Medicaid
- Federal uncertainty How do we respond?
- Medicaid Redesign Progress to Date
- Beyond MRT, DSRIP and VBP The Next Frontier
- Closing Thoughts and a Challenge



# Medicaid in New York is Changing

The face of the Medicaid program is changing – it's bigger and serves a more diverse population than ever before.

#### **Medicaid Is More Important Than Ever Before**

New York State Medicaid enrollees by New York City and Rest of State Eligible month: December 2010 and December 2016\*

Region	Dec-2010	Dec-2016	% Growth
NYC	3,059,047	3,529,207	15.4%
Rest of State	1,783,349	2,585,027	45%
Total	4,842,396	6,114,234	26.3%

\*Data source: DOH/OHIP/DataMart



#### **Medicaid Is More Important Than Ever Before**

New York State Medicaid enrollees by rural and urban counties Eligible month: December 2010 and December 2016\*

Region	Dec-2010	Dec-2016	% Growth
Rural	728,517	998,571	37.1%
Urban	4,097,415	5,102,605	24.5%
Other (special counties)	16,464	13,058	-20.7%
Total	4,842,396	6,114,234	26.3%

\*Data source: DOH/OHIP/DataMart



### We are being asked to serve more people during a period of significant uncertainty.

# Federal Uncertainty

# We used to have the Triple Aim – what's next?

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### Medicaid Cuts Would Be Devastating for New York's Health Care Providers

# Cuts total over \$7 billion cumulatively over the next four years

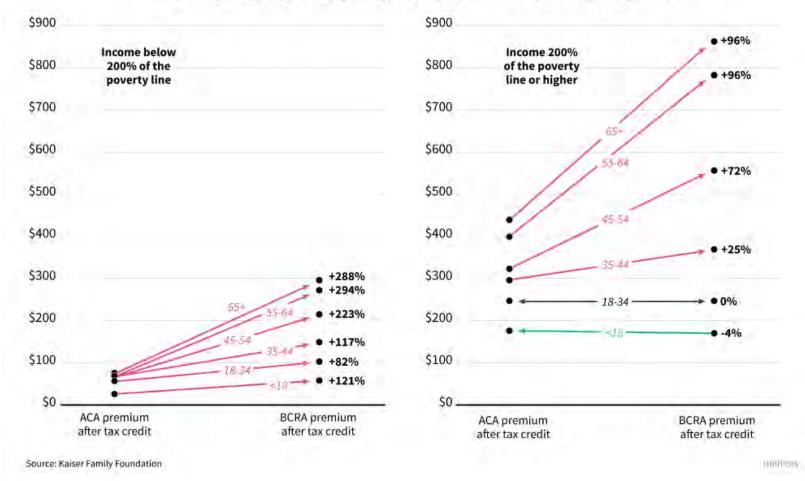
- Losses would grow from \$172 million in SFY 2017-18 to \$4.2 billion annually when fully implemented in SFY 2020-2021.
- The Collins-Faso Amendment accounts for \$2.3 billion in Medicaid losses when fully implemented in SFY 2020-2021.
- Program cuts will especially hurt over 6 million New Yorkers who rely on Medicaid services.

#### 2.7 million New Yorkers could lose their health care.



#### Pretty Much Everyone's Premiums Will Go Up

Change in average monthly premium for a silver plan among exchange enrollees from the ACA to the BCRA (by income and age), 2020. Analysts assume that, facing these higher costs for silver plans, people will buy less generous policies – or drop coverage altogether.





We have to better communicate the importance of the Medicaid program to elected officials.



In the face of this threat, what do we do now? To survive uncertainty, we must continue to innovate, and become more efficient.

#### **The Good News:** *We have momentum*



Per recipient spending is at its lowest in more than a decade



We need to continue our efforts to build upon our success



Key strategic priorities for 2017 include focuses on DSRIP & VBP



Achieve efficient system – with better outcomes at a lower cost



We will not abandon the Triple Aim

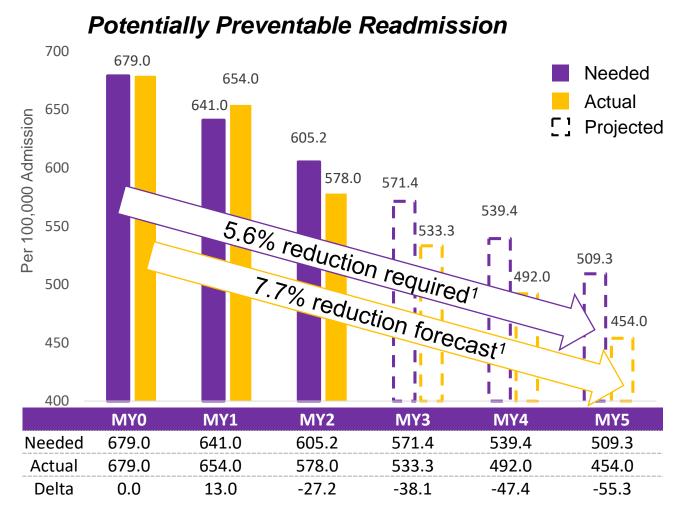


### We Must Perform in DSRIP:

- DSRIP Year 3
- PPS Must Focus on Performance: Are the health outcomes of members improving?
- 95% of all available funds have been earned
- We have to work collectively to ensure performance improves: Providers, local partners & state agencies
- DSRIP is a once in a lifetime opportunity



#### **PPR: Current results and performance opportunity**



#### Pursuing the goal of 25% reduction ...

If all PPS maintain current reduction rates, the State **will achieve** a 33.14% reduction over baseline (454.0 per 100,000 members)

MY2 Rates	PPS
-30% to -20%	NYU Lutheran (-29.98%)
-19% to -10%	CCB, CPWNY, Refuah, MCC, SIPPS
-9 to -5%	NCI, Mount Sinai, One City, Bronx Partners, Nassau Queens, Suffolk CC, NYPQ
-4% to 0%	BHA, ACP, CNYCC, NY Presby, FLPPS, WMC, Montefiore, Care Compass, Alliance
1% +	AHI, Leatherstocking, BHNNY

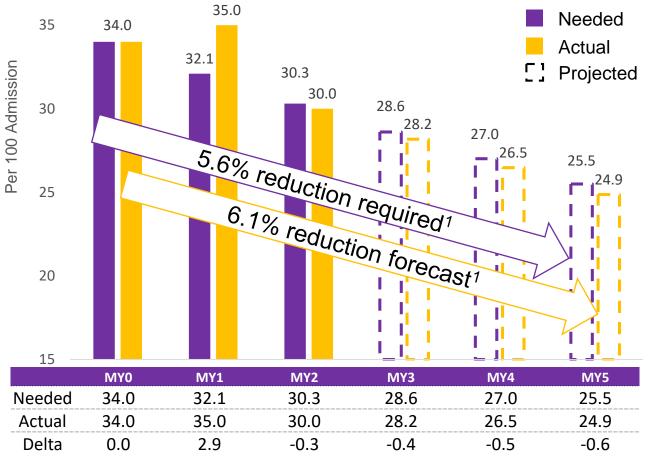
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#### Notes:

1. Projection assumes a consistent denominator year over year, and rate estimates are based on CAGR projection driven by MY0 - MY2 non-case mix adjusted results

#### **PPV: Current results and performance opportunity**

#### Potentially Preventable Emergency Room Visits



#### Pursuing the goal of 25% reduction ...

If all PPS maintain current rates, the State will achieve a 26.9% reduction over baseline (24.9 per 100 admission).

-9% to -5% WMC, SIPPS, Care Compass, NYPQ, CNYCC, Leatherstocking, FLPPS, Nass Queens, NYU Lutheran, Montefiore, On City, Alliance	MY2 Rates	PPS							
-9% to -5% CNYCC, Leatherstocking, FLPPS, Nass Queens, NYU Lutheran, Montefiore, On City, Alliance -4% to 0% Mount Sinai, ACP, CPWNY, NY Presby	-20% to -10%	Refuah (-18.52%), CCB, AHI, Suffolk CC							
-4% to U%	-9% to -5%	WMC, SIPPS, Care Compass, NYPQ, CNYCC, Leatherstocking, FLPPS, Nassau Queens, NYU Lutheran, Montefiore, One City, Alliance							
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1% + BHA, MCC	1% +	BHA, MCC							

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### Move to VBP:

- VBP Transformation: create the environment for success
- Even in uncertain times, VBP is not going away
- Improve outcomes create savings share within health care system
- VBP Roadmap approved in April 2017 version 3 underway
- Major priority for sustainability of DSRIP investment
- Enable providers to improve health and lives of patients and communities they serve



## **Address Regulatory Challenges:**

- Pace of health care innovation and reform has outpaced NY's regulatory structure
- Result: complex and outdated barriers
- Solution: Health Care Regulatory Modernization Initiative
- Examine existing regulatory challenges & recommend appropriate changes
- More to come



# Beyond MRT, DSRIP and VBP: What should be the next focus of New York's Medicaid Redesign?

# Medicaid: It's all about the babies



#### Pregnant women depend on Medicaid: **51%** of all births are covered by Medicaid.



Kids depend on Medicaid: 48% of New York's children 0-18 are covered by Medicaid.



Children in their first 1000 days of life depend on Medicaid: **59%** of kids 0-3 in New York are covered by Medicaid.

1. <u>http://www.kff.org/medicaid/state-indicator/births-financed-by-</u>

Sources:

- medicaid/?currentTimeframe=0&sortModel=%7B%22colld%22:%22Location%22,%22sort%22:%22a sc%22%7D
- 2. U.S. Census Bureau, Population Division. Medicaid enrollment count as of December 2015.

#### **Children on Medicaid Have Better Outcomes**

- Increases the rates of high school and college graduation
- Medicaid results in better health and lifetime outcomes for children
- The most important time for coverage is during pregnancy, infancy and early years
- We get the highest return for investments in improving SDH and human development
- Medicaid coverage also improves educational outcomes, employment, and reduces welfare dependency
- Medicaid gives kids a better chance to maximize lifetime outcomes

Source: http://theincidentaleconomist.com/wordpress/medicaid-is-good-for-children-and-makes-them-better-adults/



- We won't be able to help kids without a focus on the social determinants of health (SDH)
  - These include poverty, unequal access to health care, poor environmental conditions, educational inequities.
- SDH disproportionately affect poor and minority children.
- We must work cross-system to address these issues.

# So, what's our response?





The "First 1000 Days on Medicaid" initiative will be a collaborative effort, bringing together stakeholders to develop recommendations for a ten-point plan.



Builds off of the successful VBP Advisory Group on Children's Health.



The group's ten-point plan will focus on improving outcomes and access to services for children in their first 1000 days: the most crucial years of their development.



### **Partner Organizations**





Medicaid Redesign Team





Center for Health Care Strategies, Inc.



Chair: Nancy Zimpher, Chancellor, The State University of New York

Vice Chairs: Kate Breslin, President & CEO, Schuyler Center for Analysis and Advocacy

> **Jeff Kaczorowski**, MD, Senior Advisor, The Children's Agenda; Professor of Pediatrics, University of Rochester



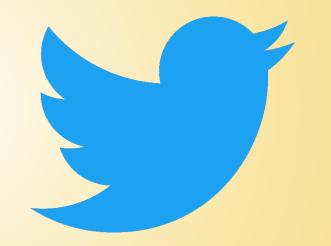
#### The group will work for two months with a completion date slated for late October.

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# **Participation is open!**





#### mrtupdates@health.ny.gov #First1KDaysNY

Finally...

Taking care of each other is an elective decision. Remember that health care is a humans serving humans business. We need to put patients at the center of everything we do.



# We Must Practice Empathy



Think about how we train providers and health care workers





# **Empathy Can Improve Health Outcomes**

- Demonstrating empathy can help providers understand & appreciate complex circumstances facing their patients
- Empathy can also be used to engage patients in their own treatment plans and improve outcomes
- Studies have shown physicians with "highest degrees of empathy achieved the best results with patients"
- Medical schools and residency programs are focusing on teaching empathy

Source: http://healthaffairs.org/blog/2014/02/25/empathy-the-first-step-to-improving-health-outcomes/



# **Empathy In Practice**

- A group of graduating medical students at SUNY Upstate leads by example.
- The students "encourage social responsibility for some of our most vulnerable patients."
- Pledge to serve Medicaid patients as a portion of their patient base.



## SUNY Upstate Medical University – Class of 2017 Pledge



In 2017, approximately 1 in 5 Americans is part of the Medicaid program. Traditionally, this group of Americans has been underserved in their access to medical care. If every physician took on patients with Medicaid as a small portion of their client base, the gap in access would be closed and the health of our nation would rise.

In the course of practice as physicians, we will strive to serve those in need, regardless of their Medicaid status. We will strive to uphold the traditional pillars of medicine: beneficence, non-maleficence, autonomy and justice. In doing so, we believe it is wrong to fail to serve an entire group of people based solely on their socioeconomic status.

As a class, our specialties will reach far and wide and our careers as physicians will touch thousands of lives. **Even if in a small way, it is our hope that as a class we can make a difference through the choices we make and the patients we serve**.



## **My Challenge To You:**

#### Think about what you can do to demonstrate true empathy.

The health care system has a unique opportunity to practice empathy to improve patients' lives.

What choices can you make to put Medicaid patients at the center of the delivery system?

Share with us and the rest of the community how you and your organization are responding to this challenge.



Email us your stories at : mrtupdates@health.ny.gov



Start a conversation on Twitter with the hashtag #EmpathyNYMRT

### **Questions?**

#### Additional information available at:

www.health.ny.gov/mrt

www.health.ny.gov/dsrip



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