Summary of Consumer-Oriented Medicaid Changes Approved by Medicaid Redesign Team on Feb. 24, 2011[i]

Proposal No.	Effective date	Federal waiver required?	State plan amend-ment required?	Statute must be amended?	Admin Action Required?	DESCRIPTION	Savings (State share) (in millions)
ELIGIBILITY CUTBACK							
18	4/1/2011	N	N	Y	N	**ELIMINATE SPOUSAL/PARENTAL REFUSAL**	$28.30 mill FY 11-12 $56.50 Mill FY 12-13
PERSONAL CARE SERVICES							
4652, 2	4/1/2011	Y	Y	Y	Y	"**Improve management and utilization for split-shift** & other hi-intensity cases" - pilot program will be developed as part of transition to Managed Long Term Care	$57 mill/year (for all 3 parts of 4652)
4652, 2	4/1/2011	Y	Y	Y	Y	**Level I - Limit Housekeeping to 8 hours/week** (reduced from current 12 hours)	$57 mill/year (for all 3 parts of 4652)
4652, 2	4/1/2011	Y	Y	Y	Y	Increase technology and improve assessment for all PCA users - **Uniform Assessment Tool** being developed, plus web-based system between HRA & State	$57 mill/year (for all 3 parts of 4652)
1458, 1451		Y	N	Y	Y	**Expand services in Medicaid managed care benefit package:** **o Personal care**, including Consumer-Directed PCP (Year 1) (see more in Managed Care below)	
4652, 7						Eliminate PCS benefit for those not nursing home eligible - unclear if this was adopted, as proposal #7 says it is merged with #4652, which does not mention this cut.	

CERTIFIED HOME HEALTH AGENCY (CHHA) SERVICES & MANAGED LONG TERM CARE (MLTC)							
5, 90	4/1/2011		Y	Y		**Transition 2000 CHHA recipients to Managed Long Term Care (MLTC) in FY11-12 by:** (1) implementing provider-specific aggregate annual per patient spending limits on CHHA services at approximately the 2006 per recipient spending level.	$100 mill
79 merged with 5, 90	4/1/2012		Y	Y		**Transition 17,000 CHHA recipients to Managed Long Term Care (MLTC) in FY 12-13 and 13-14 by** (2) implementing Episodic Pricing System which is similar to current Medicare Prospective Payment system. The Episodic Pricing System will remain in place for all short-term CHHA patients (anticipated to require less than 120 days of care), excluding minors under 18 and very short term (< $500) cases.	$70 FY 12-13, $31 FY 13-14
ALL HOME CARE							
90, 141	10/1/2011	Y	Y	Y	Y	**Transfer most long-term (60 days+) community-based home care clients to Managed Long Term Care - mandatory enrollment** (not voluntary) - will have lock-in (in areas of state with enrollment capacity) . Includes PACE programs, partially capitated MLTC, and Medicaid Advantage Plus. INCLUDES: Personal care, CHHA, and Long Term Home HEealth program (Lombardi) EXEMPT: People in Assisted Living Programs, TBI, NHTDW, OPWDD waivers. MLTC programs will be permitted to include (not mandated) Consumer-Directed (CDPAP) services. REMOVE LDSS from enrollment process (#141). DOH submitted proposal to CMS to enhance care for dual eligibles.. if approved could fund this.	$8.33 mill FY 11-12 $42.53 FY 12-13 $67.33 FY 13-14

70, 89 and 90	10/1/2011	Y	Y	Y	Y	**HEALTH HOMES** -- MLTC plans are expected to qualify as a Health Home for Enrollees with Chronic Conditions pursuant to the federal Affordable Care Act. Enrollment in MLTC will allow the State to take advantage of the increased federal reimbursement (90%) for the care management functions of the MLTC plan; expand current Patient-Centered Medical Health Home rogram pilot (Proposal #70, 89) . "Health home" services include comprehensive care coordination for medical and behavioral health services, health promotion, transitional care, including appropriate follow-up from inpatient to other settings, patient and family support, referral to community and social support services, and use of health information technology to link services. Health homes require strong community ties to social service providers to address the numerous social barriers to health care. Goal is to reduce ER usage and inpatient hospitalizations.	
61	10/1/2011	N	Y	Y	Y	**WORKER PARITY -** as a condition of provider enrollment in the Medicaid program that all CHHAs, LTHHCPs, and MLTC comply with any local living wage law within a geographic area in which they serve Medicaid recipients. At least 85% of all payments for home care be passed on to the direct care worker.	
69	4/1/2011	Y	N	N	Y	**Uniform Assessment Tool -** establish for all programs -- managed long term care (MLTC) plans, personal care, consumer directed personal assistance program, adult day health care, assisted living program and DOH HCBS waivers (LTHHCP, TBI and NHTD) (software devpt, beta and pilot test over 18 months)	

MEDICAID MANAGED CARE							
1458	roll out over 3 years	Y	N	Y	Y	**Expand Medicaid Managed Care enrollment for Non-dual eligibles** (and people with no Spend-down), eliminating over a 3-year rollout those categories presently EXEMPT or EXCLUDED. These are currently EXCLUDED categories, but will no longer be -(YEAR x) indicates what year exclusion is lifted: (EXEMPT categories not listed here) * are in institutional foster care (Year 3) * **live in a nursing home, or are in a long-term home health care program,** or residential treatment facility for children (Year 2) (LTHHCP have option of joining MLTC plan) * are an infant living with a mother in jail; * will get Medicaid for less than 6 months (for example, they get Emergency Medicaid); * only use Medicaid for tuberculosis (T.B.) related services; * are a blind or disabled child and live away from their parents, and residents of state-operated psychiatric facilities (Year 3); * are in Medicaid's Restricted Recipient program (Exclusion lifted Year 1); * have other insurance; or * are an infant who weighs less than or equal to 1200 grams at birth and other infants meeting the SSI-related categories. (Year 2); * in Medicaid-Buy-In for Working People with Disabilities (Year 3).	
1458, 1451, 11, 100	roll out over 3 years	Y	N	Y	Y	**Expand services in Medicaid managed care benefit package:** **o Personal care,** including Consumer-Directed PCP (Year 1) o Nursing home (Skilled Nursing Facility)(Year 2) (capitate all acute and LTC services - -for non-dual eligibles only) o Pharmacy (10/1/11) o Substance Abuse services	
93	4/1/2011	?	Y	Y	Y	**BEHAVIORAL HEALTH MGT** -- Contract with regional Behavioral Health Organizations to manage the be havioral health benefit for Medicaid managed care members -- carving in services currently carved out of managed care (will manage Inpatient Chemical Dependence Rehabilitation services for SSI enrollees and Outpatient Chemical Dependence Clinic and Methadone services & specialized mental health services for all Medicaid enrollees.	$5 mill FY 11-12 $15 Mill FY 12-13

10	4/1/2011	N	N	N	Y	Eliminate funding included in premiums paid to Managed Care companies for direct marketing and Facilitated Enrollment (though plans still do most enrollment, they claim market already saturated so assistance in applying for Medicaid not needed)	$2.50 mill FY 11-12 $22.50 Mill FY 12-13
11	10/1/2011	Y	N	Y	N	**Bundle pharmacy into Medicaid Managed Care**, supposedly can now take advantage of federal drug rebates and "utilization management"	$50 mill FY 11-12 $100 Mill FY 12-13
PRESCRIPTION DRUGS							
15, 43						**Eliminate Part D Wraparound** - Medicaid will no longer cover the few drugs it now covers if not on the Part D plan's formulary	
15, 52, 57-58						**Tighten Early Refill** process, allow pharmacists to administer more vaccines, implement voluntary **mail order**, **Limit opioids** to four prescriptions every thirty days -	$89.40 mill FY 11-12 $44.70 Mill FY 12-13
15C	4/1/2011	N	Y	Y	N	Decrease the pharmacists reimbursement level for brand drugs from Average Wholesale Price (AWP) less 16.25% to AWP less 17% & reduce pharmacy dispensing fees,	$30.20 mill FY 11-12 $15.10 Mill FY 12-13
15A, 15E, 48, 80	5/1/2011	N	N	Y	N	**Preferred drug list: Remove "Provider Prevails"** - will have to develop administrative appeal process for denial of Prior Authorization. Intended to enhance NYS leverage for manufacturer rebates (give DOH staff more discretion to add drug classes to Preferred Drug List), Would extend prior authorizations from 6 months to 1 year, grandfather people stable on non-preferred drugs.	$42.20 mill FY 11-12 $21.10 Mill FY 12-13
15, 32						**Allow prior auth'n for more drugs --** anti-depressants, atypical antipsychotics, anti-retrovirals and immunosuppressants,	
SERVICE CUTS & COPAYMENTS							
24	4/1/2011	N	Y	Y	N	**ENTERAL FORMULA** - limit coverage for nutritional supplements to those who can only ingest food by tube feeding, those with rare metabolic disorders, those with low Body Mass Index, and children with developmental conditions.. Will eliminate those who just oral nutrition formulas "for convenience"	$15.40mill FY 11-12 $16.80 Mill FY 12-13

26	4/1/2011	N	N	N	Y	**BEHAVIORAL HEALTH CLINICS - utilization controls** - would set thresholds for number of visits per year for these agencies. If number of visits exceeds 1st number (lower threshold), claims paid at 25% discount. Visits exceeding higher threshold paid at 50% discount. Proposed thresholds: OASAS 65/85 OMH 30/50 (these are OMH's own suggested values) OPWDD 90/120	$13.30 mill FY 11-12 $13.30 Mill FY 12-13
30	4/1/2011	N	Y	Y	N	**ORTHOPEDIC SHOES & ORTHOTICS -** Coverage limited to growth and development problems in children, diabetics (Medicare coverage) and when a shoe is attached to a lower limb orthotic brace. Would cut usage in half.	$ 7.35 mill FY 11-12 $ 8.00 Mill FY 12-13
34	10/1/2011	N	Y	Y	Y	**Physical Therapy, Occupational Therapy, and Speech Therapy/Pathology**, -- Establish Utilization Limits of **20 per YEAR** for except for Developmentally Disabled and children	$ 2.47 mill FY 11-12 $4.94 Mill FY 12-13
42	4/1/2011	N	Y	Y	N	**COMPRESSION STOCKINGS** - limit to Medicare criteria (treatment of open wounds only) and during pregnancy. No longer cover poor circulation, varicose veins and discomfort except In pregnancy. Would reduce by 75%.	$ 1.07 mill FY 11-12 $1.07 Mill FY 12-13
164	10/1/2011	N	Y	Y	Y	**MEDICAID LIMITS PAYMENT OF MEDICARE PART B COINSURANCE** -- Medicaid will no longer pay the Medicare Part B coinsurance for services not otherwise covered by Medicaid. (??) Medicaid will limit reimbursement to clinics so that their total Medicare/ Medicaid payment does not exceed the amount that Medicaid would have paid the clinic for a Medicaid-only patient. (They did not adopt wholesale elimination of all Medicaid payment for Part B coinsurance. NOTE: This may not be legal for QMBs).	
104	10/1/2011	N	Y	Y	Y	**o INCREASE copays for Medicaid, Family Health Plus** -- Up to $3.40 for Medicaid Fee for service (up to federal max), and $6 for FHP. Proposed chart in document p 123 o Begin charging copays for Child Health Plus B o Charge copays for additional services -- physician, nurse practitioner, eye glasses, dental, audiology, and rehabilitative services. o Increase Copay annual cap from $200 to $300.	$ 1.1 mill FY 11-12 $ 2.6 Mill FY 12-13
68	1/1/2011	N	N	N	Y	Repatriate to NYS, over 3 years, the over 700 NYS Medicaid recipients residing in **out of state nursing facilities** -- pediatric and adult ventilator dependent residents, individuals with neurobehavioral disorders, advanced Huntington's Disease and brain injury.	

ESTATE RECOVERY, MEDICAL MALPRACTICE LIMITS, LONG TERM CARE INSURANCE							
132	4/1/2011	N	Y	Y	N	**Expand the Medicaid definition of "estate"** to include assets that normally bypass probate (e.g., assets that pass directly to a survivor, heir or assignee through joint tenancym rights of survivorship, life estates, or living trust). The proposal would (1) prohibit a Medicaid estate recovery at a time when the recipient has a surviving spouse, minor child, or blind or disabled child of any age; and (2) allow the Medicaid program to waive an estate recovery in undue hardship situations.	$ 7.50 mill FY 11-12 $15.10 Mill FY 12-13
102	4/1/2011	N	N	N	Y	**Give statewide responsibility for making Medicaid recoveries from recipients,** in personal injury actions and in legally responsible relative refusal cases - already in state law since 2008..	$ 39 mill FY 11-12 $52 Mill FY 12-13
131	4/1/2011	N	N	Y	Y	**Cap non-economic damages for medical malpractice awards.** In 2004, estimated that a $250,000 cap would reduce hospital and physician premiums Statewide by 24%, which translates to a $384m savings for hospitals. Establish a Neurologically Impaired Infant Medical Indemnity Fund that will provide payment for medical expenses of eligible children as well as repayment of the State's Medicaid lien where applicable. Participation would be mandatory. Funded by an assessment on all insurers' gross premiums (except annuities) or other sources including HCRA funds or some combination of sources. GNYHA estimates that a Fund of this nature would reduce costs to hospitals by 20% or $320m. To support the foregoing proposals, tort reforms are also recommended: o Allow peer review privileges to be extended to defendants; o Early pre-trial showing of each defendants' involvement in case; o Some protection of statements of remorse and acceptance of responsibility; o Require a 182 Day Pre-Suit Notice Period. Additionally, Proposal # 103 seeks to eliminate financial incentives for cesarean deliveries.	$ 208.50 mil FY 11-12 $208.50 Mill FY 12-13
1462, 230 - 233	1/1/2012`	N	N	Y	Y	**Various proposals to expand use of the Partnership for Long Term Care Insurance Program** and other LTC insurance o A - Increase tax credit for premium from 20% to 40%. o B -- Add a 2-4-100 plan that would cover two years of nursing home	

						care; four years of home care; and protect 100% of family assets - lower premium than current 3-6 plan. Claims Partnership policies have saved Medicaid $68 million. o C -- Options for innovations in individual financing of LTC services and supports, to be considered individually or in combination. o 1. Permit access without penalty to IRA/401k/and other pension savings for the purchase of LTC insurance (preferably a Partnership Plan) or for the cost of LTC services and supports. o 2. Expand new 2010 law (S.7196-A/A.10876-A) that allows life insurance accelerated death benefit to cover costs of LTC services for nursing home residents to all individuals needing LTC services. o 3. Allow reverse mortgage proceeds to be used for purchase of Partnership for LTC (PLTC) insurance plans. o 4. Demonstration project for 500 people to set aside LTC savings accounts with (state) pre-tax dollars, provided funds be utilized for LTC services o D - other incentives to buy LTC insurance	
A (VERY) FEW GOOD THINGS							
137	10/3/2011	N	Y	Y	N	**Disregard 401(k) for Medicaid-Buy-in for Working People with Disabilities** (but they are already exempt if in payout status.)	
133	4/1/2011	N	N	N	Y	**Aged, disabled would no longer have to recertify every year**, if they have fixed incomes.. DOH can automatically calculate eligibility by COLA increases.	
150	3/1/2011	N	Y	Y	Y	**Automate eligibility process** -- online application, maximize online verification of eligibility, and automate the eligibility determination. The Affordable Care Act requires this automation for Medicaid and the Exchange by mid-2013. An electronic enrollment and verification system is also a necessary precursor to the State assuming the eligibility determination function from the local districts. This proposal would develop a vertically integrated health insurance eligibility system for Medicaid/CHIP and Exchange coverage building upon the MMIS architecture and maximizing automation of both eligibility determinations and verifications. New York was one of seven states awarded an Early Innovator Grant for federal funding -- NY has 2 years to develop a new eligibility system for Medicaid and the Exchange.	$ .10 mil FY 11-12 $.15 Mill FY 12-13
165						**Did not eliminate ……**funding for Part D Education & Outreach, adult dentures, did not limit brand name prescriptions to 5 /month	

196						**SUPPORTIVE HOUSING** - establish program to prevent nursing home placement	
1029	6/1/2012	Y	N	N	Y	**ENROLLMENT SIMPLIFICATION & RETENTION STRATEGIES**: • Pursue federal approval for two year renewal periods o Develop a short-term method for data transfer between health plans and counties for use while the state transitions to consolidation. o Allow for outreach to certain populations via phone or electronically, based on data matching and develop authorization protocols for individuals who may be eligible for Medicaid, CHP, or FHP, e.g., "Are you interested?" box on the tax return forms. o Eliminate the need to present original supporting documents as part of eligibility determination. This requirement currently undermines the State's goal of ending face-to-face meetings with applicants. o Empire Justice included a proposal to maximize MSP enrollment. One way to do that is to administratively renew MSP enrollees. There would be small administrative savings with this proposal. It affects 98,000 individuals.	
PLANS FOR FUTURE REFORMS						Note - many MRT proposals are not adopted now because they are "long term" but may be in the future.	
56, 1451	3/2/2011 Reporting deadline 11/1/2011					**NEW WORKGROUPS** -- The MRT will establish various workgroups to focus discussion on major reform issues. The workgroups will include: Payment Reform , Basic Benefit review, Program streamlining, Supportive housing, Assisted Living Program redesign, Workforce flexibility, Long Term Care waiver redesign (e.g. shifting Nursing Home Transition waiver from aggregate cap to individual cap!!!), Managed Long Term Care implementation; reporting deadline of November 1, 2011.	
101	4/1/2011	Y	Y	Y	Y	**DUAL ELIGIBLES** - develop care models and reimbursement mechanisms for people who are dually eligible for Medicare and Medicaid to address people residing in the community and in nursing homes. Possible initiatives to be examined include, but are not limited to New York State assuming risk for all Medicare services for duals, and developing a gain sharing demonstration that would allow New York to share in the savings from reduced hospitalizations and emergency room use resulting from care management	

[i] Proposal numbers are in various documents posted on http://www.health.ny.gov/health_care/medicaid/redesign/ The long version of the proposals is in Descriptions of staff draft proposals <http://www.health.ny.gov/health_care/medicaid/redesign/docs/2011-02-24_staff_draft_proposals_with_descriptions.pdf>- Those approved on February 24th are designated in "Short List of Staff Proposals" -- http://www.health.ny.gov/health_care/medicaid/redesign/docs/2011-02-24_short_list_of_proposals.pdf and - Status of original 274 ideas distributed to Medicaid Redesign Team on Feb. 9 at http://www.health.ny.gov/health_care/medicaid/redesign/docs/2011-02-24_status_of_original_ideas.pdf.