

DSRIP Provider Organization Models for Integrated Care Delivery: Examples from Other States

October 15, 2015

Agenda

- Introduction to DSRIP
- State Models for Integrated Delivery Networks in DSRIP Programs

Introduction to DSRIP

Delivery System Reform Incentive Payment Program: The Basics

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Funding investment in transformation of the **Medicaid** delivery system

Common Features Include:



State has clear vision for a transformed Medicaid delivery system



State identifies activities intended to transform the delivery system



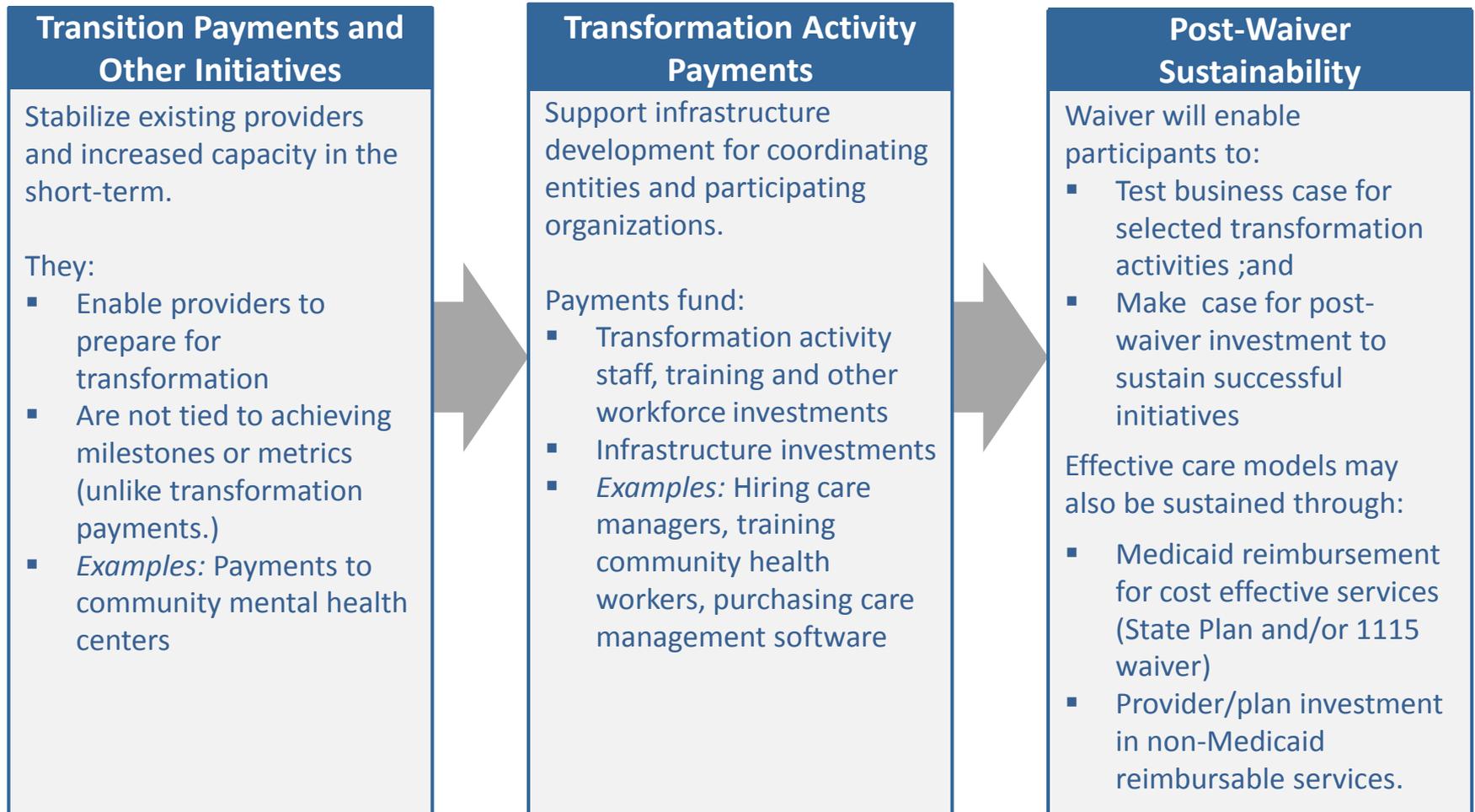
Providers join together to undertake transformation activities



State funds providers based on hitting specified milestones/metrics

- NY, NJ, CA, TX, MA, and KS have implemented DSRIP programs
- WA, NH, and AL have applications pending

Overview of Transformation Funding



Program Design and Implementation

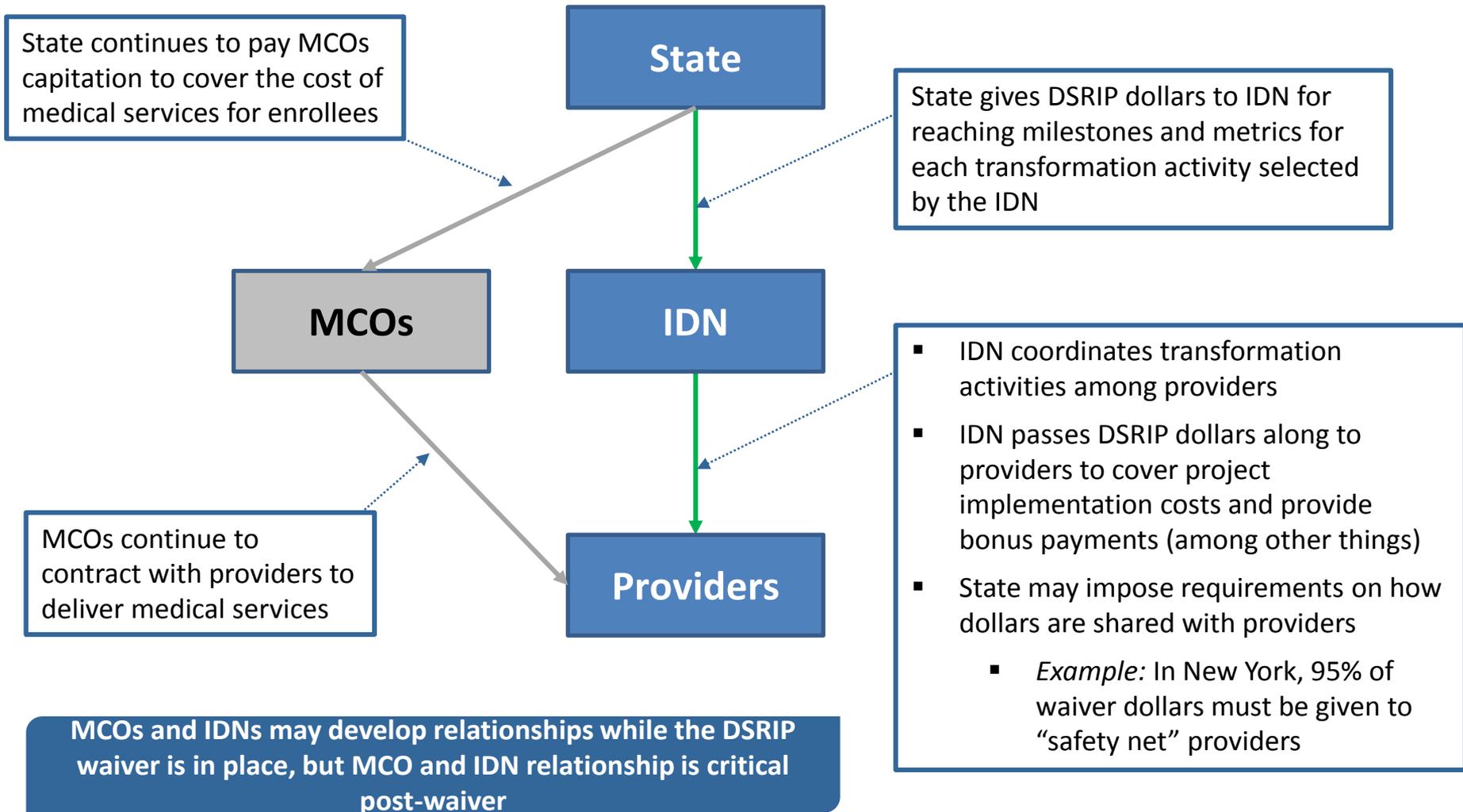
A menu of projects will be developed by the State from which partnerships/networks of providers will apply to participate in.

Implementation Process



Today's focus is the structure of these provider partnerships in other states' DSRIP programs

Role of IDNs in Transformation Activities & Funds Flow



Role of IDNs Post-Waiver

- IDNs may continue to play a role post-waiver by entering into contracting arrangements with payers that sustain transformation activities. IDN role in contracting may vary (*see below*)
- For activities that prove their “business case” during the waiver:
 - **Plans** may choose to buy the non-Medicaid reimbursable service for their members as they recognize the savings that have been demonstrated.
 - **Providers** and organizations that enter into value-based contracts with payers may choose to fund certain care models that have been shown to improve outcomes and reduce costs

New York’s Options for Role of IDNs in Contracting Post-Waiver

1. Contracting at the IDN level	A IDN enters into a value-based arrangement (e.g. integrated primary care, total care for the total population, a bundle of care, care for a specific subpopulation). All providers within the IDN are held to the terms of that contract.
2. Negotiating standard VBP terms with the IDN for direct MCO- Provider contracting	The IDN works with the MCO on how to contract with providers within the IDN on a value-based arrangement. Within that framework, IDN can contract directly with combinations of providers to deliver that care.
3. No contracting at the IDN level	The IDN has no responsibilities for the contracting of a value-based arrangement. MCOs contract that care directly with combinations of providers within the IDN.

State Models for Integrated Delivery Networks

Models for Integrated Delivery Networks



New York



New Hampshire

Similar models



Washington



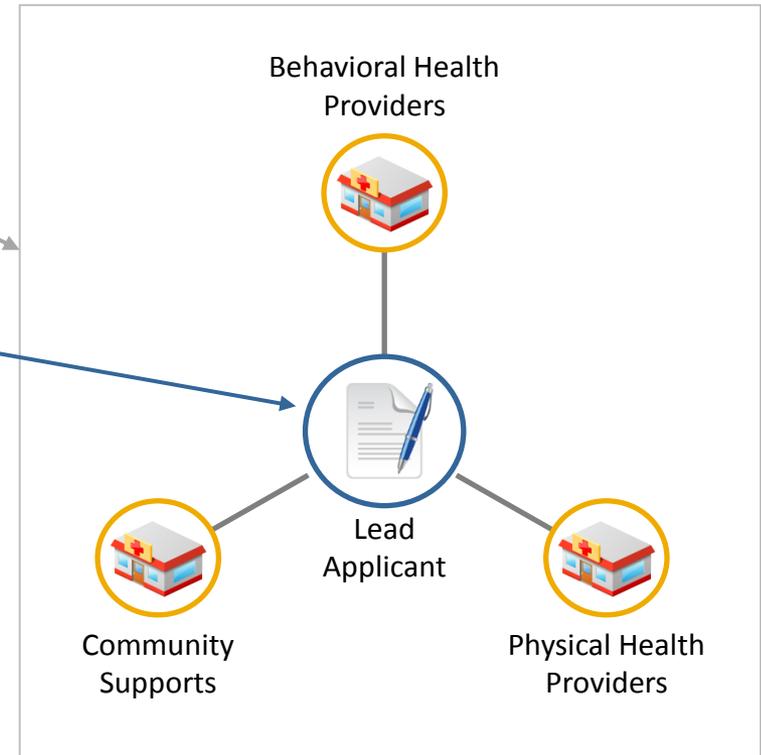
Alabama

Basic Structure of IDNs in NY and NH

Integrated delivery network will be composed of a lead applicant and several partners

Lead Applicant Responsibilities

- Organize partners
- Coordinate program application
- Act as single point of accountability for the state
- Receive funds from state and distribute funds to partners for transformation activities
- Compile required reporting



NOTE: Partners may lead implementation efforts for specific projects

Qualifications of Lead Applicants in NY & NH



New York

- Not required to be a hospital, but nearly all IDNs are lead by hospitals
- Must demonstrate organizational capabilities
- Must meet statistical tests of financial strength



New Hampshire

- Not required to be specific provider type, and state anticipates some IDNs will be led by non-hospital providers
- Must demonstrate organizational capabilities
- Must demonstrate transparent financial processes

Core Governance Principles in New York and New Hampshire

- **Participatory.** Ensure that partners have active role in decision-making process.
- **Accountable.** Lead applicant and partners should be accountable to each other, with clearly defined mechanisms to facilitate decision-making.
- **Flexible.** Within some guideposts, allow each IDN to create a structure that works best for it. States have not established a “one-size-fits-all” governance structure.

Governance Requirements for IDNs in NY & NH

New York required that their IDNs demonstrate:

- **Financial governance.** Includes the distribution of funds among partners and the development of budgets for projects.
- **Clinical governance.** Includes the development of standard clinical pathways and monitoring and managing patient outcomes.
- **Data/IT governance.** Includes data sharing among partners and reporting and monitoring processes
- **Community/consumer engagement.** Includes engagement of consumers/community-based in IDN activities and promotes connections with social services agencies.

New Hampshire is in the process of defining its governance requirements

IDNs in Washington State

Washington will leverage its emerging “Accountable Communities of Health” or “ACHs” to transform the Medicaid delivery system. The key difference with the NY/NH model is that ACHs, not providers, are the lead applicant.



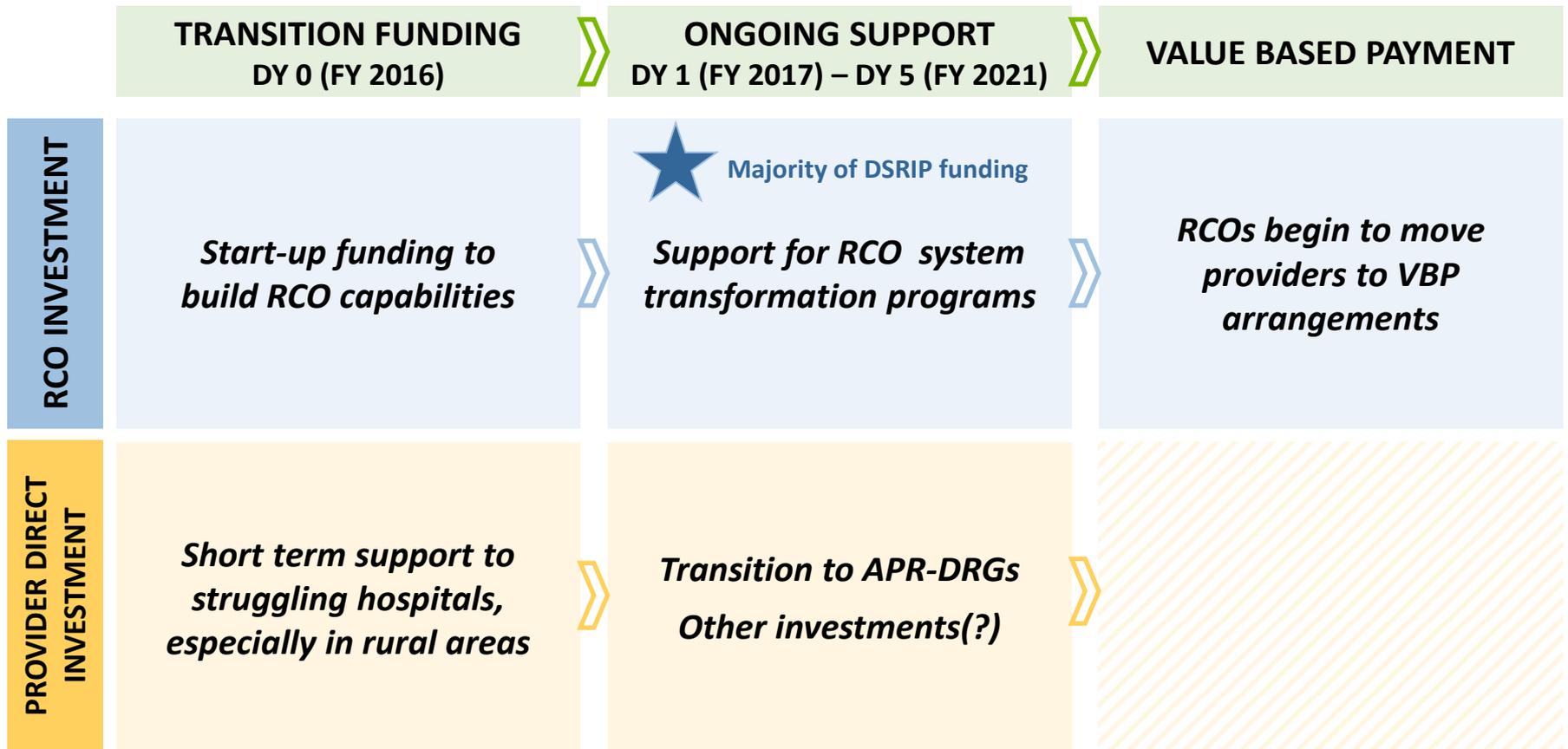
Role of ACHs

- ACHs are regionally organized public-private collaboratives created as part of the Healthier Washington.
- ACHs will coordinate transformation activities in the community and act as a primary point of accountability for the State
- If an ACH is not sufficiently mature, a member organization may fill the ACH’s role as the lead applicant.

WA is developing IDN governance requirements

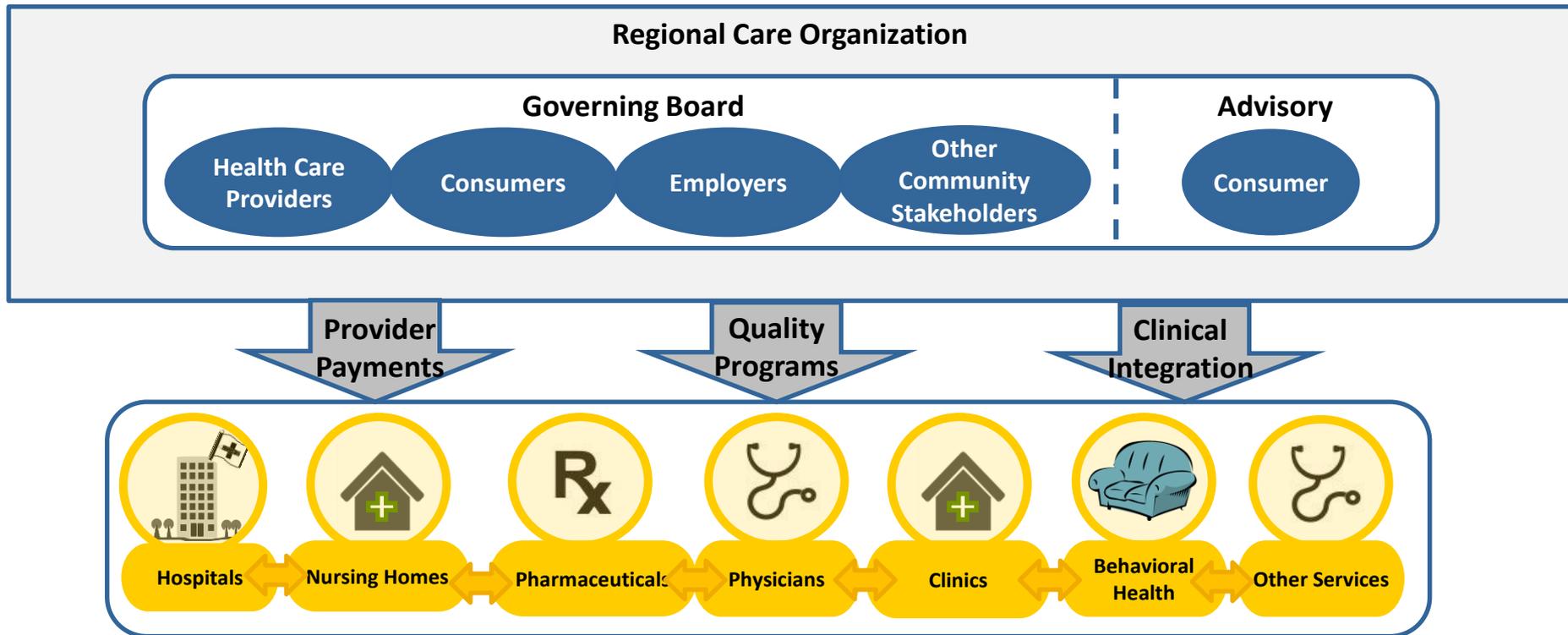
Alabama's Alternative DSRIP Model

Alabama's DSRIP program will fund transformation through providers and regional care organizations (RCOs)—non-profit, provider-led, managed care-like entities



RCO Governance Structure

Like IDNs in other states, RCOs are collaborations of providers. Unlike other IDNs, RCOs will be licensed to bear risk, like a managed care organization.



RCO Governance Structure (cont'd)

Alabama imposed strict governance requirements

Participants in Governance	<ul style="list-style-type: none">• RCOs must have a governing body that includes representation from community stakeholders, including:<ul style="list-style-type: none">• 12 representatives from entities at risk under the RCO• 8 representatives from entities not at risk, including:<ul style="list-style-type: none">• 3 PCPs• 1 optometrist• 1 pharmacist• 3 community representatives
Citizens Advisory Council	<ul style="list-style-type: none">• The RCO must also have a Citizens Advisory Committee• The CAC must meet at least once every three months• At least 20 percent of its members must be Medicaid beneficiaries enrolled in the RCO• Members must include representatives of organizations that are part of the Disabilities Leadership Coalition of Alabama or Alabama Arise

Questions?

Thank You!

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