

## Coalition of New York State Public Health Plans February 6, 2017

**Overview of the PHP Coalition:** The Coalition is an association of eight health plans that serve New York's insurance affordability programs across the State, including its Medicaid managed care (MMC), HIV Special Needs Plan (HIV SNP), Child Health Plus (CHP), Health and Recovery Plan (HARP), Essential Plan (EP) and Qualified Health Plan (QHP) programs. Current Coalition plan membership is **more than 3.6 million**, approximately two-thirds of statewide enrollment in these programs.

- All Coalition plans are public and not-for-profit organizations that partner with providers in their communities.
- Coalition plans have been in the market for more than 20 years and remain in the market to fulfill a mission to enhance access to quality health care.
- Coalition plans are based in the communities where they serve as critical employers and providers of health insurance coverage.

### Coalition Priorities

As the future of the Affordable Care Act, Medicaid and the Children's Health Insurance Program hangs in the balance in Washington, it is more critical than ever for New York to take steps to strengthen its insurance affordability programs. Coalition plans stand ready to work with the State to support these efforts in any way possible. In addition, plans have identified the following as priorities for ensuring New Yorkers have access to high-quality, continuous health care coverage.

#### Quality Incentive Program

The Department of Health (DOH) has identified the delivery of high-quality and high-value care as one of its top priorities for the Medicaid program. At the same time, it has proposed reducing the quality incentive funding available to plans—a proposal that undercuts any efforts aimed at improving quality in the managed care program. In a true value-based program, the State should be *reinforcing* quality, not cutting it. *We therefore request that the State restore funding to the managed care quality programs and ensure that plans delivering high-quality care are rewarded for doing so.*

#### Eligibility for and Enrollment in Coverage and Access to Care

The State's Marketplace, New York State of Health (NYSOH), has enrolled millions of New Yorkers in coverage since its establishment; however, there remain a number of issues related to eligibility and enrollment that create burdens for consumers and negatively impact access to care. *We urge the State to make the investments needed to ensure eligibility and enrollment (E&E) systems—particularly those for the public insurance programs—work effectively.*

- **Improvements to consumer experience.** With NYSOH as the E&E backbone for the coverage of millions of New Yorkers, it is critical that the State prioritize continued remediation, improvement and enhancement of Marketplace processes and technical functionality, including:
  - Adding all coverage programs to NYSOH: Currently, consumers are not able

to enroll in certain programs—such as HARP—through the Marketplace, which can impede seamless coverage.

- Adding primary care provider (PCP) selection functionality to NYSOH: Consumers shopping on the Marketplace today are unable to select a PCP when they enroll in a plan, which places significant burden on both consumers and plans and has implications on continuity of care.
  - Strengthening the Facilitated Enroller (FE) program: Given the number of coverage programs and complexity of E&E processes, plan FEs have played a critical role in helping thousands New Yorkers enroll in and renew their coverage; funding levels for the FE program should not be cut.
  - Allowing plans to telephonically enroll and renew consumers, improving NYSOH customer services, and simplifying notices to consumers.
- **Transition of consumers between E&E systems and coverage programs.** The State has begun transitioning consumers who are enrolled in coverage through the legacy Welfare Management System (WMS) over to NYSOH, in an effort to make NYSOH the E&E platform for *all* New Yorkers enrolled in insurance affordability programs. To date, rollout of this transition has been flawed and MMC enrollment in the initial transition counties has dropped. Similarly, efforts to move consumers between coverage programs (e.g., from Medicaid to HARP) have resulted in interruptions in coverage for consumers and been plagued with onerous and ineffective processes. *The Coalition requests that the State to take action necessary to ensure consumers can maintain coverage are enrolled in the most appropriate program for their needs.*

### **Rate Adequacy and Transparency**

Adequate and transparent rates are critical to effective and appropriate care delivery and management. Plans continue to urge the DOH and its actuaries to ensure that rates accurately reflect the true costs of the populations served and benefits covered —particularly for pharmacy and behavioral health services—and are developed in a transparent manner.

- **Pharmacy costs.** Coalition analyses have found that pharmacy cost trends have *far* exceeded State calculations, contributing to a \$563 million deficiency in plan rates. *The Coalition supports the proposals in the Executive Budget aimed at curbing unjustified escalations in the costs of prescription drugs and urges the State to fund plan’s pharmacy costs adequately.*
- **Behavioral health costs.** In 2015, the State began enrolling individuals with serious mental illness and substance use disorder into HARP plans. Many individuals eligible for HARP have remained in “mainstream” MMC plans, however—in part due to a State systems issue that prohibits HARP enrollment on the State’s Marketplace—resulting in a more than \$100 million shortfall in the most recent MMC rates. *The Coalition requests consideration of our proposed legislation establishing separate rate cells for high-need, high-cost New Yorkers, including HARP-eligible individuals who have yet to be enrolled in a HARP plan.*
- **Unpaid premiums.** Plans are not receiving premium from the State for a significant number of members included in the monthly rosters and daily enrollment files sent by the State. This systemic problem of unpaid premiums—which has persisted for well over two years and contravenes the obligations of DOH under the MMC contract—has cost plans tens of millions of dollars. Efforts are underway to reconcile payment with membership, but the problem remains. *The Coalition urges the State to prioritize reconciliation of plans’ membership and capitation payments and ensure plans are appropriately paid.*
- **End of AIDS funding.** HIV SNPs and MMC plans are working hard to ensure that individuals with HIV/AIDS are connected to the appropriate care. *We urge the State to ensure adequate funding for HIV SNPs and to maintain the End of AIDS Pool so that MMC plans serving individuals with HIV/AIDS have adequate funding.*

### **Value-Based Purchasing (VBP)**

Implementation of New York's ambitious VBP goals lies squarely on the shoulders of plans, who are ready and willing to work with the State and providers to achieve these goals. Plans have concerns, however, with several of DOH's VBP proposals, particularly those relating to adjustments to plan rates based on "efficiency" and prevalence and level of VBP contracting. In a capitated, risk-based MMC program like New York's, plans are already incentivized to be efficient, making efficiency adjustments obsolete. Further, VBP implementation efforts to date indicate that providers are often unwilling to engage in VBP, much less take on risk, impeding plans' ability to meet VBP targets. Similarly, smaller plans, such as HIV SNPs, are at a greater disadvantage in meeting State goals. Finally, there is need for greater transparency in DOH's VBP policymaking and more timely delivery of information. *We urge the State to closely consider the implications of its VBP policies and, as it continues to revise these policies, provide plans with more detailed and prompt information.*

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