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Changing the way we do business
2012

Moving to Managed Care (MLTSS)

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Capitation

CAPITATION CHANGES EVERYTHING in healthcare. It affects corporate strategy, financial incentives, operations, access, quality, and profitability. Most of all, it challenges traditional notions of patient care, physician autonomy, and accountability. Many physicians and hospitals view capitation as the single biggest threat to American medicine. Others perceive it as a powerful vehicle to improve clinical and service quality as well as efficiency.

Boland, Peter. *The Capitation Sourcebook, A Practical Guide to Managing At-Risk Arrangements*. Berkeley, CA: Boland Publishing, 1996. Print.

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Glossary of Terms

- Fee for Service
- MCO
- ACO
- Capitation
- Case rate
- Risk
- Network

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Glossary of Terms *(continued)*

- PPA
- ASO
- UB
- SNP
- DSNIP
- Any willing provider
- Dual-eligible

Basic Concepts

- **Fee for service vs. capitation**
 - Case rate-bundle payment
- **Any willing provider vs. network**
- **License vs. contract (COP)**
- **Group vs. individual billing**
- **Non-specific quality vs. patient outcome benchmarks**

Moving to Managed Care

- Effective date for conversion of ABD institutional beneficiaries changed to January 2013
- Three Association coalition recommends six elements to DHSS and DHS Commissioners for phase in of Managed Medicaid LTC

Six Elements for MCO Conversion

1. Contracts with MCOs contain any willing provider (AWP) provision
 - Preserve safety net
 - Transitions existing beneficiaries
 - Does not trigger CN/Licensing changes
 - More stability for LTC residents selecting different MCOs w/o network overlap

Six Elements for MCO Conversion

2. State sponsored managed LTC rate setting using current case mix based system for 3 years
 - Rehospitalization and delayed initial entry saving strategies commensurate with this approach

Six Elements for MCO Conversion

3. Centralize and concentrate eligibility determinations and electronically enable access to system by all users
4. Simplify and standardize the billing process to improve cash flow
5. Provide a minimum of 6 months training and education before “go live” date

Six Elements for MCO Conversion

6. Remove Special Care Nursing Facilities from rate setting system and develop new rate methodology for same

Moving to Managed Care

- First meeting of the Managed Long Term Support Services Steering Committee on March 14, 2012
- Breakout into 4 workgroups
 - Assessment to Appeals
 - Assuring Access
 - Provider Transition to MLTSS
 - Quality and Monitoring Strategy

Timelines for MLTSS Workgroups

- First meeting the week of March 19th
- Weekly meetings through the end of May
- Report to MLTSS Steering Committee first week of May
- Additional meetings, as needed, in May after MLTSS Steering Committee comments
- Final recommendations by MLTSS Steering Committee by June 4th

Assessment to Appeals

- Define screening stages to qualify for and access MLTSS & appeal process
- Identify screening/assessment tools
- Examine organizations & related organizational responsibilities & interrelationships
- Produce an “Assessment to Appeals” guidebook

Assuring Access

- Identify points of access to MLTSS & State Plan services
- Provide recommendations to prevent barriers to access
- Identify infrastructure necessary to support good access
- Produce an “Assuring Access” guidebook

Provider Transition to MLTSS

- **Identify transition issues for current long term care providers**
- **Provide recommendations to MLTSS Steering Committee for easing transition barriers**

Quality & Monitoring Strategy

- **Define quality measurement & monitoring activities to support MLTSS**
- **Make recommendations for integrating MLTSS quality into overall Managed Care Quality Strategy process**
- **Workgroup products**
 - List of organizations & functional responsibilities for quality monitoring
 - MLTSS quality measurement set
 - Reports, existing & new, used to monitor quality of MLTSS

I really don't want to date again (How does the outside world see me?)

- **Am I price competitive?**
- **How do I measure value?**
- **How do I benchmark quality?**
- **Do I send people home?**
- **Do I send them to the hospital?**
- **Can I enhance care services? (Higher expertise)**
- **What's my physician availability?**
- **Do I have links to community services? (Home health, PCA, etc.)**
