



Testimony on the Governor's Proposed SFY 2016-2017 Health and Medicaid Budget
Submitted by Jason Lippman to the Joint Legislative Budget Committee on Health and Medicaid

January 25, 2016

Members of the Joint Legislative Budget Committee, thank you for the opportunity to testify on behalf of Amida Care. My name is Jason Lippman, and I am the Director of Public Policy and Government Relations. Amida Care is a not-for-profit health plan that specializes in providing comprehensive health coverage and coordinated care to New Yorkers with chronic conditions, including HIV and behavioral health disorders, as well as those experiencing homelessness. We serve Medicaid and Medicare members throughout New York City.

Established in 2003 by several non-profit community-based health organizations, Amida Care developed a highly effective, specialized model of care to provide individualized attention and support to people living with HIV/AIDS and other complex health issues. Today, Amida Care has the largest special needs plan (SNP) in New York State as well as three growing Medicare plans.

We are delighted to inform you that as of January 15, 2016, eligible health care consumers now have the ability to select and enroll in Amida Care through the New York State of Health (NYSoH) Marketplace, as SNPs were finally added to the Marketplace for the first time since the NYSoH was established in 2012.

Amida Care plays a pivotal role in State Medicaid redesign and policy initiatives aimed at improving health outcomes that will derive further Medicaid cost savings. By providing improved access and retention in care to our members, Amida Care prevents avoidable hospitalizations and emergency room visits, which results in substantially lower Medicaid costs overall. Amida Care has generated many impressive health outcomes that save lives and produce cost savings, including a 74% decrease in hospital admissions/readmissions and a viral suppression rate among HIV-positive members approaching 75%.

Health Care Delivery System Reform

Amida Care is an active partner in New York State's Delivery System Reform Incentive Payment (DSRIP) program. Amida Care supports collaboration among performing provider systems (PPSs) with their Domain 4 HIV/AIDS population health programs and Project 11 patient activation measures. We are also eager to work with the State and community partners on the implementation of value-based payment purchasing in the coming year.

In 2014, Amida Care was supported by a Department of Health planning grant to develop a set of recommendations for community-based projects that are aimed at addressing the social determinants of health through meaningful transformation of the chronic illness sector. Planning efforts focused on meeting the needs of Medicaid beneficiaries living with HIV/AIDS, severe mental illness and substance use disorders or who are homeless, by engaging the community-based groups that serve them. In our final report which was submitted to the State and shared with various PPSs, detailed justification is provided to implement the following initiatives: 1) peer health navigation services; 2) viral load suppression programs; 3) crisis bed diversion and hospital step-down transitional housing units; and 4) integrated care learning collaboratives.

These recommendations can be tailored or expanded by the PPSs to meet the needs of their community partners and populations served.

Rate Adequacy and Timeliness

Providing effective and appropriate care to people living with chronic health care conditions such as HIV/AIDS, severe mental illness and substance use disorders, rests on having sufficient and timely premium rates in place. Unfortunately, the issuance of rates has been consistently delayed, making it a challenge for plans to budget and manage operations. In addition, rate adequacy issues get compounded by retroactive rate adjustments, making it difficult to prospectively manage the delivery of appropriate care to high need populations. We are appreciative of the efforts being made by Department of Health (DOH) staff to address these issues, and realize that part of the process lies with the Centers for Medicare and Medicaid Services. We only urge that rate setting procedures are reexamined for any modifications needed to facilitate timely rates in the future.

Having processes in place that accurately mirror the true costs of providing needed care management, retention, treatment adherence and health navigations services is critical to meeting end of year compliance standards, plan solvency and the expansion of services such as behavioral Health and Recovery Plan (HARP) benefits. Furthermore, SNPs require administrative dollars sufficient to fund a robust model of care for people living with multiple chronic conditions. Prior robust investments have allowed Amida Care to deliver over \$100M in Medicaid savings for the State. We attribute this to the work of our Integrated Care Teams (ICTs), which work with members to increase patient engagement in primary and behavioral health care and other outpatient care services/settings, resulting in sharp decreases in inpatient costs. Maintaining viral load suppression while addressing emergent behavioral health social

determinant of health issues, like housing instability and homelessness, is significantly different than caring for mainstream Medicaid populations.

Amida Care is therefore working with DOH to realign the SNP medical/administrative cost ratio with that of Medicaid Long Term Care (MLTC), another health plan specifically designed to meet the chronic health care needs of individuals living in the community. We believe that certain clinical care coordination, treatment adherence and patient navigation services are classified as “medical” instead of “administrative” costs when directly provided by the health plan. These services are worth investing in and funding appropriately, as they connect people living with chronic health conditions to the life sustaining outpatient care they need to stay healthy and out of the hospital.

Ending the AIDS Epidemic in New York State

As a member of Governor Cuomo’s Task Force to End the AIDS Epidemic in New York State by 2020, to bring new HIV infections down from over 3,000 per year to below 750, Amida Care worked with community partners on a Blueprint to End the Epidemic that was presented to and endorsed by Governor Cuomo in June of 2015. If the Blueprint is fully implemented, we can reduce new HIV infections to zero. The Blueprint, among other things, calls for steps to identify undiagnosed New Yorkers living with HIV and link them to care, retain people diagnosed with HIV in care to maximize viral load suppression, provide access to Pre-Exposure Prophylaxis (PrEP) to prevent individuals at high-risk from contracting HIV, and make essential housing and services available to low-income New Yorkers with HIV. Full implementation of the Blueprint requires strong partnerships between the community, State Legislature and Governor Cuomo.

On World AIDS Day, Governor Cuomo publicly pledged to fully fund the Blueprint’s recommendations to ensure that we address the socioeconomic drivers of the epidemic, including

expansion of housing and other essential services for the most vulnerable New Yorkers with HIV in all parts of the State, as well as treatment and prevention strategies to reach those most at risk. The Executive Budget includes \$10 million in new funding per year, but much more is truly required to end the epidemic. The total cost alone of single point of access housing across New York State for people living with HIV is upwards of \$100 million per year. However, it is estimated that for every new infection avoided, \$357,498 to \$443,904 in individual lifetime HIV-related medical care costs would be saved—an estimated total savings of \$804.4 to \$998.8 million in medical costs by preventing 2,250 HIV infections. We ask for the Legislature’s support in realizing full implementation and funding of the ending the epidemic recommendations, so that we can End the Epidemic in New York State as envisioned by the Blueprint.

Conclusion

On behalf of Amida Care, I thank you for the opportunity to testify on Governor Cuomo’s 2016-2017 Executive budget proposal as it relates to health and Medicaid policies, the need for adequate and timely rates and building a collaborative system that will enable and empower individuals with chronic health conditions to live healthier lives and stay out of the hospital, maintain housing and employment stability, and End the AIDS Epidemic in New York State by 2020. We are available to inform and answer any questions that you may have.

Respectfully submitted,

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