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HHS Grant Helps eMedNY

New York's troubled \$900 million Medicaid payment computer system is getting a financial boost from the U.S. Department of Health and Human Services. The state Department of Health was just awarded a \$27.4 million grant to build a health information exchange using the eMedNY system, a software program that DOH has said it will scrap when the contract with its current vendor runs out in 2012. The system's failure to catch at least \$500 million in improper Medicaid payments led the DOH to declare last year that it would issue a request for proposals for a new system. According to HHS, the DOH award is based on a promise to use eMedNY's "assets as the basis for designing and developing an exchange to serve all New York state health insurance consumers. This approach will also result in the development of exchange IT components fully extensible and scalable to any other jurisdiction."

Fighting Cuts, Despite MRT

While the Medicaid Redesign Team spends the next few days scoring 49 Medicaid reform proposals, the guiding factor will be identifying \$2.85 billion in Medicaid savings by March 1. At the same time, health care lobbyists are in high gear to fight possible provider cuts. HANYS' top agenda items, for example, include making sure lawmakers maintain authority over Medicaid reimbursement and keeping the Cuomo administration from "unilaterally" making "critical decisions affecting their constituents." HANYS also is lobbying against Gov. Andrew Cuomo's proposal to cap state Medicaid spending at a time when increased enrollment is driving up costs. HANYS submitted specific recommendations, including medical liability reform, to the MRT to avoid cuts.

Overhauling Behavioral Health

New York's Medicaid program faces tough but necessary choices in integrating medical care for patients with substance abuse and mental health problems. Federal health care reform "is not a game-changer for the provision of behavior health services under Medicaid," warned a new report from the United Health Fund. The basic options are continuing the fee-for-service model, starting special managed care plans for these behavioral health patients, or establishing a behavioral health carve-out under the Medicaid managed care plans where most patients get their medical care. One particular issue is moving detox care out of the acute care setting and into the community. Hospital detox is expensive and tends to be a "revolving door" where patients are not really cured, concluded the report. "Providing Care to Medicaid Beneficiaries With Behavioral Health Conditions: Challenges for New York" is at www.uhfny.org.

Medicaid managed care plans push for support

With Medicaid managed care plans in the spotlight as a way to slash Medicaid spending, the health plans aggressively pushed their lobbying agenda in Albany on Tuesday. The Coalition of New York State Public Health Plans has been showing lawmakers a new report on how the state can improve quality and save money by integrating behavioral-health care services into the benefit package for Medicaid managed care enrollees. Mental health is now carved out for certain enrollees.

"With new evidence that members with integrated behavioral-health benefits have better utilization, outcomes and cost experience," said the coalition in a statement, managed care plans should take on all aspects of Medicaid-funded patient care, including behavioral-health care, pharmacy services and personal care.

The coalition, however, does not support a proposal to eliminate the state's facilitated enrollment program, arguing that the plans have the infrastructure to connect uninsured individuals with coverage and implement state and federal health care reforms over the next few years.

The coalition's supporting data is at www.phpcoalition.org in two documents: "Medicaid Managed Care Works for New York" and "Medicaid Managed Care and Behavioral Health."

The coalition consists of nine plans with a combined membership of more than 2.5 million New Yorkers, or two-thirds of the state's total public health insurance enrollment.

At A Glance

EXPANSION: Integra Partners IPA received approval from New Jersey's Department of Banking and Insurance as an Organized Delivery System in all 21 counties. An ODS is a legal entity that contracts with an insurer to provide health services but is not a licensed health care facility or other health care provider. Integra, which was licensed as an IPA in New York in 2008, provides durable medical equipment, prosthetics and orthotics services, with nearly 200 providers in its network.

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