AMENDMENT to the

PARTICIPATING PROVIDER AGREEMENT

between

[MLTC PLAN]

and

[SNF]

THIS AMENDMENT (“Amendment”) is to the Participating Provider Agreement (“Agreement”) made and entered into as of \_\_\_\_\_\_\_\_\_\_\_\_\_\_ (“Effective Date”) by and between [MLTC Plan] (“MCO”) and [SNF] (“Provider”). This Amendment is effective as of January 1, 2018.

WHEREAS, MCO is licensed under Article 44 of the New York Public Health Law as a Managed Long Term Care Plan; and

WHEREAS, Provider is a skilled nursing facility in accordance with Article 28 of the New York Public Health Law and provides skilled nursing services to MCO pursuant to the Agreement; and

WHEREAS, the New York State Department of Health (“DOH”) has required that MCO convert participating provider agreements for SNF services to include MLTC Level 1 VBP arrangements by December 31, 2017; and

WHEREAS, MCO and Provider wish to amend the Agreement to include an MLTC Level 1 VBP arrangement;

NOW, THEREFORE, the MCO and Provider agree as follows:

**I. DEFINITIONS**

**“Measurement Year”** shall mean the measurement period of analysis to which quality measures selected for the purposes of VBP are applied.

**“MLTC Level 1 VBP Arrangement”** shall mean a performance bonus agreement between an MLTC plan and a provider that is based on meeting performance targets for a set of specific quality measures agreed to in a VBP contract between an MLTC Plan and a provider or group of providers.

**“Nursing Home Quality Initiative” or “NHQI”** shall mean the annual quality and performance evaluation project to improve the quality of care for residents in Medicaid-certified nursing facilities across New York State.

**“PAH”** shall mean the potentially avoidable hospitalizations measure in use as a performance measure in the NHQI, calculated by DOH. PAH is an inpatient hospitalization that might have been avoided if proper outpatient care was received in a timely manner. Six conditions are covered by the PAH measure: 1) anemia; 2) congestive heart failure; 3) electrolyte imbalance; 4) respiratory infection; 5) sepsis; and 6) urinary tract infection.

**“VBP”** shall mean the overall goal of the movement toward value based payment in New York State’s Medicaid program.

**II. MEASURES**

A. Category 1 MLTC VBP Measures for Measurement Year 2018. Category 1 MLTC VBP measures for Measurement Year 2018 are selected from the existing MLTC Quality Incentive. Category 1 MLTC VBP measures are measures that were identified by the MLTC Clinical Advisory Group (“CAG”), accepted by DOH, and published on the DOH website. PAH is one of the existing Category 1 MLTC VBP Measures. This includes both the Community Based MLTC measure and the PAH Nursing Home measure.

B. PAH. MCO and Provider agree to include the PAH measure in the MLTC Level 1 VBP Arrangement.

C. Category 2 MLTC VBP Measures for Measurement Year 2018. Category 2 MLTC VBP measures for Measurement Year 2018 are selected from the existing MLTC Nursing Home Quality Initiative. Category 2 measures have been accepted by the DOH based upon agreement of measure importance, validity, and reliability.

D. As an option, MCO and Provider may agree to include Category 2 MLTC VBP measures in the MLTC Level 1 VBP Arrangement.

E. Calculation of Measures.

(a) DOH will calculate the PAH for Provider-MCO combinations based on attribution files submitted to DOH by MCO.

(b) DOH will provide the PAH calculations for each Provider-MCO combination to MCO semi-annually.

(c) DOH will calculate all other Category 1 MLTC VBP measures for Measurement Year 2018 for Provider-MCO combinations based on attribution files submitted to DOH by MCO.

**III. VALUE BASED PAYMENT**

A. Goals. Provider and MCO agree that the goals of VBP in New York’s Medicaid program are to improve individual and population health outcomes by providing more integrated care, care coordination, and incentives for high quality care in a financially sustainable delivery system.

B. Attribution.

(a) *Provider has 30 or Residents*. Provider must have thirty (30) or more overall residents to participate in an individual MLTC Level 1 VBP Arrangement with MCO.

(b) *Provider has Less Than 30 Residents*. In the event Provider has less than thirty (30) overall residents, Provider agrees that it will participate in an MLTC Level 1 VBP Arrangement through participation in MCO’s Aggregated Provider VBP Program, as described herein.

C. Payment Methodology.

(a) *Baseline*. The baseline for the PAH measure was shared with MCO for each provider in October 2017 using provider organization performance from July through December 2016.

(b) *Comparison for Individual MLTC Level 1 VBP Arrangements*. MCO will compare each PAH measure, as calculated by DOH and provided to MCO for Provider, against the baseline PAH measurement for Provider. In the event that Provider’s PAH measurement has met the targeted measurement criteria, MCO and Provider agree the Provider will receive a performance payment in accordance with the following: [MCO and Provider to determine whether this is annual or semi-annual]

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| --- | --- | --- |
| Selected Measure | Measurement Criteria | VBP Quality Bonus |
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(c) *Future Comparisons for Individual MLTC Level 1 VBP Arrangements.* Each measurement that is compared against the baseline PAH measurement becomes the baseline measurement for the next comparison.

(d) *Comparison for the Aggregated VBP Provider Program*.

EITHER

[In the event Provider has less than thirty (30) overall residents, Provider agrees that its residents, and its baseline PAH measurement, shall be pooled together with all other SNFs that are MCO participating providers and which have less than thirty (30) residents. The average of baseline PAH measures shall be used by MCO as the baseline for the Aggregated VBP Provider Program.]

OR

[In the event Provider has less than thirty (30) overall residents, Provider agrees that it shall either specify a lead provider, which shall be a SNF contracted as a participating provider with MCO, and with whom Provider subcontracts for the purposes of VBP. The lead provider’s PAH measure will be used as the baseline PAH measurement for purposes of this Amendment.]

MCO will compare the average baseline PAH measure against the average of each PAH measure, as calculated by DOH and provided to MCO. In the event the overall PAH measurement meets the targeted measurement criteria, MCO and Provider agree the Provider will receive a performance payment in accordance with the following: [MCO to determine whether this is annual or semi-annual]

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| --- | --- | --- |
| Selected Measure | Measurement Criteria | VBP Quality Bonus |
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(e) *Timing of Payments*. [to be determined by MCO and Provider]

**IN WITNESS WHREOF**, the undersigned, with the intent to be legally bound, have caused this Amendment to be duly executed and effective as of the Effective Date.

