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AHI PPS Budget & Funds Flow Plan

June 2016

INTRODUCTION

In April 2014, the Centers for Medicare and Medicaid Services (CMS) approved New York State's Medicaid waiver resulting in the implementation of New York's Delivery System Reform Incentive Payment (DSRIP) program. This Medicaid waiver included \$6.42 billion dollars for the DSRIP program. New York State subsequently added another \$1.23 billion dollars to DSRIP from State-funds only.

To implement the DSRIP program, Performing Provider Systems (PPSs), comprised of the full continuum of providers who serve the Medicaid population, were established across the state; each PPS had to designate a lead-entity who is primarily responsible for ensuring that the PPS meets all requirements, including reporting to the state and CMS. PPSs must establish a clear business relationship between the component providers, including a joint budget and funding distribution plan that specifies in advance the methodology for distributing funding to participating providers.

The Adirondack Health Institute (AHI) was approved as the lead-entity for the PPS serving the Adirondack region of New York State. Accordingly, the AHI PPS is responsible for developing a budget and funds flow plan that clearly articulates the use of the DSRIP Waiver dollars to satisfy the objectives and goals of DSRIP, including the distribution of funds to AHI PPS participating providers or partners.

OVERVIEW OF BUDGET AND FUNDS FLOW:

The DSRIP program covers a five-year period commencing April 1, 2015 and ending March 31, 2020. For each DSRIP Year (DY1-5), AHI PPS will receive payments from the New York State Department of Health (DOH) based upon AHI PPS's performance in achieving the measurable goals of the DSRIP projects. Requirements of the budget and funds flow include:

- AHI PPS must establish a plan that specifies how the DSRIP funds received will be distributed among the participating providers in the PPS to cover costs and incent the desired behaviors
- The plan should be designed to be able to handle variability in DSRIP funding due to variability in performance of AHI PPS or the New York State as a whole and should reward all partners when the PPS successfully meets its DSRIP goals
- Budgeted amounts over the 5 year span of the DSRIP project need to reflect expected timing impacts (e.g. reduction in readmissions impact not likely to be felt in Year 1)
- The Funds Flow methodology needs to be anchored in the PPS Governance structure and reporting by the PPS should make the flow of funds, and the basis for the flow, transparent to all PPS partners

Accordingly, AHI PPS has designed a budget and funds flow model around three core areas, namely (1) DSRIP Budget, (2) Cash Flow model, and (3) Funds Flow to Partners that incorporates the requirements noted above.

DSRIP BUDGET:

Per DOH guidance, PPS's must account for 5 different budget categories (details contained in Attachment A):

1. Cover project implementation costs
2. Cover costs for the delivery of services currently not or under-funded by Medicaid
3. Pay provider bonus payments
4. Compensate revenue loss

5. Other – including contingency funds

In developing the DSRIP Budget, specific assumptions were utilized for DSRIP revenue and expense projections:

DSRIP Waiver Revenue –

AHI PPS’s DSRIP Project Plan Award Letter reflected a maximum valuation of \$186,715,496 allocated between the following three funds:

Net Project Valuation	\$178,064,187
Net High Performance Fund (3%)	4,814,128
Additional High Performance Fund (State Only)	3,837,181
Total Maximum Award	\$186,715,496

Receipt of funding from the two High Performance Funds is contingent on the availability of funds and AHI PPS exceeding selected high performance metrics. Projecting the receipt of these funds is difficult at this time and is based on future performance. Accordingly, AHI PPS has taken the conservative position of not including the value of these two funds in its DSRIP Budget and Funds Flow. Should AHI PPS receive these funds in the future, a separate funds flow methodology will be developed to reward those partners who impacted the metrics that resulted in the receipt of High Performance funds. Therefore, the budgeted DSRIP Waiver revenue over the five-year period is based on the Net Project Valuation amount of \$178,064,187.

As specified in the Special Terms and Conditions (STCs) of the Medicaid waiver, DSRIP funds are allocated between DY1 through DY5 based on pre-defined percentages included in the STCs. Therefore, the Net Project Valuation amount was spread between the five DSRIP years utilizing these pre-defined percentages.

Valuation Elements:	Per Award Letter	Less: Amounts Not Projected	Total Budgeted Waiver Revenue	DY 1	DY 2	DY 3	DY 4	DY 5	TOTAL
Net Project Valuation	178,064,187		178,064,187	28,195,877	30,050,117	48,592,518	43,029,798	28,195,877	178,064,187
High Performance Fund	4,814,128	(4,814,128)	-						-
Additional High Performance Fund (State Only)	3,837,181	(3,837,181)	-						-
TOTAL VALUATION	186,715,496	(8,651,309)	178,064,187	28,195,877	30,050,117	48,592,518	43,029,798	28,195,877	178,064,187
<i>Waiver Revenue Distribution Percentages per STCs:</i>									
DSRIP Year				DY 1	DY 2	DY 3	DY 4	DY 5	Total
Distribution Percentages				15.83%	16.88%	27.29%	24.17%	15.83%	100.00%

The last item to note with regards to budgeting the DSRIP Waiver revenue is that its actual receipt is based on the AHI PPS as well as New York State as a whole meeting certain metrics and milestones. Some of the metrics and milestones are Pay for Reporting (P4R) whereas other are Pay for Performance (P4P). As the DSRIP program moves from DY1 to DY5, the percentage of dollars distributed to PPS’s moves from P4R to P4P. The table below shows the funding and payment transition:

<i>Payment Percentages:</i>							
Metrics/Milestones	Domain	P4R/P4P	DY 1	DY 2	DY 3	DY 4	DY 5
Project Progress Milestones	Domain 1	P4R	80%	60%	40%	20%	0%
System Transformation and Financial Stability	Domain 2	P4P	0%	0%	20%	35%	50%
		P4R	10%	10%	5%	5%	5%
Clinical Improvement Milestones	Domain 3	P4P	0%	15%	25%	30%	35%
		P4R	5%	10%	5%	5%	5%
Population Health Outcomes	Domain 4	P4R	5%	5%	5%	5%	5%
Subtotal - Domains 2, 3 & 4			20%	40%	60%	80%	100%
Totals			100%	100%	100%	100%	100%

By DY5, 85% of the DSRIP funding is based on P4P which makes budgeting revenue more and more difficult as we move to the out years. The budget model developed by AHI PPS includes the ability to impact revenue based on the non-achievement of metrics and milestones. In addition, as noted in the Cash Flow Model and Funds Flow to Partners sections below, AHI PPS’s funds flow includes a 15% withhold of payments to partners until AHI PPS is assured payment from DOH upon meeting the requisite metrics/milestones.

FOR PURPOSES OF THIS DOCUMENT AND THE NUMBERS THAT FOLLOW, THE EXAMPLES ASSUME 100% ACHIEVEMENT OF METRICS AND MILESTONES. ACTUAL PERFORMANCE AND FUTURE BUDGETING WILL BE ADJUSTED TO REFLECT ANTICIPATED PERFORMANCE, WHICH MAY BE LESS THAN 100% THEREBY REDUCING DSRIP WAIVER REVENUE AND EVENTUALLY PAYMENTS TO PARTNERS.

DSRIP Expense Budget –

AHI PPS has developed a DSRIP Budget consistent with the budget categories provided by DOH. However, given the relative uncertainty of projecting the receipt of DSRIP Waiver revenue, a hierarchy or “priority of spending” has been developed.

1st – DSRIP Waiver revenue is allocated to the costs of the Project Management Office (PMO) and Central Support Services (project-related expenses to be centralized and managed by the PMO).

2nd – DSRIP Waiver revenue is then allocated to the Contingency, Sustainability and Innovation funds.

3rd – The balance of the DSRIP Waiver revenue, which will be a majority of the DSRIP funds, will be allocated to partner payments for project specific costs (cost of implementation, services not covered by Medicaid, revenue loss, partner bonuses, non-safety net providers); this partner payment bucket will be allocated by project consistent with DSRIP’s project index scores used to establish the Net Project Valuation amount.

Based on this hierarchy/priority of spending model, and approved budgets to-date, the first two steps result in the following amounts being allocated to budget categories as defined by DOH:

Budget Items	DY 1	DY 2	DY 3	DY 4	DY 5	TOTALS
WAIVER REVENUE	28,195,877	30,050,117	48,592,518	43,029,798	28,195,877	178,064,187
PMO - Administrative	3,780,800	3,830,000	3,742,800	3,851,934	3,760,017	18,965,551
DSRIP Project Specific Costs:						
PPS-Level Support Services	5,654,566	6,676,516	5,949,110	5,070,797	5,777,136	29,128,126
Payments to Partners	17,350,717	12,031,071	28,696,180	26,792,001	14,429,342	99,299,311
Total DSRIP Project Specific	23,005,283	18,707,588	34,645,290	31,862,799	20,206,478	128,427,437
Sustainability	-	2,404,009	3,887,401	2,151,490	1,409,794	9,852,695
Contingencies	1,409,794	4,507,518	4,859,252	3,442,384	1,409,794	15,628,741
Innovation	-	601,002	1,457,776	1,721,192	1,409,794	5,189,764
TOTAL COSTS	28,195,877	30,050,117	48,592,518	43,029,798	28,195,877	178,064,187

Further allocating the Partner Payments budget category by project for the five-year DSRIP project period, based on DOH's project index scores, results in the following: (details by year can be found in Attachment B):

<i>Total Allocation - DSRIP Years 1 - 5:</i>							
Project	Project Name	% of Total	Allocation of Waiver Revenue	Less: PMO Infrastructure	Less: PPS-Level Support Services	Less: Fund Allocations	Balance by Project*
2.a.i	Create an IDS	14.39%	25,622,479	2,729,041	6,569,155	4,413,421	11,910,862
2.a.ii	Increase PCMH certification	9.70%	17,271,180	1,839,547	2,559,390	2,974,926	9,897,317
2.a.iv	Create a medical village	13.58%	24,182,565	2,575,676	2,828,251	4,165,398	14,613,239
2.b.viii	Hospital-Home Care collaboration	10.89%	19,396,936	2,065,961	2,268,552	3,341,083	11,721,340
2.d.i	Implementation of PAM	9.82%	17,487,404	1,862,577	5,037,684	3,012,170	7,574,972
3.a.i	Primary Care/Behavioral Health integration	9.40%	16,729,149	1,781,816	1,956,544	2,881,562	10,109,228
3.a.ii	Crisis stabilization	8.82%	15,704,793	1,672,712	1,836,741	2,705,119	9,490,221
3.a.iv	Develop withdrawal management	8.52%	15,170,696	1,615,825	1,774,276	2,613,122	9,167,473
3.g.i	IHI "Conversation Ready" model	5.24%	9,339,352	994,731	1,092,276	1,608,685	5,643,660
4.a.iii	Strengthen MH and SA Infrastructure	5.18%	9,224,226	982,469	2,206,178	1,588,854	4,446,725
4.b.ii	Increase Chronic Disease Management	4.46%	7,935,407	845,197	999,079	1,366,858	4,724,273
TOTALS		100.00%	178,064,187	18,965,551	29,128,126	30,671,199	99,299,311

*Includes 5% payment to Non-Safety Net Providers

FUNDS FLOW TO PARTNERS:

Engagement Funds -

Funds flows to partners has been broken down into several stages. The first stage was a series of engagement funds. Round one of engagement funds used a tiered methodology. Partners were assigned to one of three tiers as follows:

- Tier 1 - Hospital systems and multi-site primary care partners that have provided leadership to Regional Health Innovation Teams, are committed to participation in multiple projects, are key Safety Net providers in their respective regions, and have significant reach into the target population.
- Tier 2 – Includes (1) Behavioral Health partners that are at the forefront of integrating behavioral health and primary care, or are leading ambulatory withdrawal management or community-based crisis stabilization projects; and (2) partners with multiple lines in the post-acute services and supports sector.
- Tier 3 – Partners, not assigned on a previous tier, that have actively participated in Project Teams and/or Committees, including: (1) Counties that have been actively engaged during the planning period and are not already assigned on tier 2, (2) Regional Prevention Councils / Teams that are core to Project 4a.iii, (3) Hospice providers, (4) Primary Care Providers implementing Project 2a.ii, that are not under the umbrella of a partner

assigned on a higher tier, (5) Organizations driving patient activation and engagement under Project 2di, and (6) other Community-Based Organizations.

The result of round one engagement funds was 57 partners receiving a total of \$2,825,000 dollars. The majority of round one engagement funds were distributed by March 31, 2016.

	<u>Tier 1</u>	<u>Tier 2</u>	<u>Tier 3</u>	<u>Total</u>
# of Partners	6	11	40	57
Per Partner Payment	\$ 200,000	\$ 75,000	\$ 20,000	
Total	\$ 1,200,000	\$ 825,000	\$ 800,000	\$ 2,825,000

Release of round one funds were contingent upon partners executing and returning the following information:

- Signed Terms of Participation
- Business Associates Agreement
- Project Impact Survey
- W9
- Financial Stability Survey

Round two of the engagement funds targeted the distribution of an additional \$5,000,000 and was broken down into four equally weighted pools of \$1,250,000 each. The four pools were as follows:

- Tier
- Provider Type
- Attribution
- Point System

The tier pool used the category definitions used in the engagement funds round one distribution and included only partners who received engagement funds in round one. The remaining three pools included the universe of partners, 103 total, who have signed the terms of participation. The provider type pool calculated a flat payment by provider type using a weighted distribution of total pool dollars by budgeted waiver revenue distribution by provider type. The attribution pool first allocated funds to each of the four regions then to provider specific attribution. The point system pool assigned a point system summing the number of projects a partner has shown interest in and a one to three project impact score for each project. AHI Project Management staff completed the first draft of scores that were then reviewed by RHIT leaders. The sum of the results in each of the four pools is the total distribution by partner.

The methodology for distribution of engagement funds round two was developed over a series of four meetings of the PPS Finance Committee and Funds Flow Workgroup held between May 2, 2016 and June 8, 2016.

Round two engagement funds are targeted to be distributed by June 30, 2016 and have received approval for distribution at (1) the June 8, 2016 PPS Finance Committee meeting, (2) the June 14, 2016 PPS Steering Committee meeting, and (3) the June 20, 2016 AHI Board of Directors meeting.

Project Scope Schedules -

The second stage of the funds flow plan to partners involves the development of the project scope schedules. These schedules are designed with activity payments that were developed with the following considerations:

- DSRIP dollars must be earned
- Aligning Partner requirements with PPS requirements
- Ensuring funding for all partners
- Complying with DSRIP 95/5 Safety Net funds flow requirement
- Utilizing existing reporting requirements to collect data to support funds flow whenever possible
- Flow funds early and continuously throughout each project
- Weight critical activities more heavily

The initial round of project scope schedules was developed with a focus on projected P4R waiver revenue. A second round of project scope schedules will be developed with a focus on P4P waiver revenue. The project scope schedules will serve as the basis for project specific amendments to the Participation Agreement. The release of these initial round of amendments to partners for execution is planned for DY2Q2. The development of the second round of project scope schedules will begin in DY2Q3 with a target for completion in DY2Q4.

The budgeted total partner payments by project for DY2 + DY3 are as follows:

DSRIP Waiver Revenue by Achievement Values (DY2 + DY3)				
P4R & P4P Allocation by Project				
				Project
Project	Project Name	P4R	P4P	Total
2.a.i	Create an IDS	\$ 1,690,077	\$ 3,356,257	\$ 5,046,334
2.a.ii	Increase PCMH certification	\$ 1,777,751	\$ 2,262,331	\$ 4,040,082
2.a.iv	Create a medical village	\$ 2,869,233	\$ 3,167,644	\$ 6,036,877
2.b.viii	Hospital-Home Care collaboration	\$ 2,301,423	\$ 2,540,781	\$ 4,842,204
2.d.i	Implementation of PAM	\$ 640,826	\$ 2,280,679	\$ 2,921,506
3.a.i	Primary Care/Behavioral Health integration	\$ 1,216,017	\$ 2,960,207	\$ 4,176,224
3.a.ii	Crisis stabilization	\$ 1,141,558	\$ 2,778,948	\$ 3,920,506
3.a.iv	Develop withdrawal management	\$ 1,102,736	\$ 2,684,440	\$ 3,787,176
3.g.i	IHI "Conversation Ready" model	\$ 2,331,453	\$ -	\$ 2,331,453
4.a.iii	Strengthen MH and SA Infrastructure	\$ 1,683,913	\$ -	\$ 1,683,913
4.b.ii	Increase Chronic Disease Management	\$ 1,940,976	\$ -	\$ 1,940,976
Totals		\$ 18,695,964	\$ 22,031,287	\$ 40,727,251

The specific project scope schedules are included as Attachment C with a separate schedule for each of the eleven DSRIP projects. Language in each project scope agreement will include a 15% Achievement Value (AV) withhold for Project Activity Payments. Withholds will be paid out upon the PPS and NYS achieving the AV for the DSRIP program. Several projects contain activity payments designated for "downstream" participants. These projects focused on activity payments for the primary provider type participants. Methodologies for distribution of funds to the secondary,

supporting participants is still under development. The downstream Budget dollars by project are set-aside for these supporting activities with methods for distribution to be developed.

Partner Involvement -

Partner involvement and feedback for the budget and funds flow development was obtained through an active meeting schedule in DY2Q1 of the PPS Finance Committee and a Funds Flow Workgroup. The meetings held in DY2Q1 were as follows:

<u>Date</u>	<u>Meeting</u>
4/21/2016	PPS Finance Committee
5/2/2016	Funds Flow Workgroup
5/11/2016	PPS Finance Committee
5/11/2016	Funds Flow Workgroup
5/25/2016	PPS Finance Committee
6/8/2016	PPS Finance Committee
6/13/2016	PPS Finance Committee
6/22/2016	PPS Finance Committee

Members of the PPS Finance Committee also volunteered to review draft project scope schedules as they were being finalized in early-mid June. Additionally, the early development stages of the project scope schedules included conversations between partners and AHI Project Managers to discuss activity payment concepts. These bulk of these conversation were held prior to DY2Q1.

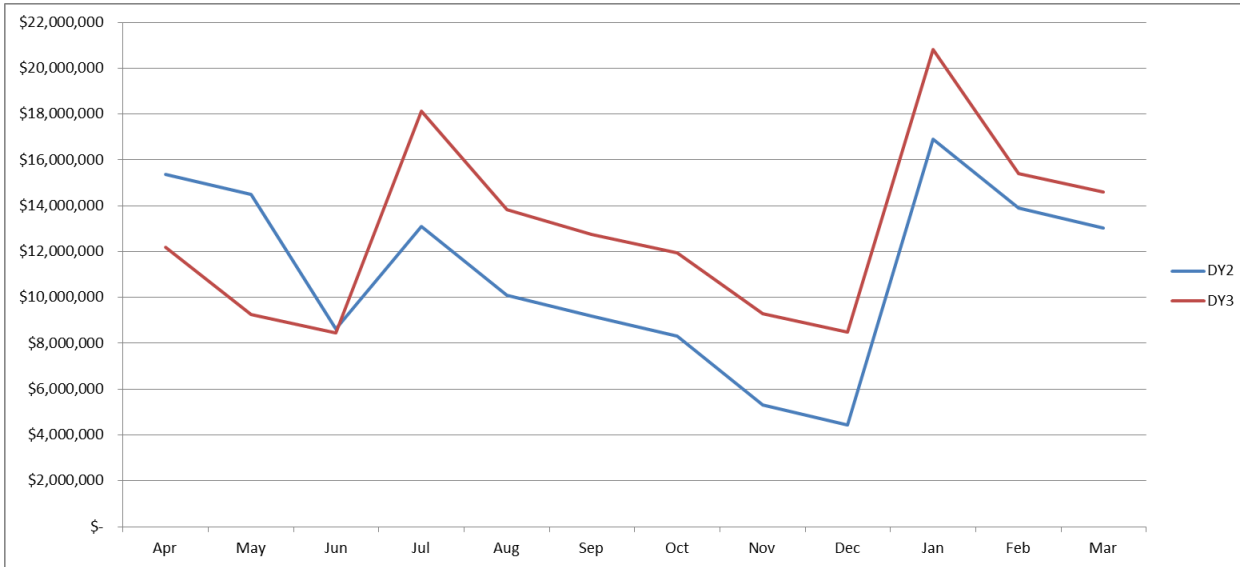
Communication of Plan -

In addition to the PPS Finance Committee presentation planned for June 22, 2016 and the PPS Steering Committee presentation planned for June 27, 2016, AHI will host a recorded webinar to review the Budget & Funds Flow Plan.

CASH FLOW MODEL:

The timing of payments from DOH to AHI PPS under the terms of the DSRIP program creates a challenge to AHI PPS to incentivize partners to implement projects. DOH's payment schedule is constructed to pay AHI PPS for activities completed during a six-month measurement period, four months after the close of that period, almost ten months after-the-fact. Meanwhile, to incentivize AHI PPS partners to participate in projects that will drive change and satisfy the requisite metrics/milestones, AHI PPS must create a funds flow methodology that funds the requisite activities throughout the measurement period. AHI PPS intends to disburse payments to its partners on a quarterly basis for P4R funds, net of a 15% withhold, and pay partners on a semi-annual basis for P4P funds, net of a 15% withhold, consistent with how AHI PPS is reimbursed from DOH for DSRIP funds tied to P4P. The withhold amounts would be released to providers upon AHI PPS's satisfaction of the required metrics/milestones as well as the individual partners.

Based on the current understanding of the disbursement of DSRIP Waiver revenue and AHI PPS's intended structure of payment to partners, AHI PPS's cash flow for DY2 and DY3 are depicted below:



Detailed cash flow projections for DY2 and DY3 are included in Attachment D.

ATTACHMENT A:

DSRIP Budget & Funds Flow – Budget Categories

1. Cover project implementation costs

This cost bucket covers three separate project implementation cost types:

- Costs for PPS administration and PPS-level PMO
- Project implementation costs relevant to more than one project (e.g. supporting PCMH achievement for example, which is a requirement for several projects, or introducing disease management and population health capabilities)
- Project-specific implementation and organizational transformation costs: salaries and benefits; contractor costs; materials and supplies

2. Cover costs for the delivery of services currently not or under-reimbursed by Medicaid

- These can be both care or community based services
- These services should become reimbursed through the introduction of value-based payments before the end of the DSRIP project

3. Pay Provider Bonus Payments

- Bonus payments to partners for meeting and exceeding their goals as part of achieving the overall PPS' DSRIP goals and metrics

4. Compensate Revenue Loss

- Reduction in bed capacity, closure of a clinic site or other significant changes in existing business models can result in revenue losses that may be compensated through DSRIP funds
- Funding to sustain financially fragile Safety Net providers (e.g., IAAF funds stop per April 1st)

5. Other

- This category may cover several different types of cost not covered in the other four categories, such as a contingency fund for unexpected items or reductions for a statewide miss

ATTACHMENT B:

DETAIL DSRIP BUDGETS BY YEAR (DY2 – DY5)

<i>Allocation - DSRIP Year 2:</i>							
Project	Project Name	% of Total	Allocation of Waiver Revenue	Less: PMO Infrastructure	Less: PPS-Level Support Services	Less: Fund Allocations	Balance by Project
2.a.i	Create an IDS	14.39%	4,324,050	551,116	1,304,787	1,081,013	1,387,134
2.a.ii	Increase PCMH certification	9.70%	2,914,685	371,488	608,851	728,671	1,205,675
2.a.iv	Create a medical village	13.58%	4,081,050	520,145	665,180	1,020,263	1,875,463
2.b.viii	Hospital-Home Care collaboration	10.89%	3,273,427	417,211	533,544	818,357	1,504,316
2.d.i	Implementation of PAM	9.82%	2,951,175	376,138	1,196,417	737,794	640,826
3.a.i	Primary Care/Behavioral Health integration	9.40%	2,823,212	359,829	460,162	705,803	1,297,418
3.a.ii	Crisis stabilization	8.82%	2,650,341	337,796	431,985	662,585	1,217,975
3.a.iv	Develop withdrawal management	8.52%	2,560,207	326,308	417,294	640,052	1,176,553
3.g.i	IHI "Conversation Ready" model	5.24%	1,576,109	200,881	256,894	394,027	724,307
4.a.iii	Strengthen MH and SA Infrastructure	5.18%	1,556,681	198,405	563,127	389,170	405,979
4.b.ii	Increase Chronic Disease Management	4.46%	1,339,180	170,683	238,276	334,795	595,425
TOTALS		100.00%	30,050,117	3,830,000	6,676,516	7,512,529	12,031,071
<i>Allocation - DSRIP Year 3:</i>							
Project	Project Name	% of Total	Allocation of Waiver Revenue	Less: PMO Infrastructure	Less: PPS-Level Support Services	Less: Fund Allocations	Balance by Project
2.a.i	Create an IDS	14.39%	6,992,202	538,569	1,326,072	1,468,362	3,659,199
2.a.ii	Increase PCMH certification	9.70%	4,713,189	363,030	525,982	989,770	2,834,407
2.a.iv	Create a medical village	13.58%	6,599,259	508,303	543,698	1,385,844	4,161,414
2.b.viii	Hospital-Home Care collaboration	10.89%	5,293,293	407,712	436,102	1,111,592	3,337,888
2.d.i	Implementation of PAM	9.82%	4,772,195	367,574	1,121,780	1,002,161	2,280,679
3.a.i	Primary Care/Behavioral Health integration	9.40%	4,565,272	351,636	376,122	958,707	2,878,806
3.a.ii	Crisis stabilization	8.82%	4,285,732	330,105	353,092	900,004	2,702,532
3.a.iv	Develop withdrawal management	8.52%	4,139,981	318,879	341,084	869,396	2,610,623
3.g.i	IHI "Conversation Ready" model	5.24%	2,548,646	196,307	209,977	535,216	1,607,146
4.a.iii	Strengthen MH and SA Infrastructure	5.18%	2,517,229	193,888	516,789	528,618	1,277,935
4.b.ii	Increase Chronic Disease Management	4.46%	2,165,519	166,797	198,412	454,759	1,345,551
TOTALS		100.00%	48,592,518	3,742,800	5,949,110	10,204,429	28,696,180
<i>Allocation - DSRIP Year 4:</i>							
Project	Project Name	% of Total	Allocation of Waiver Revenue	Less: PMO Infrastructure	Less: PPS-Level Support Services	Less: Fund Allocations	Balance by Project
2.a.i	Create an IDS	14.39%	6,191,757	554,273	1,277,438	1,052,599	3,307,448
2.a.ii	Increase PCMH certification	9.70%	4,173,638	373,615	409,360	709,518	2,681,144
2.a.iv	Create a medical village	13.58%	5,843,797	523,124	476,562	993,445	3,850,666
2.b.viii	Hospital-Home Care collaboration	10.89%	4,687,334	419,600	382,252	796,847	3,088,635
2.d.i	Implementation of PAM	9.82%	4,225,889	378,292	911,839	718,401	2,217,356
3.a.i	Primary Care/Behavioral Health integration	9.40%	4,042,654	361,890	329,678	687,251	2,663,835
3.a.ii	Crisis stabilization	8.82%	3,795,115	339,730	309,492	645,170	2,500,723
3.a.iv	Develop withdrawal management	8.52%	3,666,049	328,177	298,966	623,228	2,415,678
3.g.i	IHI "Conversation Ready" model	5.24%	2,256,885	202,031	184,049	383,670	1,487,134
4.a.iii	Strengthen MH and SA Infrastructure	5.18%	2,229,065	199,541	333,780	378,941	1,316,802
4.b.ii	Increase Chronic Disease Management	4.46%	1,917,617	171,661	157,382	325,995	1,262,580
TOTALS		100.00%	43,029,798	3,851,934	5,070,797	7,315,066	26,792,001
<i>Allocation - DSRIP Year 5:</i>							
Project	Project Name	% of Total	Allocation of Waiver Revenue	Less: PMO Infrastructure	Less: PPS-Level Support Services	Less: Fund Allocations	Balance by Project
2.a.i	Create an IDS	14.39%	4,057,235	541,046	1,577,723	608,585	1,329,881
2.a.ii	Increase PCMH certification	9.70%	2,734,834	364,700	458,422	410,225	1,501,488
2.a.iv	Create a medical village	13.58%	3,829,229	510,641	545,256	574,384	2,198,948
2.b.viii	Hospital-Home Care collaboration	10.89%	3,071,441	409,587	437,352	460,716	1,763,785
2.d.i	Implementation of PAM	9.82%	2,769,073	369,265	925,532	415,361	1,058,915
3.a.i	Primary Care/Behavioral Health integration	9.40%	2,649,006	353,254	377,200	397,351	1,521,200
3.a.ii	Crisis stabilization	8.82%	2,486,802	331,624	354,104	373,020	1,428,054
3.a.iv	Develop withdrawal management	8.52%	2,402,230	320,346	342,061	360,334	1,379,488
3.g.i	IHI "Conversation Ready" model	5.24%	1,478,856	197,210	210,579	221,828	849,238
4.a.iii	Strengthen MH and SA Infrastructure	5.18%	1,460,626	194,779	359,983	219,094	686,769
4.b.ii	Increase Chronic Disease Management	4.46%	1,256,546	167,565	188,924	188,482	711,575
TOTALS		100.00%	28,195,877	3,760,017	5,777,136	4,229,382	14,429,342

ATTACHMENT C:

Project 2.a.i

The Activity Payments concept is not being used for Project 2.a.i. The method for distribution is being developed with the following recommendation:

DSRIP Project 2.a.i "IDS"			<u>DY2 + DY3 Waiver Revenue Estimates</u>	
Partner Funds Flow Plan - P4R Budget			P4R	\$ 1,690,077
			P4P	\$ 3,356,257
			P4R+P4P	\$ 5,046,334
<u>Step 1-Weight by Provider Type Pool</u>				
<u>Provider Type</u>	<u>Weight</u>	<u>P4R Pool</u>		
Primary Care & Clinics	20.00%	\$ 338,015		
Hospital	35.00%	\$ 591,527		
Behavioral Health	17.50%	\$ 295,763		
Substance Abuse	10.00%	\$ 169,008		
SNF	5.00%	\$ 84,504		
Hospice	2.50%	\$ 42,252		
Health Home / Care Mngt	2.50%	\$ 42,252		
Home Care	2.50%	\$ 42,252		
CBOs	5.00%	\$ 84,504		
	100.00%	\$ 1,690,077		
<u>Step 2-Metrics to estimate relative size by provider group & therefore ability to contribute to success of project goals</u>				
<u>Provider Type</u>	<u>Metric</u>			
Primary Care (Including Clinics)	# of Medicaid + Uninsured Visits			
Hospital	50% - IP Medicaid + Uninsured Days / 50% - # Medicaid + Uninsured ER Visits			
Behavioral Health	# Medicaid + Uninsured Visits			
Substance Abuse	# Medicaid + Uninsured Visits			
SNF	# of Medicaid + Uninsured Days			
Hospice	# of Medicaid + Uninsured Days			
Health Home / Care Mngt	# lives served			
Home Care	# of Medicaid + Uninsured Days			
CBOs	# lives served			
Note2: 1) Metrics for partners with multiple provider types will be counted in each applicable type				
2) Data collection sheet to be distributed. Request 2015 Cost Report / Census Information from each Partner				
<u>Step 3-Distribution by provider within each provider type based upon % metrics by each type</u>				
-distribute data collection sheets week of 6/27/16				
-request return & completion by 7/22/16				
-finalize calculations week of 7/25/16				

ATTACHMENT C:

Project 2.a.ii

DSRIP Project 2.a.ii "PCMH"				DY2 + DY3 Waiver Revenue Estimates		
Activity Payments Schedule				P4R	\$	1,777,751
				P4P	\$	2,262,331
				P4R+P4P	\$	4,040,082
				Activity Pool		Activity Pmts
Project Activity	Description	Rational	% of Funding	Pmt Mode	P4R Only	P4R Only
One	PCMH 1 - Patient Centered Access	basic	11%	Per Practice Site	\$ 193,936	\$ 2,204
Two	PCMH 2 - Team Based Care	basic	4%	Per Practice Site	\$ 64,645	\$ 735
Three	PCMH 3 - Population Health Management	basic	4%	Per Practice Site	\$ 64,645	\$ 735
Four	PCMH 4 - Care Management & Support	basic	4%	Per Practice Site	\$ 64,645	\$ 735
Five	PCMH 5 - Care Coordination & Care Transitions	basic	18%	Per Practice Site	\$ 323,227	\$ 3,673
Six	PCMH 6 - Performance Measurement & Quality Improvement	basic	4%	Per Practice Site	\$ 64,645	\$ 735
Seven	Achieve PCMH Level 3 per Practice Site	4	22%	Per Practice Site	\$ 387,873	\$ 4,408
Eight	Staff Trained on PCMH/Advanced Primary Care Models	basic	7%	Per Practice Site	\$ 129,291	\$ 1,469
Nine	Preventive Care Screenings (Medical & Behavioral)	requires pt outreach; integrating BH	16%	Per Screening Visit	\$ 290,905	\$ 2
Ten	Open Access Scheduling / Monitor "No Show" Rates		11%	Per Practice Site	\$ 193,936	\$ 2,204
					\$ 1,777,751	
Estimated Participants Through DY3 Q4 (03/31/2018)						
# of practices		88		Total per Practice Site	\$ 20,202	

ATTACHMENT C:

Project 2.a.iv

DSRIP Project 2.a.iv "Medical Village"				DY2 + DY3 Waiver Revenue Estimates		
Activity Payments Schedule				P4R	\$ 2,869,233	
				P4P	\$ 3,167,644	
				P4R+P4P	\$ 6,036,877	
					Activity Pool	Activity Pmts
Project Activity	Description	Rational	% of Funding	Pmt Mode	P4R Only	P4R Only
One	Strategic Plan		30%	Per Medical Village	\$ 860,000	\$ 215,000
Two	CON Application		50%	Per Medical Village	\$ 1,434,000	\$ 358,500
Three	Reporting Patient Engagement (2+ non emergency visits)	requires development of process to track patients throughout the medical village & identify "non-emergency" services; requires quarterly reporting	20%	Per Engaged Patient	\$ 575,233	\$ 225
			100%		\$ 2,869,233	
* Split equally among four partners:						
	Percentage	Act One	Act Two	Total		
ADK H	25%	\$ 215,000	\$ 358,500	\$ 573,500		
CVPH	25%	\$ 215,000	\$ 358,500	\$ 573,500		
GFH	25%	\$ 215,000	\$ 358,500	\$ 573,500		
MLH	25%	\$ 215,000	\$ 358,500	\$ 573,500		
Total	100%	\$ 860,000	\$ 1,434,000	\$ 2,294,000		

ATTACHMENT C:

Project 2.b.viii

DSRIP Project 2.b.viii "Hospital to Home"				DY2 + DY3 Waiver Revenue Estimates		
Activity Payments Schedule				P4R	\$	2,301,423
				P4P	\$	2,540,781
				P4R+P4P	\$	4,842,204
				Activity Pool		Activity Pmts
Project Activity	Description	Rational	% of Funding	Pmt Mode	P4R Only	P4R Only
One	Assemble Rapid Response Teams (RRT's)		15.0%	Per participating partner	\$ 345,000	\$ 23,000
Two	Implement Telehealth Program	Equipment costs & training staff; outreach to patients to engage in telehealth monitoring	22.5%	Per participating partner	\$ 517,500	\$ 34,500
Three	Down-Streaming	Contracting w/downstream providers & implement process to administer contracts	25.0%	Pool for payments to downstream partners	\$ 575,889	TBD
Four	Home Care Agencies Provide Care Management	Ongoing care management for patients & communication with PCPs to adjust care plans	37.5%	Per actively engaged patient	\$ 863,034	\$ 100
			100%		\$ 2,301,423	
Estimated Primary Participants Through DY3 Q4 (03/31/2018)						
# of home care agencies engaged in project			15			

AHI	
DSRIP 2.b.viii Organizations	
<u>Organization</u>	
1	Community Health Center of St. Mary's & Nathan Littauer
2	Essex County Public Health
3	Fort Hudson Certified Home Health Agency, Inc.
4	Fort Hudson Home Care, Inc.
5	Franklin County Public Health
6	HCR Home Care (L. Woerner, Inc.)
7	Health Services of Northern New York
8	High Peaks Hospice and Palliative Care
9	Hospice of the North Country, Inc.
10	Interim Health Care
11	Living Resources CHHA, Living Resource Home Care
12	North Country Home Services, Inc.
13	United Helpers and Northern Lights Home Health Care
14	VNA Home Health
15	Warren County Health Services

ATTACHMENT C:

Project 2.d.i

DSRIP Project 2.d.i "PAM" plus Pools				DY2 + DY3 Waiver Revenue Estimates		
Activity Payments Schedule				P4R	\$	640,826
				P4P	\$	2,280,680
				P4R+P4P	\$	2,921,506
					Activity Pool	Activity Pmts
Project Activity	Description	Rational	% of Funding	Pmt Mode	P4R+P4P	P4R+P4P
One	Administer the Patient Activation Measure (PAM®) survey to the Project 2.d.i target population	Necessary to meet Actively Engaged targets for speed & scale metrics; contributes to completions of requirements for Milestones 5 & 9	64%	Per Successful PAM survey	\$ 1,875,000	\$ 25
Two	Mine internal patient/consumer data to identify, and perform outreach to, individuals within the Project 2.d.i target population, with the intent to administer the PAM® survey.	Necessary to meet Actively Engaged targets for speed & scale metrics; documentation collected from outreach activities regarding referrals contributes to completion of Milestone 9 requirements	4%	Per Successful PAM referral	\$ 125,000	\$ 5
Three	Successfully coach individuals served utilizing Coaching for Activation® web platform and other patient activation and engagement techniques, such as motivational interviewing and shared decision making.	Meets requirements for Milestones 7, 9	18%	Per 2.d.i participating Organization	\$ 521,506	TBD *
Four	Assign a current employee, or recruit/hire a new employee, to function as a Community Navigator; ensure Community Navigator is prominently placed.	Meets requirements for Milestones 1, 9, 11, 13, 14, 16,	14%	Per 2.d.i participating Organization	\$ 400,000	TBD *
			100%			
					\$ 2,921,506	(P4R + P4P)

* - Note: Figure represents the total pool available for activities 3 & 4. Participants to be determined by Community and Beneficiary Engagement Committee.
of actual participants will dictate payments per participant.

ATTACHMENT C:

Project 3.a.ii

DSRIP Project 3.a.ii "Crisis Stabilization"				DY2 + DY3 Waiver Revenue Estimate		
Activity Payments Schedule				P4R	\$ 1,141,559	
				P4P	\$ 2,778,948	
				P4R+P4P	\$ 3,920,507	
				Activity Pool	Activity Pmts	
Project Activity	Description	Rational	% of Funding	Pmt Mode	P4R Only	P4R Only
One	Develop Treatment Protocols		5%	Per Program	\$ 60,000	\$ 10,000
Two	Demonstrate Mobile Crisis Capability	Requires establishment of program	11%	Per Program	\$ 120,000	\$ 20,000
Three	Establish Centralized Triage Service	Requires development of program throughout the medical neighborhood	24%	Per Program	\$ 270,000	\$ 45,000
Four	Report on Patients Engaged In Program	Requires patient outreach & quarterly reporting	26%	Per Actively Engaged	\$ 300,000	\$ 20
Five	Downstream		34%	Downstream Pool	\$ 391,559	
			100%		\$ 1,141,559	
Estimated Participants Through DY3 Q4 (03/31/2018)						
# of crisis stabilization programs			6			

AHI	
DSRIP 3.a.ii Organizations	
<u>Organization</u>	
1	Behavioral Health Services North
2	Citizens Advocates, Inc.
3	Glens Falls Hospital
4	Mental Health Association of Essex County
5	The Family Counseling Center

Note: 5 potential current projects with possibility for 6. Activity payment schedule is designed with assumed 6 projects. Any budget funds undistributed could be either 1) used to increase downstream pool 2) increase funding to projects that move forward or 3) be included in P4P schedule development.

ATTACHMENT C:

Project 3.a.iv

DSRIP Project 3.a.iv "Withdrawal Management"				DY2 + DY3 Waiver Revenue Estimates		
Activity Payments Schedule				P4R	\$ 1,102,735	
				P4P	\$ 2,684,440	
				P4R+P4P	\$ 3,787,175	
				Activity Pool	Activity Pmts	
Project Activity	Description	Rational	% of Funding	Pmt Mode	P4R Only	P4R Only
One	Adoption of clinical guidelines and development of evidence-based treatment protocols for community-based withdrawal management (ambulatory detoxification) consistent with generally accepted principles of quality care.	requires development of program, outreach to clients and ongoing monitoring	10%	Per Organization	\$ 110,000	\$ 22,000
Two	Become OASAS Certified to Provide Ambulatory Detox	certification process	50%	Per Organization	\$ 550,000	\$ 110,000
Three	Provide Outpatient Withdrawal Management	requires establishment of program	20%	Per Actively Engaged	\$ 222,735	\$ 150
Four	Down-Streaming	identify, contract & manage relationships	20%		\$ 220,000	TBD
			100%		\$ 1,102,735	
Estimated Participants Through DY3 Q4 (03/31/2018)						
# of potential providers			5			

AHI	
DSRIP 3.a.iv Organizations	
<u>Organization</u>	
1	Champlain Valley Family Center for Drug Treatment
2	Citizens Advocates, Inc.
3	Glens Falls Hospital

Note: Activity payment schedule is designed with assumed 5 projects. It is unclear at this point how many projects will proceed. Any budget funds undistributed could be either 1) used to increase downstream pool 2) increase funding to projects that move forward or 3) be included in P4P schedule development.

ATTACHMENT C:

Project 3.g.i

DSRIP Project 3.g.i "Palliative Care"				DY2 + DY3 Waiver Revenue Estimates		
Activity Payments Schedule				P4R	\$	2,331,453
				P4P	\$	-
				P4R+P4P	\$	2,331,453
				Activity Pool		Activity Pmts
Project Activity	Description	Rational	% of Funding	Pmt Mode	P4R Only	P4R Only
One	Adoption of Clinical Protocols & engage staff in training to increase role-appropriate competence in palliative care skills/protocols		26%	Per Practice Site	\$ 600,000	\$ 10,000
Two	Palliative Outcome Scale (POS) Screenings	requires establishing workflow, training providers/staff, ongoing case management & IT ability to report on assessments quarterly	49%	Per Screening	\$ 1,147,500	\$ 150
Three	Down-Streaming		25%	Downstream pool	\$ 583,953	TBD
			100%		\$ 2,331,453	
Estimated Participants Through DY3 Q4 (03/31/2018)						
# of practice sites in project			60			

ATTACHMENT C:

Project 4.a.iii

Project plans for Project 4.a.iii (Strengthen MH & SA Infrastructure) continue to be developed. The PPS Network Committee and PPS Clinical Governance & Quality Committees will be utilized to include an array of stakeholders with community and clinical representation in advising strategies for funds flow. A total of \$1,683,913 is available for partner distribution for this project.

ATTACHMENT C:

Project 4.b.ii

Project plans for Project 4.b.ii (Increase Chronic Disease Management) continue to be developed. The PPS Network Committee and PPS Clinical Governance & Quality Committees will be utilized to include an array of stakeholders with community and clinical representation in advising strategies for funds flow. A total of \$1,940,976 is available for partner distribution for this project.

ATTACHMENT D:

DETAILED CASH FLOW PROJECTIONS – DY2 AND DY3

DSRIP Year 2 (April 1, 2016 - March 31, 2017)													
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total
INFLOWS:													
DSRIP Waiver Revenue -													
P4R Revenue	-	-	-	5,639,175	-	-	-	-	-	14,061,007	-	-	19,700,182
P4P Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-
Withdrawals from Contingency	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL INFLOWS	-	-	-	5,639,175	-	-	-	-	-	14,061,007	-	-	19,700,182
OUTFLOWS:													
Partner P4R Payments / Safety Net Providers	-	-	5,000,000	-	2,146,881	-	-	2,146,881	-	-	2,146,881	-	11,440,642
Partner P4P Payments / Safety Net Providers	-	-	-	-	-	-	-	-	-	-	-	-	-
Partner Payment Withhold / AV Penalties	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL OUTFLOW	-	-	5,000,000	-	2,146,881	-	-	2,146,881	-	-	2,146,881	-	11,440,642
PMO and PPS Central Support Services -													
PMO Salaries	214,583	214,583	214,583	214,583	214,583	214,583	214,583	214,583	214,583	214,583	214,583	214,583	2,575,000
PMO Other	104,583	104,583	104,583	104,583	104,583	104,583	104,583	104,583	104,583	104,583	104,583	104,583	1,255,000
PPS Support Services	556,376	556,376	556,376	556,376	556,376	556,376	556,376	556,376	556,376	556,376	556,376	556,376	6,676,516
AHI 2.d.i Activation Costs	-	-	-	-	-	-	-	-	-	-	-	-	-
Total PMO and PPS Central Support Services	875,543	875,543	875,543	875,543	875,543	875,543	875,543	875,543	875,543	875,543	875,543	875,543	10,506,517
PPS-Entity Network Fund Allocations -													
Sustainability	-	-	-	-	-	-	-	-	-	-	-	-	-
Contingencies	-	-	-	281,959	-	-	-	-	-	703,050	-	-	985,009
Innovation	-	-	-	-	-	-	-	-	-	-	-	-	-
Total PPS-Entity Network Fund Allocations	-	-	-	281,959	-	-	-	-	-	703,050	-	-	985,009
TOTAL OUTFLOW	875,543	875,543	5,875,543	1,157,502	3,022,424	875,543	875,543	3,022,424	875,543	1,578,593	3,022,424	875,543	22,932,168
NET CASH FLOW	(875,543)	(875,543)	(5,875,543)	4,481,673	(3,022,424)	(875,543)	(875,543)	(3,022,424)	(875,543)	12,482,414	(3,022,424)	(875,543)	(3,231,986)
CASH - BEGINNING OF PERIOD	16,247,488	15,371,945	14,496,402	8,620,859	13,102,532	10,080,109	9,204,566	8,329,023	5,306,599	4,431,056	16,913,469	13,891,045	16,247,488
CASH - END OF PERIOD	15,371,945	14,496,402	8,620,859	13,102,532	10,080,109	9,204,566	8,329,023	5,306,599	4,431,056	16,913,469	13,891,045	13,015,502	13,015,502
Contingency Fund													
Opening Balance	1,127,835	1,127,835	1,127,835	1,127,835	1,409,794	1,409,794	1,409,794	1,409,794	1,409,794	1,409,794	2,112,844	2,112,844	1,127,835
Additions (+)	-	-	-	281,959	-	-	-	-	-	703,050	-	-	985,009
Withdrawals (-)	-	-	-	-	-	-	-	-	-	-	-	-	-
Ending Balance	1,127,835	1,127,835	1,127,835	1,409,794	1,409,794	1,409,794	1,409,794	1,409,794	1,409,794	2,112,844	2,112,844	2,112,844	2,112,844
DSRIP Year 3 (April 1, 2017 - March 31, 2018)													
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total
INFLOWS:													
DSRIP Waiver Revenue -													
P4R Revenue	-	-	-	14,061,007	-	-	-	-	-	14,239,680	-	-	28,300,687
P4P Revenue	-	-	-	1,928,103	-	-	-	-	-	3,247,746	-	-	5,175,849
Withdrawals from Contingency	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL INFLOWS	-	-	-	15,989,110	-	-	-	-	-	17,487,426	-	-	33,476,536
OUTFLOWS:													
Partner P4R Payments / Safety Net Providers	-	2,146,881	-	-	1,823,892	-	-	1,823,892	-	-	1,823,892	-	7,618,557
Partner P4P Payments / Safety Net Providers	-	-	-	-	1,638,888	-	-	-	-	-	2,760,584	-	4,399,472
Partner Payment Withhold / AV Penalties	-	-	-	1,515,445	-	289,215	-	-	-	-	-	-	1,804,661
TOTAL OUTFLOW	-	2,146,881	-	1,515,445	3,462,780	289,215	-	1,823,892	-	-	4,584,476	-	13,822,690
PMO and PPS Central Support Services -													
PMO Salaries	221,021	221,021	221,021	221,021	221,021	221,021	221,021	221,021	221,021	221,021	221,021	221,021	2,652,250
PMO Other	90,879	90,879	90,879	90,879	90,879	90,879	90,879	90,879	90,879	90,879	90,879	90,879	1,090,549
PPS Support Services	495,759	495,759	495,759	495,759	495,759	495,759	495,759	495,759	495,759	495,759	495,759	495,759	5,949,110
AHI 2.d.i Activation Costs	-	-	-	-	-	-	-	-	-	-	-	-	-
Total PMO and PPS Central Support Services	807,659	807,659	807,659	807,659	807,659	807,659	807,659	807,659	807,659	807,659	807,659	807,659	9,691,909
PPS-Entity Network Fund Allocations -													
Sustainability	-	-	-	1,279,129	-	-	-	-	-	1,398,994	-	-	2,678,123
Contingencies	-	-	-	2,398,367	-	-	-	-	-	2,623,114	-	-	5,021,480
Innovation	-	-	-	319,782	-	-	-	-	-	349,749	-	-	669,531
Total PPS-Entity Network Fund Allocations	-	-	-	3,997,278	-	-	-	-	-	4,371,857	-	-	8,369,134
TOTAL OUTFLOW	807,659	2,954,540	807,659	6,320,382	4,270,439	1,096,875	807,659	2,631,551	807,659	5,179,516	5,392,135	807,659	31,883,733
NET CASH FLOW	(807,659)	(2,954,540)	(807,659)	9,668,728	(4,270,439)	(1,096,875)	(807,659)	(2,631,551)	(807,659)	12,307,910	(5,392,135)	(807,659)	1,592,803
CASH - BEGINNING OF PERIOD	13,015,502	12,207,843	9,253,303	8,445,644	18,114,373	13,843,934	12,747,059	11,939,400	9,307,849	8,500,190	20,808,100	15,415,965	13,015,502
CASH - END OF PERIOD	12,207,843	9,253,303	8,445,644	18,114,373	13,843,934	12,747,059	11,939,400	9,307,849	8,500,190	20,808,100	15,415,965	14,608,306	14,608,306
Contingency Fund													
Opening Balance	2,112,844	2,112,844	2,112,844	2,112,844	4,511,211	4,511,211	4,511,211	4,511,211	4,511,211	4,511,211	7,134,325	7,134,325	2,112,844
Additions (+)	-	-	-	2,398,367	-	-	-	-	-	2,623,114	-	-	5,021,480
Withdrawals (-)	-	-	-	-	-	-	-	-	-	-	-	-	-
Ending Balance	2,112,844	2,112,844	2,112,844	4,511,211	4,511,211	4,511,211	4,511,211	4,511,211	4,511,211	7,134,325	7,134,325	7,134,325	7,134,325