

## Update on BH Value-Based Payment Readiness Program

### OVERVIEW

On May 18<sup>th</sup>, the New York State Office of Mental Health (OMH) and Office of Alcoholism and Substance Abuse Services (OASAS) jointly hosted a webinar on the New York State Behavioral Health (BH) Value Based Payment (VBP) Readiness Program. The webinar provided an overview of the program and addressed how to complete the non-binding Notification of Interest (NOI), which all applicants **must** submit by **June 16<sup>th</sup>** (extended from the original date). The full NOI is available [here](#).

Through this program, the State will offer \$60 million over three years to support qualified groups of community-based behavioral health providers that form Behavioral Health Care Collaboratives (BHCCs). A BHCC is a network of providers who collectively deliver the full spectrum of BH services, led by a licensed or certified OMH or OASAS provider or an Independent Practice Association (IPA) composed of such providers. BHCC partnerships will work together to enhance their provider members' readiness to participate in VBP arrangements.

The full presentation from the webinar is available [here](#). Below is a summary of the VBP Readiness Program, updated based on the webinar.

### FUNDING

State funding of \$60 million over three years, or \$20 million per year, will be awarded through Medicaid managed care organizations (MCOs). Lead agencies and network providers are eligible for funding directly from MCOs; affiliated providers are not eligible to receive funds directly, but they can contract with the BHCC to provide paid services such as analytics, data management, and other such functions.

Two types of awards may be made: smaller awards for planning (up to \$250,000) and larger awards for implementation. Planning funds may be used for purposes such as:

- Fostering relationships between BHCC members;
- Engaging consultants and legal advisors;
- Analyzing data specific to the BHCC.

To receive implementation funding, a BHCC will need to submit deliverables (to be determined) to the MCO chosen to administer the Readiness Program in their region. Implementation funding should be used to turn the BHCC into a functional entity, including developing capabilities for governance, network management, analytics, clinical integration, and finance of the BHCC. Final deliverables for the BHCC include:

- The capability to track and manage health quality and costs for the BHCC's Medicaid managed care BH patients, including a working shared data warehouse; and
- Participation in a Level 1 or higher VBP arrangement with at least one payer.

At least \$500,000 per year will be available for BHCCs in each of the 11 NYS Regional Planning Consortium regions, and the remaining funds will be distributed based on historic BH Medicaid expenditures (excluding inpatient expenditures). Please note that new IPAs are eligible to receive either planning or implementation funds; however, these funds cannot be used for previously covered expenses.

If multiple qualifying applications are received in a given region, each successful applicant will receive a share of the region's funds with the specific amount determined at the time of Program enrollment. The State also reserves the right to reallocate funds between regions depending on the applicant pool.

## ELIGIBLE APPLICANTS

Each BHCC should include a lead agency, network providers, and affiliated providers. The table below details the eligibility requirements for each BHCC participating entity.

Lead Agencies	Network Providers	Affiliated Providers
<p>Lead agencies <b>must</b> be:</p> <ul style="list-style-type: none"> <li>• Non-hospital community-based organizations;</li> <li>• Contracted with a participating Medicaid Managed Care Organization;</li> <li>• Able to distribute funds to other participating BHCC entities; <b>and</b></li> <li>• Either:               <ul style="list-style-type: none"> <li>○ Licensed Article 31 or Article 32 providers, including Certified Community Behavioral Health Centers (CCBHCs);</li> <li>○ Designated providers of adult BH HCBS services; <b>or</b></li> <li>○ An IPA with such organizations as members.</li> </ul> </li> </ul>	<p>Network providers <b>must</b> be:</p> <ul style="list-style-type: none"> <li>• Non-hospital community based organizations; and</li> <li>• Either:               <ul style="list-style-type: none"> <li>○ Licensed Article 31 or Article 32 providers; <b>or</b></li> <li>○ Designated providers of adult BH HCBS services.</li> </ul> </li> </ul>	<p>Affiliated providers may include:</p> <ul style="list-style-type: none"> <li>• Performing Provider Systems (PPSs);</li> <li>• Health Homes;</li> <li>• Hospitals and other licensed Article 28 providers;</li> <li>• State-run programs;</li> <li>• Other physical health providers; and</li> <li>• Non-Medicaid community programs.</li> </ul>

Providers may participate in multiple BHCCs; however, they should not serve as a lead agency in multiple BHCCs. Organizations who are only eligible to be affiliated providers may not serve as lead agencies.

The State has issued the following guidance related to BHCC composition:

- BHCCs must include peer certified services.
- All BHCCs should include a large array of providers in the region(s). BHCCs should not exclude a critical mass of regional providers.
- BHCCs may cover multiple Regional Planning Consortium (RPC) regions.
- BHCCs have no minimum size threshold. Their sizes will depend on the provider landscape and needs of the region(s) served.
- While providers are generally discouraged from entering multiple BHCCs in the same region, the State will evaluate such situations on a case-by-case basis.

## APPLICATION AND TIMELINE

The State will review applications based on the following criteria:

- Network adequacy;
- Number of Medicaid managed care enrollees served;
- Provider expertise and qualifications; and
- Potential for sustainability beyond the program's three-year period.

To be considered for the Readiness Program, applicants must submit a non-binding NOI and a Letter of Intent signed by the CEO/Executive Director by June 16<sup>th</sup>. Please note that agencies may submit a NOI without having finalized all providers in the BHCC. These documents should be submitted by email to [VBP-Readiness@omh.ny.gov](mailto:VBP-Readiness@omh.ny.gov) and [PICM@oasas.ny.gov](mailto:PICM@oasas.ny.gov) with the subject line: BH VBP Readiness Program Notification of Interest.

Questions about the Program may also be submitted by email to the above addresses. The State will publish an ongoing Frequently Asked Questions (FAQ) page. Applications will be due by the end of summer (exact date remains to be announced by the State). In the interim, interested BHCCs should begin to develop a strategy and budget for their collaborative.