

## Social Determinants of Health and Community-Based Organizations

### OVERVIEW

On August 25<sup>th</sup>, the New York State Department of Health (DOH) hosted a webinar to discuss requirements in the Medicaid Value-Based Payment (VBP) Roadmap to implement social determinants of health (SDH) interventions. By incentivizing providers and managed care organizations (MCOs) to address the underlying drivers of health outcomes, the State hopes to improve population health while reducing health care expenditures. To achieve this objective, the State encourages VBP contractors to work with community based organizations (CBOs), which have the cultural competence to effectively deliver interventions.

The full presentation from the webinar can be viewed [here](#). An audio recording of the presentation can be accessed [here](#). The VBP Roadmap is available [here](#). Below is a summary of the presentation.

### VBP SDH REQUIREMENTS AND GUIDELINES

In order for Level 2 and 3 arrangements to count towards the targets in the VBP Roadmap, VBP contractors (e.g. hospitals, IPAs, ACOs, etc.) must meet certain standards to implement SDH interventions, and contract with at least one Tier 1 CBO. For these requirements and guidelines, see the table below:

Providers in Level 2 and 3 arrangements are required to:	Guidelines
<ul style="list-style-type: none"> <li>Implement at least one measurable SDH intervention which aligns with the following five key areas:               <ol style="list-style-type: none"> <li>Economic stability;</li> <li>Education;</li> <li>Social, Family, and Community Context;</li> <li>Health and Healthcare; and/or</li> <li>Neighborhood and Environment.</li> </ol> <p>Contractors must report fund utilization and performance metrics to the State using the Social Determinant of Health Intervention Template, available <a href="#">here</a>.</p> </li> </ul>	<ul style="list-style-type: none"> <li>VBP contractors are able to choose their own intervention and can determine intervention type, level of investment, project scope, etc.</li> <li>SDH <a href="#">intervention menu</a>, details evidence-based interventions that address social determinants.</li> </ul>
<ul style="list-style-type: none"> <li>Contract with at least one Tier 1 CBO, starting in January 2018. This must be specified in the managed care organization (MCO) contract and reported to DOH.</li> </ul> <p><b>Definition:</b> A Tier 1 CBO is a non-Medicaid billing, non-profit organization that provides non-clinical services such as housing and social services. All entities or subsidiaries included in the organization, as well as parent entities, must be non-Medicaid billing.</p>	<ul style="list-style-type: none"> <li>The Tier 1 CBO is <b>not</b> required to take on financial risk. DOH recommends the use of simple contracts with low up-front costs initially. The CBO must, however, have its performance measured and evaluated.</li> </ul>

In regions that are not served by suitable CBOs, the State may provide a rural exemption to waive the requirement for a VBP contractor to contract with a tier 1 CBO.

Risk-sharing Level 2 and 3 providers will receive advance funding (investment or seed money) for addressing at least one SDH. Upside-only level 1 providers will receive an additional bonus for implementing an SDH intervention. These incentives are included in the Model Contract.

## COMMUNITY BASED ORGANIZATIONS

The State recommends, but is not requiring, that the Tier 1 CBO(s) that contract with a VBP contractor serve as a vehicle to implement the required SDH intervention. MCOs and VBP contractors may also enter into arrangements with higher-tier, Medicaid billing CBOs. These higher-tier CBO contracts may count towards satisfying the SDH requirement but will not count toward fulfilling the CBO requirement.

Tier 1 CBOs will be held to performance standards; if health outcomes are not achieved, CBOs may face consequences, including financial penalties and/or DOH's rejection of the CBO contract as meeting VBP Roadmap requirements. Tier 1 CBOs may support VBP arrangements by contracting directly with an MCO or subcontracting with a VBP contractor.

The State is in the process of creating a website that identifies Tier 1 CBOs.

## MCO CONTRACTING REQUIREMENTS

To fulfill the VBP Roadmap requirement of implementing at least one SDH intervention in each Level 2 or 3 VBP contract, MCOs must submit contracts with the SDH Intervention Template, as described earlier.

To fulfill the requirement of partnering with a CBO, the MCO must report the agreement between the CBO and VBP contractor to the State, regardless of whether the CBO is contracting directly with the MCO or subcontracting through a provider network. Reporting requirements are listed below:

1. Tier 1 CBO contracts must be submitted with the Provider Contract Statement and Certification form, available [here](#).
2. In section C of the form, the CBO should be marked and described in the area designated as "Other".
3. Submitted contracts must comply with the April 2017 Provider Contracting Guidelines.

Contracts should be submitted to [contract@health.ny.gov](mailto:contract@health.ny.gov).