

DOH Draft 2026 Medicaid VBP Roadmap

Overview

This week, the New York State (NYS) Department of Health (DOH) released an updated Medicaid Value-Based Payment (VBP) Roadmap for public comment. Under the Delivery System Reform Incentive Payment (DSRIP) waiver program, the State was required to submit a five-year VBP Roadmap as part of a sustainability plan, outlining how NYS would move at least 80% of Medicaid managed care payments into VBP models. As of April 2020, NYS found that these goals had been met, with 86% of payments made through VBP models and 56% of payments involving downside risk.

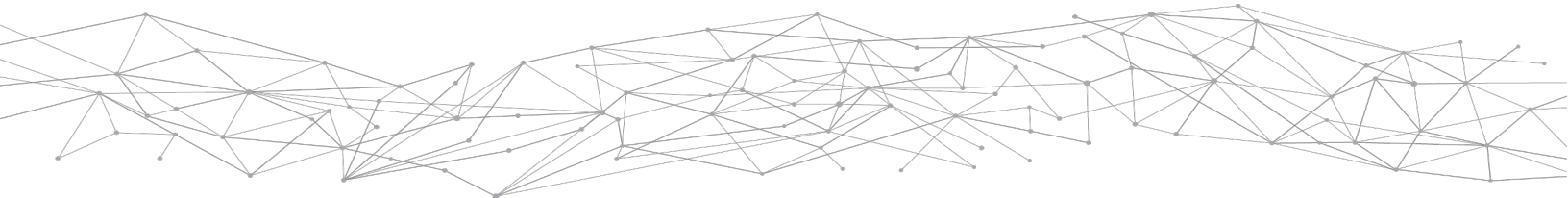
The State last updated the VBP roadmap in May 2022, reaffirming its commitment to VBP and clarifying expectations for providers and MCOs. While recognizing the success of VBP arrangements to date, the State is releasing this updated Roadmap to “ensure VBP arrangements continue to improve in efficacy” and with a renewed focus on health equity in accordance with the New York Health Equity Reform (NYHER) 1115 waiver amendment. The most significant policy shift is away from the older, more prescriptive arrangement framework toward broader arrangement types.

A summary of the major changes is provided below. The VBP Roadmap and related documents are available [here](#). Comments may be submitted to VBP@health.ny.gov with “VBP Roadmap” in the subject line through April 30th. The final Roadmap will be posted in May.

Targeted, Population-Specific Arrangements

The 2026 Roadmap moves away from the prior “on-menu/off-menu” design toward broader arrangement categories such as total care, bundled payment, service-specific, and condition-specific models. The State is now explicitly directing plans and providers to use VBP arrangements to fill service gaps, improve regional outcomes, and address health disparities.

Given existing managed care organization (MCO) contracts with Social Care Networks (SCNs) as part of the waiver, the State has removed the requirement for Level 2 and above VBP arrangements to implement at least one social determinant of health intervention. Instead, the State is requiring plans to analyze health disparities within their Medicaid membership and offer a VBP arrangement informed by this analysis. MCOs may use existing arrangements or create a new VBP arrangement to meet this requirement. Participating MCOs must submit a [template](#) to the State by July 31st, which identifies the targeted health disparities and summarizes the plan to



develop one targeted health equity-focused arrangement by April 1, 2027. The State intends for SCNs to enter value-based contracts with MCOs starting April 2027.

VBP Contracting Levels

The State's VBP contracting Levels 1 through 3 thresholds remain largely unchanged in the 2026 update. However, the Level 3 threshold, in which the contractor assumes full responsibility for shared savings and losses, is refined into two categories that better distinguish between target-based and premium-based risk:

- 3A: Financial target-based arrangement (i.e., % MLR or claims-based target)
- 3B: Responsibility for a minimum of 90-95% of plan premium, varied based on level of administrative responsibility (includes arrangements established under the Innovator program)

The Roadmap also incorporates new federal requirements for managed care incentive payment contracts.

Quality Measures

The update narrows and sharpens quality requirements by limiting existing and new contracts to 10 quality measures. At least one pay-for-performance Category 1 measure must be stratified by race and ethnicity.

Data Exchange

The 2026 Roadmap places a greater emphasis on data transparency and exchange. Level 2 and above VBP arrangements must include data sharing between plans and contractors, including baseline data, trend data, monthly performance data, and attribution data. Level 3B arrangements include additional requirements related to risk adjustment, revenue transparency, claims data, attribution logic, and settlement reporting. The updated Roadmap also includes a new Appendix with detailed data sharing and transparency requirements.