



NEWS: For Immediate Release

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State Awards Millennium \$243 Million for Medicaid Reform *Money part of statewide allocation and effort to improve care in WNY*

BUFFALO, NY – May 8, 2015 – New York State today awarded Millennium Collaborative Care, in cooperation with Erie County Medical Center, a total of \$243 million over five years to institute a regional program to cut costs for Medicaid while providing better-focused patient care.

The funding will go to 11 pilot projects identified over the last year by MCC, ECMC and their many partners. The projects focus on a range of tough-to-solve medical issues such as premature pregnancies, ER use, behavioral health and substance abuse.

The money falls into three sectors: administration of the projects, funding for the project work itself and incentive funds to identify ways to improve the patient experience and cut costs.

“After a lengthy and complex application and evaluation process, we now know the funding we have to work with to complete our work for the community,” said Al Hammonds, MCC’s executive director. “While these dollars will not fund all of the needs of the Medicaid population, this money will help us redesign our current system to provide better health care to our Medicaid patients.”

Millennium is a Performing Provider System [PPS] involving ECMC and more than 400 other hospital and health-provider partners in Western New York. Millennium is the lead partner in Erie County for the state’s Delivery System Reform Incentive Payments [DSRIP] program. Each region of the state is required to create a series of pilot projects aimed at improving patient care and saving costs in the Medicaid population over the next five years.

DSRIP’s five-year goal is to reduce avoidable admissions by 25 percent statewide, including for the 228,223-member Medicaid population in Western New York. Medicaid is the federal health-care system for the poor and disabled that is administered by the states and counties.

Millennium also includes Kaleida Health, Niagara Falls Memorial and Upper Allegany Health System, with some 400 agency, clinic and provider partners. Catholic Health System formed a separate PPS.

In 2011-12, there was an average of 3,709 avoidable admissions annually among Western New York Medicaid patients, which translates to a current avoidable admission rate of 1,625 per 100,000

people in the Medicaid population. A 25 percent reduction would be 927 fewer avoidable Medicaid readmissions, resulting in a target rate of 2,782 of 228,223 patients or 1,218 per 100,000.

The projects designed to make this all work in Western New York include the following: Creating an integrated delivery system; Emergency Department triage for at-risk patients; implementing the INTERACT project; hospital-home care collaboration solutions; patient activation of the uninsured and low/non-utilizing Medicaid populations; integration of primary care and behavioral health services; behavioral health community crisis stabilization services; cardiovascular health; increase support programs for maternal and child health; promote mental, emotional, and behavioral (MEB) well-being in communities; reduce premature births.

The state's long-term goal – DSRIP has a five-year timetable – is to move from a fee-for-service to a value-based system. The local application from MCC went to the state in December 2014. It was based on the defined needs of the whole PPS and partners. A community needs assessment informed the application.

For more information, go to Millennium's website – www.millenniumcc.org.

DELIVERY SYSTEM REFORM INCENTIVE PAYMENT (DSRIP) OVERVIEW

On April 14, 2014 Gov. Andrew M. Cuomo announced that New York finalized terms and conditions with the U.S. government for a groundbreaking waiver that will allow the state to reinvest \$8 billion in federal savings generated by Medicaid Redesign Team reforms. The DSRIP program is designed to stabilize the state's healthcare safety-net system and re-align the state's delivery system. The overarching goal of DSRIP is to help New York and its health care providers achieve the triple aim of improved population health, improved quality care, and controlled costs.

The program's ultimate objective is to reduce avoidable hospital admissions by 25 percent over the next five years. A secondary and equally important objective is to preserve and transform New York's fragile health care safety net to ensure all Medicaid beneficiaries have access to vital services. To accomplish these objectives, the state's DSRIP program encompasses a variety of projects designed to engage a wide array of providers working in collaboration. Successful execution of DSRIP-funded projects requires community-focused plans where population health and health care costs are addressed by hospital[s] working together with other healthcare organizations such as Federal Qualified Health Centers [FQHCs], physician practices, Health Homes [HHs], and Skilled Nursing Facilities [SNFs]. The underlying philosophy is that the core goal of the DSRIP program – savings through primarily reducing avoidable hospitalizations and Emergency Department visits – will require hospitals to 'restructure themselves.' This means reducing beds, strengthening their outpatient and primary-care focus and improving alignment with post-acute care settings. This creates a challenge for hospitals, because projected 'savings' for Medicaid overall will at least partially be at the expense of inpatient revenues. Because Medicaid reforms will continue to unfold, however, not participating in this DSRIP program is not an option; participating as a leading organization, on the other hand, will put performing provider systems [PPSs] in the position to shape the future of the state healthcare delivery system. In Western New York, the first step in this process is to form a PPS, called Millennium and led by Erie County Medical Center and including Kaleida Health, Niagara Falls Memorial and Upper Allegany Health System, along with the Maguire Group and some 400 other partner agencies, clinics and providers. The state's long-term goal – DSRIP has a five-year timetable – is to move from a fee for service to a value-based system. The local application from the PPS is due Dec. 16 and is based on the defined needs of the whole PPS and partners. In addition, a community needs assessment is underway to inform that application. Eleven initial projects have been identified to start the DSRIP process. And Millennium is creating a 12-member governance board. Also, a website – www.millenniumcc.org is being built and a system-wide communications plan is being organized.

ABOUT ERIE COUNTY MEDICAL CENTER (ECMC) CORPORATION:

The ECMC Corporation includes an advanced academic medical center (ECMC) with 602 inpatient beds, on- and off-campus health centers, more than 30 outpatient specialty care services and Terrace View, a 390-bed long-term care facility. ECMC is the regional center for trauma, burn care, behavioral health services, transplantation, and rehabilitation and is a major teaching facility for the University at Buffalo. Most ECMC physicians, dentists and pharmacists are dedicated faculty members of the university and/or members of a private practice plan. More Western New York residents are choosing ECMC for exceptional patient care and patient experiences—the difference between healthcare and true care™.