

OMH Outpatient Clinic Restructuring

Projection Model Overview

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Projection Tool Training Options

▶ Goal –

- Promote competency with use of the model as a service and financial planning tool
- Provide updates on Clinic restructuring status

▶ Agenda –

- Overview of the Projection Tool
- Building a Base-Line Model
- Detailed review of Model
 - Individual Schedules
 - Current Projection Methods & Assumptions
 - User Alternatives & Options

Clinic Projection Tool

Background –

- ▶ Initial release by NYS Council- Bonadio Group in April
- ▶ OMH-CCSI Version 2 release in July/August
- ▶ Updated issued in September-October
- ▶ New release planned for early November
- ▶ Tool and all Restructuring resources available for download on OMH website:

▶ www.omh.state.ny.us

Clinic Projection Tool

Orientation

- ▶ Provides flexible Excel based tool to facilitate planning for clinic restructuring -
 - Organize financial, staffing, productivity data
 - Express current OMH/DOH understandings about methods, codes and values
 - Project the change from current Medicaid/COPs revenues
 - Project transition impact under various assumptions for all key variables

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- ▶ Key Planning Issues -
 - How will currently defined threshold based services related to the CPT based array?
 - Sensitivity to minimum staffing qualifications & service weights
 - What unreimbursed services might we be providing now which will become reimbursable?
 - What new services might we provide because they will be economically viable?
 - Outreach/Engagement, Testing, Complex Care Management

Clinic Projection Tool – Version 2

- ▶ Version 2 is a Seven Schedule Series & Includes –
 - Current array of OMH Services/CPT/Weights;
 - Modifiers, Add-Ons, Discounts, Full/Blend
 - Current OMH-DOH methodologies for Uncompensated Care
 - Expanded CFR based clinical staffing detail
 - Improved Medicaid reimbursement calculation
 - By CPT and clinical staffing category
 - Ability to test alternative assumptions
 - User aids to help completion – optional ‘switches’ and ‘comment boxes’ annotating many cells

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Schedule 1 – Financial Statement

- ▶ Clinic Revenue/Expense Activity for prior years
 - Background to frame new projections
- ▶ Management stats:
 - Unit costs, staffing costs, visit volume
- ▶ Includes '2010' projection year
 - Capacity to link to calculation of Medicaid revenues for transition year 1
 - Includes cost inflation variable

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Schedule 2 – Visit/Productivity

- ▶ Input clinical staffing by CFR position code
 - Enables linkage to minimum qualifications
- ▶ Staffing can be entered on individual or grouped under CFR position code
- ▶ Medicaid visit % variable
- ▶ User control over productivity standard
 - Can compute added visit potential

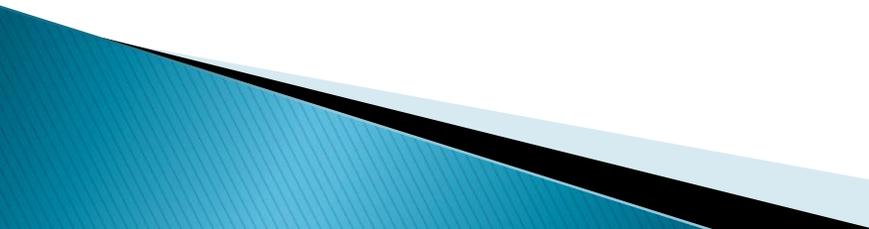
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Schedule 3 – Visit Distribution

- ▶ Links to Medicaid data from Schedule 2
 - ▶ User ‘spreads’ visits to all CPT services on a % basis
 - ▶ CPT services coded for minimum staffing qualifications
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Schedule 4 – CPT Revenue Calculation

- ▶ Uses % distribution from Schedule 3 to apportion volumes for all CPT services
 - ▶ Calculates weighted values
 - ▶ User % estimates for Modifiers, added MD/NP visits
 - ▶ Potential to estimate 2nd visit discounts
 - ▶ Calculates fully weighted service volumes
 - ▶ Calculates reimbursement for each service
 - ▶ Calculated reimbursement for clinical staff category
 - ▶ Captures Full/Blend payment data
 - ▶ Provides flexible basis to assess impact of changes in service mix
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Schedule 5 New & Legacy Revenues

- ▶ **Schedules 5 Calculates New & Legacy Revenues:**
 - New APG revenue linked to Schedule 4 service mix
 - Or, user controlled base rate, visit weight, volume variables
 - Indigent Care revenue linked to payor distribution & Schedule 6 calculations
 - Legacy Revenue Calculation

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Schedule 6 - Indigent Care Projections

- ▶ Uses Payor mix data from Schedule 5
 - ▶ User input of % of third-party activity meeting other guidelines for indigent care reimbursement
 - ▶ Spreads visit projection to DOH indigent care payment groupings, calculates projection for Schedule 5
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Schedule 7 – Phase-In Projections

- ▶ New Revenues = APG + Indigent Care
 - New/Blend Assumptions
- ▶ Legacy Revenues = Medicaid FFS+COPS
- ▶ Four-Year Phase-In
- ▶ COPS Only Phase-Out
- ▶ Future release will link to Year 1 projections on Schedule 1 Financial Statement