



MEMORANDUM IN SUPPORT

FOR IMMEDIATE RELEASE: May 9, 2017

Re: S.5774 (Hannon)A.7581 (Gottfried) - An act to amend the social services law, in relation to excluding outpatient blood clotting factor products and related services and treatments from coverage by managed care provided to medical assistance recipients.

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The New York Health Plan Association (HPA) supports S.5774/ A.7581, which would carve out individuals receiving blood clotting factor products from the Medicaid managed care program.

Currently individuals that require blood clotting factor products are covered in the Medicaid fee-for-service (FFS) program. As part of the work of the Medicaid Redesign Team (MRT), the state proposed to move individuals currently receiving blood clotting factor products into Medicaid managed care. Based on the DOH guidance document circulated for the clotting factor product carve-in health plans would need to align their processes to a mirror a FFS approach, that will require significant systems changes, and will require new contracts with providers and pharmacies that are not currently in the managed care plans network. To implement this carve-in according to the DOH guidance document health plans, providers and pharmacies are required to do a significant amount of work to comply with the implementation plan with no change in the benefit to the recipient. The transition of this population into Medicaid managed care is not in the best interest of the blood clotting factor product recipients – or providers or and the plans.

This special needs population is extremely small (fewer than 350 individuals), and geographically dispersed across all Medicaid managed care plans is not an effective way to provide patients the highest quality and most cost effective care. Plans are likely to incur significant costs developing adequate provider networks and care coordination structures to manage the needs of what is likely to be a very small number of people for each plan. The MRT objective made sense six years ago when this was initially proposed, but today it makes little sense to incur significant costs and upheaval for recipients receiving clotting factor products when the FFS program works well.

For these reasons, HPA supports the carve out of this population from Medicaid managed care. We believe this group of patients will be better served through continuation of the current Medicaid FFS benefit structure.

The New York Health Plan Association represents 29 managed care health plans that provide comprehensive health care services to more than 8 million New Yorkers.