



Long-Term Care Workforce and Value-Based Payment Readiness Directed Payment

Information for Providers

Updated January 12, 2022

Payment Logistics:

1. The New York State Department of Health (DOH) submitted a directed payment template to the Centers for Medicare & Medicaid Services (CMS) on November 15, 2021 and expects a response in the near future. Funding is not guaranteed until CMS approves DOH's submission. If CMS does not approve the directed payment arrangement in time for distribution by March 31, 2022, the initiative will be delayed into State Fiscal Year 2023.
2. Agencies will qualify for the directed payment based on their revenue in each region of the state (see page 7). DOH will notify agencies as to the region(s) for which they are receiving funding.
3. Payments will flow to agencies through managed long-term care (MLTC) plans—including partial cap MLTCs and Medicaid Advantage Plus-- with which they contract. DOH will send schedules of payments to plans and agencies in February 2022. The payment schedules will total to the agencies' total awards.
4. Pending timely CMS approval, DOH anticipates that LHCSAs will begin to receive funding by March 31, 2022, but LHCSAs should not begin to account for such dollars in their financial projections or statements until CMS approval is received. Assuming CMS approval is received timely, DOH will make payments to plans by February 4, 2022. It will take about one month for MLTCs to receive payments from DOH. The MLTC plans will have 30 days to distribute funding to agencies.

Spending and Implementation:

1. Agencies must spend their awards on home and community-based services (HCBS) workforce development and/or preparation for participation in value-based payment (VBP) arrangements.
2. DOH has identified seven categories of expenses on which agencies can choose to spend their awards. They are:
 - a. **Workforce Recruitment and Retention:** Adopting strategies, including recognition and retention bonuses, employee development and promotion initiatives, enhanced job benefits (e.g., health insurance for part-time and full-time workforce), paid training time, and other job satisfaction strategies that support workforce recruitment and retention.



- b. **Training:** Developing training programs and promoting completion of training programs for new and current home care workers. Includes providing paid training opportunities for home care worker skill development, including the qualification of home care workers as Advanced Home Health Aides that are authorized under New York law to perform advanced tasks (e.g., administration of routine or pre-filled medications under the supervision of a registered nurse).
 - c. **Technology:** Utilizing innovative technologies that assist with VBP contracting and increasing employee satisfaction, such as consumer-personal assistant matching technology, technologies that enable aides to maximize hours to achieve full-time work, and other technologies that improve care management.
 - d. **Diversity and Cultural Competency:** Developing or utilizing strategies to recruit and retain a racially and ethnically diverse and culturally competent workforce, with adequate levels of demographic and linguistic representation based on historical client populations.
 - e. **Care Management:** Implementing strategies for effective care management and reductions in health care spending associated with effective service delivery, which would include long-term relationship development between consumers and their home care worker.
 - f. **Emergency Preparedness:** Building appropriate personal protective equipment (PPE) stockpiles from state-authorized sources for ensuring that home care workers are able to deliver care in a safe and effective manner through the end of COVID-19 and other public health emergencies.
 - g. **Preparing for Value-Based Payment:** Building the capacity to collect and report data, adopting key performance metrics, and investing in a culture that prioritizes value over volume of care.
3. Agencies must implement their efforts in the regions in which they qualified for funding and may use the funding to implement efforts across their full New York service area.
4. Providers may use their awards to fund recruitment, retention, and training for personal care aides, home health aides, and nurses who directly provide, or supervise the provision of, personal care or nursing services. Funding cannot be used to pay for current wage levels, including overtime, for any employees or salary increases for administrative staff, managers, and executive staff.
5. Funding cannot be used to supplant current or already planned expenses. For example, an agency cannot use this funding to cover existing trainings or monthly payments on technology purchased prior to the receipt of the award.



6. Providers may begin spending their awards upon receipt of final awards and confirmation of CMS approval from DOH. Any expenses incurred prior to this date will not be eligible for funding.
7. Funding must be spent by March 31, 2023. Agencies should budget expenditures accordingly. If an agency chooses to use its award to cover recurring costs, such as salary increases, the agency should identify additional funding to cover these costs beyond March 2023.
8. Agencies that fail to expend funds, or expend funds on non-approved uses, will be ineligible for future awards and/or subject to recoupment of their award.
9. Please reference the Guidance for Investments on pages 8 through 12 of this document for examples of and suggestions for allowable investments.

Reporting:

1. Agencies must submit the online questionnaire containing attestations and survey responses by 11:59 PM ET on January 18, 2022. Any agency that fails to submit the questionnaire by the deadline established by DOH will not be eligible for this funding.
2. Agencies will be required to submit quarterly spending reports and survey responses to DOH beginning July 1, 2022. These submissions must be made quarterly for agencies to retain their awards and maintain eligibility for future HCBS enhanced FMAP funding opportunities.
3. DOH will provide agencies with a reporting form each quarter. Similar to the initial attestation and survey, the form will track quarterly spending by investment category. It will also require an updated spending narrative detailing how the agency has spent the award and how it plans to spend the remainder.
 - Agencies must keep track of spending such that any expenditures for which the award is being used are clearly documented. Agencies will not be required to provide documentation in their quarterly reports but must keep them available until March 31, 2028.
 - Any expenditures that do not have direct documentation or justification, such as hours worked by an existing employee, should be tracked and recorded. Staff hours dedicated to these investments by staff who also serve in other roles may be allocated as a use of funding and tracked using hourly rates as the cost.
 - Agencies may cover administrative expenses incurred in the implementation of these investments with this funding. Administrative expenses must be tracked and recorded in the same manner as all other expenses.
4. More information regarding the quarterly reports will be provided following the release of provider awards.



Assistance and Resources:

1. Any questions can be sent to DOH at LHCSA.FMAP@health.ny.gov.
2. Suggestions for developing spending plans are listed in the Guidance for Investments on pages 8 through 12 of this document.
3. More information on New York's enhanced FMAP for Home and Community-Based Services efforts [can be found here](#) or by typing https://www.health.ny.gov/health_care/medicaid/redesign/hcbs/enhanced_funding/ into your browser.



Regions:

DOH used MLTC rate regions for this process. The regions and the counties that fall within these regions are listed below.

Mid-Hudson/Northern Metro

Dutchess	Rockland
Orange	Sullivan
Putnam	Ulster

Northeast/Western

Albany	Madison	Onondaga	Schenectady
Erie	Monroe	Orleans	Warren
Fulton	Niagara	Rensselaer	Washington
Genesee	Montgomery	Saratoga	Wyoming

NYC Area

NYC	Suffolk
Nassau	Westchester

Rest of State

Allegany	Chenango	Franklin	Livingston	Schoharie	Wayne
Broome	Clinton	Greene	Oneida	Schuyler	Yates
Cattaraugus	Columbia	Hamilton	Ontario	Seneca	
Cayuga	Cortland	Herkimer	Oswego	Steuben	
Chautauqua	Delaware	Jefferson	Otsego	Tioga	
Chemung	Essex	Lewis	St. Lawrence	Tompkins	



Guidance for Investments:

The following represents a list of investments from which providers may select in deciding how to use their awards. Other investments may be approvable; however, if your idea is not on this list, you *must* seek prior approval before using award funds for the proposed purpose. To request approval, please email us at LHCSA.FMAP@health.ny.gov by January 14, 2022. The Department may issue an update to this guidance with any new pre-approved investment ideas.

Please remember that funding cannot be used to supplant current or already planned expenses, including any portion of any settlement obligations or other liabilities owed by the provider, or any related person or entity, prior to January 1, 2022. Any investment your agency makes using this funding must be a **new** investment.

A. Preparation and Planning

1. You may choose to work with outside entities, such as New York State approved Workforce Investment Organizations, to help implement new programs and strategies. You may use your award to pay for appropriate costs as long as the scope of work covered by the funding is strictly focused on one of the approved investment areas.
2. Technology software investments *are* eligible uses of funding, but most other capital expenses are not eligible. If you have a question regarding a specific capital expense, please email us at LHCSA.FMAP@health.ny.gov.

B. Workforce Recruitment and Retention Investments and Strategies

Investing in your workforce can help increase employee satisfaction, build employee morale, and ultimately, improve recruitment and retention by making your workplace a more attractive place to work. Options for such investments include:

1. Employee recognition and retention payments, including:
 - a. Retention incentives
 - b. Recruitment incentives for employees who are not laterally moving from another LHCSA
 - c. End of year lump sum bonuses
 - d. Performance bonuses
 - e. Wage increases
2. Employee development and promotion initiatives, including:
 - a. Paid study time for competency certification
 - b. Reimbursement for certification costs



- c. Group study programs
3. Enhanced employee benefits, including:
 - a. Health insurance for part-time and full-time employees
 - b. Transportation benefits, such as coverage of fuel and mileage costs, parking expenses, public transportation, and ride share services. Purchasing and leasing vehicles are not eligible expenses.
 - c. Wellness benefits
 - d. Child and family-caregiver benefits and support
 - e. Paid vacation days
4. Taxes associated with allowable expenses, such as incentives or increased wages, are eligible expenses.
5. Establishing support systems for direct care workers, such as employee support groups or mentorship programs, which provide connection between employees, create a supportive environment, and allow for sharing of experience and knowledge
6. Providing direct care workers with information and resources that prepare them for the challenges or roadblocks they may face in their profession
7. Designing systems that include frontline staff members' ideas and concerns in operational and strategic decisions
8. Structuring promotion systems to encourage career development
9. Placing advertisements and articles in local publications to promote awareness of investments in the workforce, such as pay increases, culture changes, and training and promotion opportunities
10. Hosting realistic job previews that prepare potential applicants with a full view of the direct care worker role including opportunities and challenges

C. Training Strategies

Training opportunities can help employees improve their job-related skills and abilities. Increased competency results in greater employee satisfaction as well as improved delivery of care. There are a number of strategies that your agency can adopt to incentivize and increase access to trainings. These strategies include:

1. Incentives for completing training programs, such as:
 - a. Compensation for training hours, including for personal care aide or home health aide training programs completed just prior to an employee's onboarding.



- b. Childcare or other caregiver coverage during training
 - c. Bonuses or wage increases for training completion or certification
 - d. Career advancement or mobility within the agency
2. Partnerships with local organizations, such as Workforce Investment Organizations (WIOs), community colleges, and other home care agencies, to develop and deliver training to direct care workers
 3. Increasing the number and types of trainings your agency offers
 4. Establishing new home health aides and/or personal care aides training programs
 5. Investing in technology to improve the quality of trainings and the trainee experience

Resources for Implementing Trainings

There are a number of resources available through the Department of Health (DOH) that can assist your agency in developing and implementing its own trainings or in connecting your employees to other organizations' trainings. They include:

1. For resources, including guidance for implementing and operating home health aide training programs, please visit the DOH webpage: [Home Care – Information for Health Care Professionals](#)
2. For a comprehensive set of modules provided by DOH for home care workers, please visit: [Home Care Curriculum \(ny.gov\)](#)

D. Technology Investments

Care management technology and software are critical tools for your agency to improve and streamline access to and management of personal care and support services. Investing in and training employees to effectively use innovative technology can improve administrative processes, make services more accessible to consumers, and increase employee satisfaction. Innovative technologies that enhance the provider and consumer experience include:

1. Technology to improve matching between staff and service recipients
2. Incident tracking systems
3. Scheduling systems
4. Internet connectivity
5. Remote monitoring devices
6. Systems that provide online access to service records and virtual visits

Purchasing and installing new or upgraded software technology are allowable investments.



E. Diversity and Cultural Competency

Building adequate levels of demographic and linguistic representation based on historical client populations will allow your agency to provide services that best meet its clients' needs. Your agency can recruit and support a diverse and culturally competent workforce using strategies that include:

1. Reviewing client demographics to better understand the populations you serve
2. Updating recruitment materials and external communications to include non-English language versions and showcase a diverse group of employees
3. Implementing new marketing strategies to attract a more diverse group of employees
4. Diversifying and casting a wider net for recruitment sources
5. Developing a roadmap for increasing diversity and cultural competency over time
6. Offering cultural competency trainings to employees
7. Providing a staff member or team with time dedicated to learning about, promoting, identifying, and sharing educational resources about culturally and linguistically appropriate services (CLAS) and the [National CLAS Standards](#) throughout the agency
8. Utilizing CLAS Standards Checklist to implement self-assessments, trainings and assistance, and analysis of internal data relating to diversity and cultural competency: [An Implementation Checklist for the National CLAS Standards \(hhs.gov\)](#)

F. Effective Care Management Strategies

Providing a person-centered system that aims to effectively meet the individual preferences, needs, and goals of consumers will improve the quality of services and level of satisfaction. You can enhance the effectiveness of your care system by incorporating processes that increase the coordination of resources between and the availability of information for staff and providers. Strategies for improving the effectiveness of care management include:

1. Using service planning processes and tools, including the development of roadmaps, to best meet consumers' individualized preferences, needs, and goals
2. Implementing matching technologies that consider preferences and cultural competencies of consumers and direct care workers
3. Improving coordination and communication with clients' support networks (other health care and service providers)



G. Emergency Preparedness:

The COVID-19 pandemic drastically affected agencies' abilities to provide support services to clients. The pandemic necessitated changes in care practices, caused an increased demand for services, and placed stress on PPE stockpiles. As your agency returns to usual service delivery, keep sight of lessons learned from the pandemic. Having a preparedness plan in place to respond to emergency situations will be key to avoiding many of the issues that arose as a result of the pandemic. A preparedness plan can include steps such as:

1. Developing sufficient supply stockpiles and planning to replenish as needed. The purchase of new PPE is an allowable use of funding even if previously planned.
 - a. Ensuring that stockpiles only contain functional equipment
2. Developing employee networks for back-up or standby care providers
3. Offering prepared rapid training on topics including:
 - a. Infection control
 - b. Virus testing
 - c. Natural disaster triage and response
 - d. Disaster morbidity and mortality surveillance

H. Preparing for Value-Based Payment

Many of the aforementioned investments in the workforce and care management can position your agency to provide quality services. Participation in value-based payment arrangements rewards agencies for these improvements in services. Value-based payment is rooted in rewarding providers for the value, rather than volume, of the care they provide. Value is tied to quality standards to allow for standardized measurement. Quality standards are defined within individual VBP arrangements. To determine whether providers meet these quality standards, providers must collect certain data and report it to plans. To prepare for participation in the first stage of value-based payment, providers should invest in and focus on the following areas:

1. Creating a culture that prioritizes value over volume. This can be done by:
 - a. Training staff to document indicators focusing on value
 - b. Integrating value of care into job descriptions and employee performance expectations
 - c. Developing a team focused on shifting the agency toward value-based care
2. Adopting the key performance measures defined by New York State for the relevant managed care plan. These measures are available in [DOH's VBP Resource Library](#).

3. Building the capacity to collect and report data by:
 - a. Moving from paper records to health information technology, such as an electronic health records system and population health management system, to increase availability and accuracy of data
 - b. Identifying an individual or team dedicated to evaluating and reporting data

These resources from the Department of Health (DOH) and other agencies cover different topics in managed care and value-based payment arrangements.

1. NYS DOH VBP Resource Library: [DSRIP - Value Based Payment \(VBP\) Resource Library \(ny.gov\)](#)
2. [Teaching materials from past VBP-U presentations: VBP-U and VBP Bootcamps \(ny.gov\)](#)