

State Medicaid Directed Payment Program & Community Benefits

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Nebraska Hospital Directed Payment Program

LB 1087 enacted the Nebraska Hospital Directed Payment Program in April 2024

Intended to ensure hospital financial sustainability while continuing to deliver high-quality care to Medicaid recipients

Ensures reimbursement of services at a sustainable rate while allowing hospitals to invest in innovative care models that align with the evolving needs of Nebraska communities

Since fall of 2023, NHA has been working closely with DHHS-Medicaid and is committed to ongoing collaboration to ensure the highest level of care for all Nebraskans



Hospital Interim Directed Payments

- Interim payments are intended to provide quarterly cash flow and will be based on paid amounts from a prior quarter
- DHHS-Medicaid is preparing calculations of the initial two quarters interim payments, based on 7/1/23 - 12/31/23 paid claims data, in anticipation of a target 12/1/24 federal approval date
- Hospital Interim Directed Payments will occur on a quarterly basis following CMS approval
- Nebraska Medicaid is finalizing guidance document which details the parameters and methodology of identifying the claims data, which determines the interim payments, which it will be shared with NHA for quality assurance purposes
- Interim payment data will be shared with NHA and HMA for quality assurance review prior to executing payments each quarter

Third Party Administrative (TPA) Agreement

- The NHA will serve as authorized representative and designated as payee for the purpose of accepting the Directed Payments.
- The NHA will serve as custodian of all Directed Payments it receives for the purpose of remitting the Directed Payments to the hospitals.
- Each quarter the NHA will perform a quality assurance review of all Directed Payments received from DHHS/MCOs and will provide each hospital with an accounting
- Each quarter the NHA will direct net funds to each hospital's local bank operating account for the Directed Payment.
- NHA will then remit the amount equal to the quarterly Provider Assessment and the State Administrative fee to DHHS and the 1% administrative fee to the NHA

Banking Flow of Funds

NE Managed Care Organizations (MCOs)



NHA-owned account; all NE state funds subsequently transferred to designated NE state bank accounts

Quarterly, MCOs each direct a single deposit of SDP funds to NHA-owned accounts.



Quarterly, total funds from each MCO separated by hospital and balances distributed to each custodial account.



Provider Assessment & DHHS fees transferred to DHHS Medicaid Account

TPA fee moved to NHA SDP Operating Account following release of net Directed Payments to hospital-specified accounts

* Example only – includes total of 93 individual accounts owned by the hospitals, but managed solely by NHA



NHA sends a single deposit of the **Net** Directed Payment to each local hospital-specified account.

Directed Payment Timelines

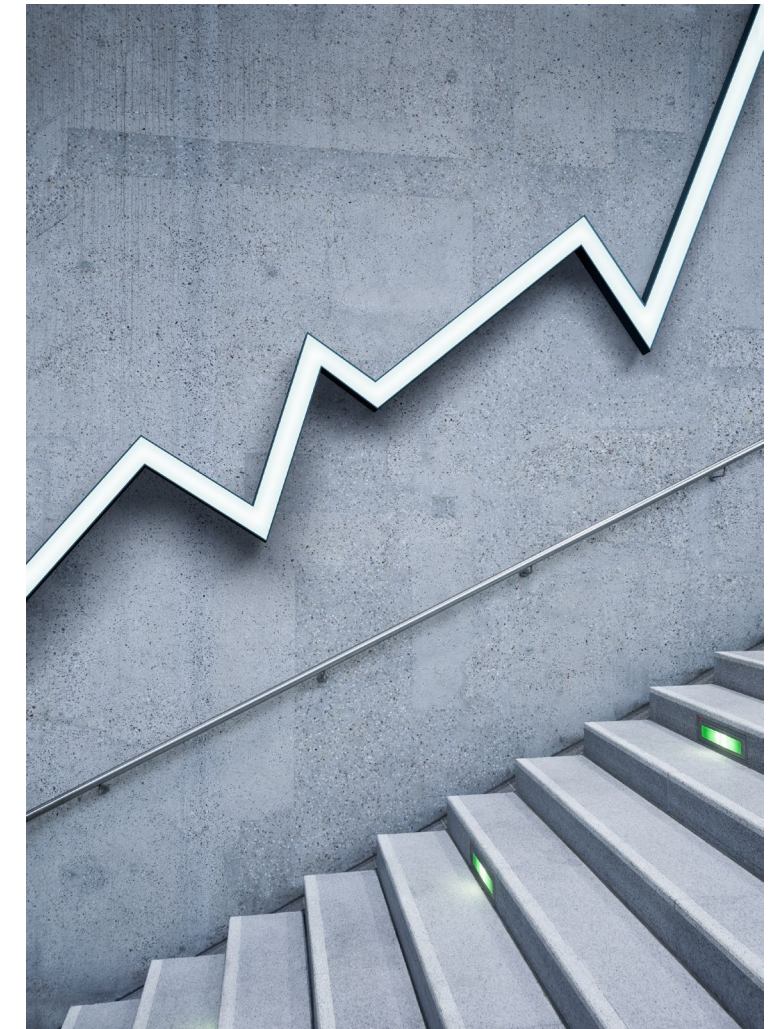
BASED ON CMS APPROVAL DATE OF 12/1/24 *=3 months to pull/review data, calculate DP and validate with NHA **=QAA will be collected by NHA and distributed to DHHS within 30 days of Interim Payment date per LB1087 ***=MCO variance in volume between interim/reconciliation - adjust for differences (alike to hospital recon)						
QAA Directed Payment						
	<u>Hospital QAA Quarter</u>	<u>Claim Pull Timeframe for Interim DP</u>	<u>DHHS DP Calculations Date to NHA For Review</u>	<u>DHHS DP Payment To MCOs</u>	<u>MCO DP to NHA</u>	<u>NHA DP Date to Hospitals</u>
2024	Quarter 1 (July - Sep 2024)	July-September 2023	12/1/2024	1/1/2025	1/15/2025	1/31/2025
	Quarter 2 (Oct - Dec 2024)	October-December 2023	12/1/2024	1/1/2025	1/15/2025	1/31/2025
2025	Quarter 1 (Jan - March 2025)	July-September 2024	*12/31/2024	1/31/2025	2/15/2025	2/28/2025
	Quarter 2 (April - June 2025)	October-December 2024	*3/31/2025	4/30/2025	5/15/2025	5/31/2025
	Quarter 3 (July - Sep 2025)	January-March 2025	*6/30/2025	7/31/2025	8/15/2025	8/31/2025
	Quarter 4 (Oct - Dec 2025)	April-June 2025	*9/30/2025	10/31/2025	11/15/2025	11/30/2025

Directed Payments Reconciliation

- Per Federal requirements, the Directed Payment Reconciliation must be based on IP and OP payments made for dates of service within the Directed Payment Period
- This requires that there is reasonable claims runout, planned to be 9 months after the end of the directed payment period
- The State's contracted actuary will perform the reconciliation calculations and provide to DHHS, NHA and HMA for quality assurance review
- Any hospital underpayments or overpayments identified through the reconciliation process will be offset from the subsequent interim payment

Next Steps

- **Complete & sign Third-Party Administrative Agreement with NHA**
- **Submit completed banking documentation back to NHA by Friday, November 8, 2024**
- **Assist NHA and UBT with testing of banking transactions on or before December 20, 2024**
- **Follow Nebraska Medicaid guidance detailing the parameters and methodology of identifying quarterly claims payment data and prepare internal comparative claims profile summary for 7/1/23 – 12/31/23 [to support any future appeal challenges / reconsideration request to DHHS]**



Community Benefits & Advocacy

- SDP will significantly reduce Medicaid losses reported on 990s by individual hospitals and on NHA's Community Benefits report.
- How do we benefit from this program and minimize scrutiny over our community benefits and preferential tax status?
- LB 1087: Governor Pillen and Legislature prioritized hospitals investing in behavioral health care, maternal care, senior care, and workforce development.
- How do we collectively meet their expectations and show these funds are having a real impact?

Community Benefits & Advocacy

- Bolster tracking & reporting of traditional community benefits
- Include # of Programs, # Nebraskans impacted, and stories
- Beyond 990 form: broaden messaging around "community impact" of hospitals and include impact of Medicaid Directed Payment funds
- NHA offers reporting platform and tracking form to gather and aggregate investments in behavioral health, maternal health, senior care, and workforce
- Tell the story of how the SDP protected or strengthened services
- Ongoing pipeline meetings with Community Benefit Coordinators

Community Benefits Reporting Platform



NHA offers CBISA (Community Benefit Inventory for Social Accountability) – blend of statistical and narrative information



Data collected in CBISA allows hospitals to enter data throughout the year and run reports for your annual community benefit report, 990 Schedule H



Helpful data:

*Qualifying Programs	* Occurrences (# people, Expenses, Offsetting Revenue)
*Financial Assistance	* Medicaid, other Means-tested Programs
*Narratives	*Additional modules not included on Snapshot to NHA

Community Benefits Reporting Platform

Simplified Program list for NE hospitals:

Defaults										Medical Center 51 Nebraska	Open - 2024
Programs		Financial Services			Narratives			Reports & Listings			
Programs											
Filter Programs: 1. All Approved, active programs (default) Help											
Menu Actions	Title	Category	Description	IRS Reportable	I.M	Focus Population	Record Status	Occurren...			
Add	<input type="text" value="Search Title"/>	<input type="text" value="Search Additional Information"/>	<input type="text" value="Search Description"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="Search Focus Pt"/>	<input type="text" value="Search"/>	<input type="text" value="Search"/>			
Edit	Delete	Links	More...	A1 Community H...	A1 - Community Health Education	<input checked="" type="checkbox"/>	S.	Broader Community	N.	Active	1
Edit	Delete	Links	More...	A2 Community B...	A2 - Community Based Clinical Serv...	<input checked="" type="checkbox"/>	S.	Broader Community	N.	Active	0
Edit	Delete	Links	More...	A3 Health Care S...	A3 - Health Care Support Services	<input checked="" type="checkbox"/>	S.	Broader Community	N.	Active	0
Edit	Delete	Links	More...	A4 Social And En...	A4 - Social and Environmental Impr...	<input checked="" type="checkbox"/>	S.	Broader Community	N.	Active	0
Edit	Delete	Links	More...	B1 Education/Ph...	B1 - Physicians/Medical Students	<input checked="" type="checkbox"/>	S.	Broader Community	N.	Active	0
Edit	Delete	Links	More...	B2 Education/Nu...	B2 - Nurses/Nursing Students	<input checked="" type="checkbox"/>	S.	Broader Community	N.	Active	0
Edit	Delete	Links	More...	B3 Education/Ot...	B3 - Other Health Professions Educ...	<input checked="" type="checkbox"/>	S.	Broader Community	N.	Active	0
Edit	Delete	Links	More...	B4 Education/Sch...	B4 - Scholarships/Funding Health P...	<input checked="" type="checkbox"/>	S.	Broader Community	N.	Active	0
Edit	Delete	Links	More...	C1 Emergency a...	C1 - Emergency and Trauma Services	<input checked="" type="checkbox"/>	S.	Broader Community	N.	Active	0
Edit	Delete	Links	More...	C2 Neonatal ICU ...	C2 - Neonatal Intensive Care (if sub...	<input checked="" type="checkbox"/>	S.	Broader Community	N.	Active	0
Edit	Delete	Links	More...	C3 Hospital Outp...	C3 - Hospital Outpatient Services	<input checked="" type="checkbox"/>	S.	Broader Community	N.	Active	0
Edit	Delete	Links	More...	C4 Burn Units	C4 - Burn Units	<input checked="" type="checkbox"/>	S.	Broader Community	N.	Active	0
Edit	Delete	Links	More...	C5 Women's and ...	C5 - Women's and Children's Services	<input checked="" type="checkbox"/>	S.	Broader Community	N.	Active	0
Edit	Delete	Links	More...	C6 Renal Dialysis...	C6 - Renal Dialysis Services	<input checked="" type="checkbox"/>	S.	Broader Community	N.	Active	0
Edit	Delete	Links	More...	C7 Subsidized Co...	C7 - Subsidized Continuing Care	<input checked="" type="checkbox"/>	S.	Broader Community	N.	Active	0
Edit	Delete	Links	More...	C8 Behavioral He...	C8 - Behavioral Health Services	<input checked="" type="checkbox"/>	S.	Broader Community	N.	Active	0

Community Benefits Reporting Platform

Timeline:

Email reminder of upcoming data request (late October)

Hospitals enter FY 2023 data in CBISA or NHA data tracker

Formal NHA Snapshot request will populate in CBISA early January 2025

Once hospital data is accurate and complete, click Accept which submits data to NHA

CBISA Resources:

1:1 training for interested NE hospitals

Monthly webinar training sessions for all data entry role types

Resources & materials on the NHA website: Medicaid Program page

Community Benefits Reporting Tracker

NHA NEBRASKA HOSPITALS NHA 2024 Community Benefits Survey (Fiscal Year 2023 Data)					
Name of Hospital: _____					
Name of Individual(s) Completing this Report: _____					
Phone Number of Contact Person: _____					
Email Address of Contact Person: _____					
	No. of Programs / Activities	No. of Persons Served	Total Expense	Offsetting Revenue	Net Community Benefit
I. Benefits for the Poor/Public Programs					
a. Traditional charity care					\$0
b. Unpaid costs of public programs:					
Medicare					
Medicaid					
Other public programs (list below):					
Subtotal: Benefits for the Poor/Public		0	\$0	\$0	\$0
II. Community Benefits Services					
a. Community health education & outreach					\$0
b. Community-based clinical services					\$0
c. Health care support services					\$0
Subtotal: Community Benefits Services	0	0	\$0	\$0	\$0

The amount of any outside revenue which helped cover the cost of your traditional charity care.

To help pass LB 1087, which provides new directed payments to all hospitals serving Medicaid patients, Nebraska hospitals committed to improving four target areas. To help demonstrate the importance of these payments and protect them against any future reductions, please provide any narrative about activities your hospital has engaged in to foster these improvements in the text boxes below.

Type any improvements your hospital has made to senior care here.

Type any improvements your hospital has made to behavioral health here.

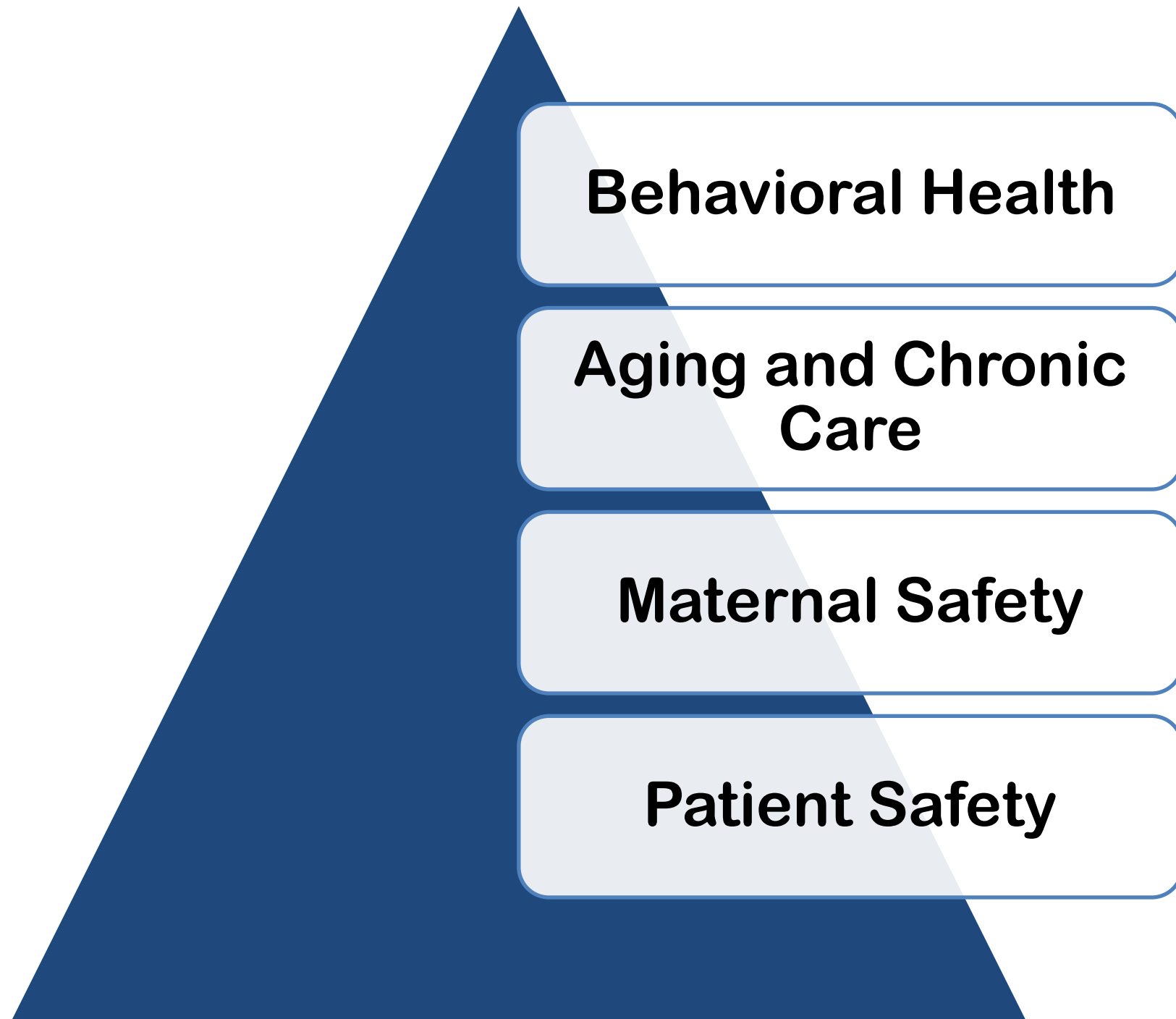
Type any improvements your hospital has made to maternal care here.

Type any improvements your hospital has made to workforce development here.

- Alternative tracker form
- Simplified form to enter requested data points
- Prompts in each data cell
- Narrative sections

Nebraska Medicaid Directed Payment Program – Required Quality Component

Measures Selection:



- At least 1 measure -- per defined buckets
- Focus on for a 3-year period
- Measures will be assessed on an ongoing basis – measures can be retired or progressed depending on performance and need
- New measures will be added over time to continue to drive high-quality care and improve patient outcomes.
- CMS will require an at-risk portion as the program matures.

Medicaid Directed Payment Program: Quality Initiatives

Key Performance Metrics – Year 1 (July 2024-December 2025)

- Social Determinants of Health Screening Compliance
- Maternal Postpartum Depression Screening Compliance
- CAUTI Infection Rate

Supplemental Measures Related to Governor's Focused Programming

- ED Use for Behavioral Health Primary Diagnosis
- Expansion of Age-Friendly Health Systems

Hospital Reporting Cadence (initial year (18-month lookback)– July 1, 2024 through December 2025:

Reporting Period	July 1, 2024 - September 30, 2024	October 1, 2024 - December 31, 2024	January 1, 2025 - March 31, 2025	April 1, 2025 - June 30, 2025	July 1, 2025 – September 31, 2025	October 1, 2025 – December 31, 2025	January 1, 2025- December 31, 2025
Data Submission Date	November 30, 2024	February 28, 2025	May 31, 2025	August 31, 2025	November 30, 2025	February 28, 2026	February 28, 2026

Only for SDOH Screening Measure

CMS Statewide Report will be submitted by the Nebraska Hospital Association on June 30, 2026.

Data Reporting: New NHA Portal

[Log in - NHA Quality Data](https://www.nhaqualitydata.org)
<https://www.nhaqualitydata.org>



Log in.

Please log in to your account.

Email

Password

Remember me?

Log in

Data Portal Trainings

SESSION 1

October 21, 2024 | 1:00-2:00 PM CT

SESSION 2

October 22, 2024 | 11:00 AM-12:00 PM CT

SESSION 3

October 24, 2024 | 12:00-1:00 PM CT

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Questions?

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