

**New York State  
Department of Health**  
Office of Health Systems Management  
Richard M. Cook, Deputy Director



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**OFFICE OF RURAL HEALTH  
REGION A ANNUAL MEETING  
JUNE 30-JULY 2, 2009  
LAKE PLACID, NY**

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**National  
Trends**

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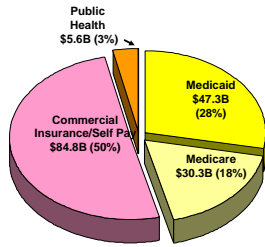
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**Total New York State Health Expenditures  
Projected 2008 Expenditures of \$168 Billion**



Source: 2008 Health Care expenditures projected by the Division of the Budget using actual 2004 data and historical growth trends from the CMS, Office of the Actuary, National Health Statistics Group; Estimated size of 2007 NYS Economy based on 2007 NYS Personal Income estimate.

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**NYS Medicaid**

- \$47B/ 30% of State Budget
- Covers 50% of all births
- \$4.1M enrollees
- NYS total health expenditures-\$168B

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**NYS Uninsured**

- \$2.8M Uninsured
- \$1M eligible public programs
- 2/3's have incomes below 200% FPL
- 80% employed (family member)
- 50% employed in small business or self-employed

\* FPL-family of 4 (\$21, 200)

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## Medical Education in NYS

- 15 Medical schools (16<sup>th</sup> in development)
- 12 Academic health science centers
- 100 Teaching hospitals
- 16,500 Medical residents/fellows
- 8,800 Medical students

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## Special Needs Populations

Only 20 Percent of All Enrollees, but Account for 75% of all Expenditures in Calendar Year 2007

	Total Medicaid Expenditures in Billions	Enrollees	Pct. Total Expend.	Pct. Total Enrollees	Avg. Costs per Enrollee
Total MA Population incl. Non-Utilizers	\$41.4	5,104,843	100%	100%	\$8,108
Non-Special Population <sup>1)</sup>	\$10.3	4,075,222	25%	80%	\$2,528
Special Need Populations <sup>2)</sup>	\$31.1	1,029,621	75%	20%	\$30,195

<sup>1)</sup>Includes non-utilizers  
<sup>2)</sup>High Need populations are HIV, MR/DD, Mental Health, Chemical Dependence, LTC and Chronic Care.  
 Note: Enrollees include persons enrolled at anytime in Calendar Year 2007  
 Source: DOH/OHP Datamart

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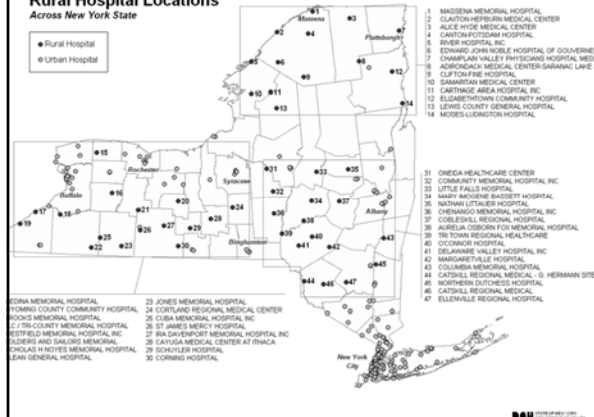
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## Rural Hospital Locations

Across New York State




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## Rural Health Facts

- 60 out of 237 State Hospitals designated Rural
- 13 are Critical Access Hospitals
- 35 Rural Health Networks (41 Counties)-serve 2.6M residents
- 2008-NYS received 65 CON's in 33 Rural Counties (\$285.5M)
  - 43 of 62 NYS counties considered rural (under 200,000);population of 3M people

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## Rural Programs & Funds

- Charles D. Cook Office for Rural Health
- Rural Health Network Development (\$6.7M)
  - Encourages partnerships, mergers, etc.
- Rural Health Access Development (\$10M)
  - 47 Hospitals
  - Information Systems
  - Service evaluation/planning
  - Financial management
- Area Health Education Centers
  - \$2.5M
  - Health Professional Recruitment

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## Key Reforms & Investments

- Berger Commission (Closing Commission)
- HEAL/FSHRP Funding (\$2B)
- Redirect dollars to Primary & Preventative Care
  - (Institutions →Community Care)
- Strengthening role and impact Community Planning
- Managing care for chronically ill patients
- Workforce investments

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- **Berger Commission**
  - 9 Hospitals/2,780 beds
  - 9 Nursing Homes/2,305 beds
  - Mergers, Affiliations-Downsizing 1,700 beds
  - \$1.2B in grants (\$267M to Rurals)
  
- **New Investments Primary Preventative Care (\$600M)**
  - \$270M Hospital Clinics
  - \$50M Community Health Centers/Clinics
  - \$188M Physicians/Nurse Practitioners Fees
    - \* Deducted from Institutional Payments
  - \$122M Primary/Preventative Services

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### **Community Planning**

- CON reforms/Focus on Community vs. Institutional needs
- Integrating Public Health Planning with Hospital Plans
- Preventative Quality Indicators (PQI)
- Rochester Lesson-Controlling costs and strengthening rural health
- \$9M Grant program

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### **Reimbursement Strategies**

- Pay for Performance
- Never Events
- Selective Contracting of Centers of Excellence

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### Managing Care for Chronically Ill

- Nationally 5% population drive 47% of costs
- NYS Medicaid-20% of recipients drive 75% of costs
- New demonstrations for managing care
- Adirondack Medical Home Pilot (\$4.5M over 2 years)

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### Workforce

- Workforce grants (\$30M)
- Doctors Across NY
- HEAL NY (\$267M)

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### DANY (Practitioners)

	<u>Awardees</u>	<u>Rural</u>
Loan Support	83	59
Practice Support	126	64
Total	<u>209</u>	<u>123</u>

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## The Challenges

- **Access-Cost-Quality**
- **Reimbursement/What will be the incentives?**
- **Access to Capital**
- **Market Reform/Models of Care**
- **Workforce-Urban vs. Rural**
  - Primary Care
  - Specialists vs. “Super Specialists”
- **Technology (Clinical trends and Information Technology)**
- **Patient Safety & Quality**

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