

Crain's New York: Major city physician group calls for new DSRIP money

By Jonathan LaMantia

Dr. Ramon Tallaj, chairman of Somos Community Care, said Tuesday that the Cuomo administration should work to secure federal funding to continue the Delivery System Reform Incentive Payment program.

The DSRIP program provided \$7.4 billion for health care providers across the state to implement projects that would lower unnecessary trips to the hospital by 25% over five years. The program is set to end by April.

"We need to extend this for two more years. We have to find together a way to do that," Tallaj said Tuesday after speaking at a conference hosted by Somos at the New York Academy of Medicine in Manhattan. "We need to be sure the Medicaid money is available to the state to do this transformation."

Somos Community Care is a network of more than 2,500 physicians who care for more than 700,000 patients in New York City. It is one of 25 Performing Provider Systems, or groups of medical providers that have collaborated on projects to keep patients healthy and out of the hospital. Those projects include increasing care management and integrating medical and behavioral health care.

Somos said that its network of doctors has shown a 36% reduction in preventable hospital readmissions and a 34% reduction in avoidable ER visits.

"The primary care physician is usually the person that the family trusts the most," said Dr. Juan Tapia Mendoza, a pediatrician in Washington Heights who is part of Somos. "With DSRIP, we have been able to expand, not only access to culturally sensitive physicians, but to provide continuity of care. That's why we're asking for two more years."

The money for DSRIP came from an amendment to New York's 1115 waiver through which the federal government provided New York more than \$8 billion. That allowed the state to reinvest some of the \$17 billion it had saved through initiatives developed by its Medicaid Redesign Team.

To secure additional funding, the state will need to a new amendment to its 1115 waiver, a labor-intensive process that will test New York's ability to work with the Trump administration. Jason Helgeson, New York's former Medicaid director, said Tuesday that the state needed two years to negotiate the initial DSRIP program with the federal government.

But New York could renew some money from its DSRIP program. Certain parts of DSRIP, known as the state supplemental programs, are distributed through Medicaid managed-care plans and represented more than \$1.5 billion in the first five years of the program. The state could allocate a continuation of that money in the next state budget.

In a keynote address, state Budget Director Robert Mujica didn't address the looming end of DSRIP. He did note the commitment the state made to health care in this year's state budget, [funding a \\$550 million increase](#) in Medicaid payments to hospitals and nursing homes. He noted that participants in DSRIP earned \$4.3 billion in payments through September, or 84% of funds that were available. He acknowledged the progress that health care providers have made.

"We're seeing a measurable reduction in preventable admissions," Mujica said.

Not all leaders in the health care industry think that DSRIP 2.0 is the answer to funding future collaboration among providers and social service organizations. Allison Sesso, executive director of the Human Services Council, noted that funding from insurers could support some of the existing programs.

"The DSRIP dollars are false support for the social determinants of health because they're temporary," Sesso said. "We need to figure out how to make it a permanent thing. You need to make sure its financially viable and something the insurance companies want to buy from the nonprofits on an ongoing basis."