



From the desk of the CEO  
Mario J. Paredes

## **New York's revolutionary Medicaid reform program deserves an extension**

THE MOST RADICAL transformation in the history of Medicaid will soon grind to a halt, unless the Centers for Medicare and Medicaid Services grants an extension of a unique program that has greatly improved the quality of health care for the poorest patients—a program that also saved taxpayers millions of dollars in the process.

The Delivery System Reform Incentive Payment program (DSRIP) was launched April 1, 2014 by New York Governor Andrew Cuomo. DSRIP ushered in a reform of Medicaid designed to serve the most vulnerable Medicaid recipients with optimal and comprehensive medical and in doing so sharply reduce the number of costly hospitalizations. Due to end March 31, 2020, DSRIP has made enormous strides in the past four and a half years. But much remains to be done to fulfill the program's promise of transforming health care for the poor in New York State.

Five years simply is not enough time to achieve the goal of transforming health-care delivery for New York State's most vulnerable patients on a lasting basis. For that reason, SOMOS Community Care, one of 25 Performing Provider Systems (PPSs) operating under DSRIP, strongly advocates for an extension of DSRIP—first, for one year, to match the term of original Medicaid Redesign Team waiver that financed the program, and a subsequent three-year extension of the waiver, with the program concluding on March 31, 2024.

The experience of SOMOS as a DSRIP PPS has been unique. The only physician-led PPS, SOMOS has built a network of more than 2,500 providers—the bulk of them primary care physicians—who care for more than 700,000 vulnerable patients in New York City. Just as the majority of SOMOS doctors is of Latino or Asian background, so the majority of SOMOS patients belong to immigrant as well as African American communities. That cultural affinity and doctors' cultural competence have been key ingredients of SOMOS success.

SOMOS community-based physicians are like the family doctors of old; they really know their patients with whom they develop relationships of trust. Supported by SOMOS staff, including Community Health workers—who serve as their eyes and ears in the neighborhood—these doctors are trained to deliver value-based services and earn value-based payments. The Value-Based Payment (VBP) formula is at the core of DSRIP, a health-care delivery model that rewards providers according to the health outcomes of their patients—a move away from the fee-for-services of the traditional Medicaid model. The VBP



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model is a spur for doctors to emphasize preventive care and to provide consistent care across the board

Since 2014, SOMOS has achieved several milestones: it reduced potentially preventable hospital admissions by 20.4 percent and reduced potentially preventable hospital re-admissions by 25.7 percent. Combined, this amounts to a savings of \$300M. In 2018, SOMOS became the first physician-led network to earn the New York State Department’s VBP Innovator designation; it is one of only three health-care entities in New York State to achieve that status.

Also key to the success of SOMOS doctors is the close attention they pay to the social determinants of health. These are social factors—such as poverty, lack of employment, sub-standard housing and a lack of education—that affect the physical and mental health of individuals. SOMOS physicians are encouraged to liaison with Community-Based Organizations (CBOs) focused on remedies for these social deficits and thus broaden care for their patients. Comprehensive care under DSRIP also includes the integration of assessment and treatment of behavioral health issues.

When it comes to behavioral health issues and the role the social determinants of health and the importance of CBOs, SOMOS has made great progress, but more time is needed to lock in these achievements and ensure longer term success. An extension of DSRIP would also enhance the chances of SOMOS solidifying its treatment model so that it can serve as a template for other efforts in New York State and beyond. More time is needed also for more of SOMOS providers to come to embrace higher compensation risks as VBP providers. It must be noted that in the national discussion on health care reform the social determinants of health get scant attention. That neglect is also evident in the bulk of public and private health-related funding going to biomedical research, to the fight against cancer and Alzheimer’s, for example. Important as such research is, more support should be given to research into the impact of social determinants of health, which account for most of the premature deaths in the country.

What’s more, public funding favors large hospital-based systems and other institutional conglomerates. What SOMOS has demonstrated is that investment in the work of independent providers can have a significant pay off. SOMOS doctors are operating on the front lines in the heart of the inner city. “Family doctors,” wrote SOMOS Founder and Chairman, Dr. Ramon Tallaj and SOMOS President Dr. Henry Chen in a letter to NYSDOH’s Medicaid Director Donna Frescatore, “are the pillars of their communities improving the quality of life of for generations of families.



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“[T]he relationship between the family doctor and the patient is the strongest infrastructural tool in achieving the primary goal of the DSRIP program, to reduce the cost and frequency of hospitalization,” they wrote.

An extension of DSRIP would be taxpayer money well spent on the reiteration of the family doctor, an investment in the hard work, commitment and success of independent providers.