

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
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CENTERS FOR MEDICARE AND MEDICAID SERVICES

DATE: September 29, 2022

TO: New York Fully Integrated Duals Advantage Medicare-Medicaid Plans Active in CY 2019

FROM: Lindsay P. Barnette
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Medicare-Medicaid Coordination Office

SUBJECT: CMS Update on the Redistribution of CYs 2017 through 2019 Quality Withhold Payments for New York Fully Integrated Duals Advantage Medicare-Medicaid Plans

This memorandum provides Medicare-Medicaid Plans (MMPs) that operated in the New York New York Fully Integrated Duals Advantage (FIDA) demonstrations under the Medicare-Medicaid Financial Alignment Initiative through Demonstration Year 5 (CY 2019) with an update regarding the payment of the Demonstration Years 3 through 5 (CY 2017 through CY 2019) quality withhold amounts.

Demonstration Year 3/CY 2017

For New York FIDA MMPs active as of January 1, 2019, the Medicare portion of the CY 2017 quality withhold was redistributed as part of the November 2019 capitation payment cycle, as detailed in the October 22, 2019 HPMS Memo “CMS Update on Redistribution of Quality Withhold Payments for CY 2017 for New York FIDA Plans Active in CY 2019.” Renewing MMPs received a share of the Medicare portion of CY 2017 quality withhold dollars from non-renewing plans, as outlined in Sections 4.3.4.6.2 and 4.3.4.6.3 of the three-way contract and detailed in the March 20, 2019 HPMS Memo “Redistribution of Quality Withhold Payment Amounts for Non-renewing FIDA Plans in Demonstration Years (DY) 3 and 4.”

CMS is adjusting the Medicare portion of the CY 2017 distributed shares based upon updated Medicaid amounts withheld for DY3.

CMS will process these adjustments and provide the adjusted payment data in the final settlement letter and reports.

Demonstration Year 4/CY 2018

For New York FIDA MMPs active as of January 1, 2019, the Medicare portion of the CY 2018 earned quality withhold was processed in the September 2021 payment cycle.

In addition, plans that remained in the New York FIDA demonstration as of January 1, 2019 are eligible to receive a share of the Medicare portion of the CY 2018 quality withhold dollars from plans that exited the demonstration prior to January 1, 2019, as outlined in Sections 4.3.4.6.2 and 4.3.4.6.3 of the three-way contract and detailed in the March 20, 2019 HPMS Memo “Redistribution of Quality Withhold Payment Amounts for Non-renewing FIDA Plans in Demonstration Years (DY) 3 and 4.”

CMS and the New York Department of Health (DOH) have finalized the analysis for the distribution of CY 2018 funds. As all plans have terminated, CMS will process both the CY 2018 quality withhold and quality withhold redistribution and provide the payment data in the final settlement letter and reports.

Demonstration Year 5/CY 2019

For New York FIDA MMPs that participated through December 31, 2019, the Medicare portion of the CY 2019 earned quality withhold was processed in the September 2021 payment cycle. As all plans had terminated, CMS will provide payment data in the final settlement letter and reports.

Please contact the Medicare-Medicaid Coordination Office at mmcocapsmodel@cms.hhs.gov if you have any questions.