

CRAIN'S
Health Pulse

State surpasses DSRIP targets for year three

The state has met all the milestones required in year three of the Delivery System Reform Incentive Payment program, avoiding the loss of any funds, according to the [latest quarterly report](#) from the state Health Department on the \$8 billion initiative.

Perhaps most notably, Medicaid spent only \$181.65 per member per month on in-patient and emergency room visits statewide—about \$25 less than the target spending level. The state also met 12 of the 16 targets for delivery system improvement, or about 75%. The state had to meet only half of those goals in order to achieve the DSRIP requirements.

The state also far exceeded the goal, established by the Centers for Medicare and Medicaid Services, of capturing at least 10% of the money spent by managed-care plans in value-based-payment arrangements. Instead, about 34.6% of those expenditures were made through value-based contracts.

The 25 performing provider systems participating in DSRIP received a total of \$923.9 million during the fourth quarter of year three of the program, which ran from January through March of this year. The payments were for their performance from April through September 2017.