Department of Health

NEW YORK'S 1115 WAIVER AMENDMENT

New York Health Equity Reform (NYHER): Making Evidence-Based Investments to Address the Health Disparities Exacerbated by the COVID-19 Pandemic

December 2022

Agenda

1115 Amendment Public Hearing

- 1115 Demonstration Waiver Background
- Overview of NYHER 1115 Waiver Amendment:
  - *Strategy #1: Health Equity-Focused System Redesign*
  - *Strategy #2: Developing and Strengthening Transitional Housing Services*
  - *Strategy #3: System Redesign and Workforce Capacity*
  - *Strategy #4: Digital Health and Telehealth Infrastructure*
- Estimate of Annual Amendment Expenditures
- Timeline
- Resources

1115 Demonstration Waiver Overview

- Section 1115 Demonstration Waivers grant flexibility to states for **innovative projects that advance the objectives of the Medicaid program**.

- **Authorized under Section 1115 of the Social Security Act, these waivers:**
  1. Give the Secretary of Health and Human Services the authority to waive certain provisions and regulations for Medicaid programs, and
  2. Allow Medicaid funds be used in ways that are not otherwise allowed (i.e., “matchable”) under federal rules.

- Typically, 1115 waivers are approved for 3-5 years, although recently CMS has approved some waivers for longer terms.

New York State’s 1115 Waiver

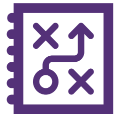
- The **NYS Medicaid Redesign Team (MRT) Waiver** (formerly the Partnership Plan) has been in effect since 1997.
- New York’s 1115 MRT Waiver was last renewed on April 1, 2022 and is effective through March 31, 2027.
- ***The goals of the MRT Waiver are as follows:***
  - ✓ Improve access to health care for the Medicaid population;
  - ✓ Improve the quality of health services delivered; and
  - ✓ Expand coverage to additional low-income New Yorkers with resources generated through managed care efficiencies.

Overview of the NYHER 1115 Waiver Amendment

New York Health Equity Reform (NYHER) Amendment Overview

New York State is seeking **$13.52 billion over five years** to fund a new 1115 Waiver amendment that addresses health disparities and systemic health care delivery issues that have been both highlighted and intensified by the COVID-19 pandemic. **The central goal of the amendment is to reduce health disparities, advance health equity, and support the delivery of social care.**

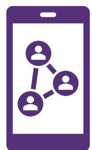
NYS will work to achieve this goal through the following strategies:



1. Building a more resilient, flexible, and integrated delivery system that reduces health disparities, advances health equity, and supports the delivery of social care;

2. Developing and strengthening transitional housing services and alternatives for the homeless and long-term institutional populations;

3. Redesigning and strengthening system capabilities to improve quality, advance health equity, and address workforce shortages; and



4. Creating statewide digital health and telehealth infrastructure.

Strategy #1: Health Equity-Focused System Redesign

Health Equity Regional Organizations (HEROs) – ***$293 million***

- HEROs are regional, mission-based entities composed of a coalition of stakeholders in each region.
- HEROs have two critical roles that are central to the waiver amendment design:
  - Develop **Annual Regional Plans** that evaluate the physical and behavioral health and social care needs of vulnerable populations in each region.
    - This will include identifying gaps related to housing (Strategy 2), workforce (Strategy 3), and telehealth (Strategy 4).
  - Serve as hubs for **regional collaboration and coordination**, including technical support.
- DOH will contract with a **single HERO per region.**
- A HERO may be an expansion of an existing entity (e.g., Integrated Health Network or Local Public Health Department), or a new corporate entity formed by regional participants.

HERO Goals

- Guide the development of a delivery system built for **"well care" and that accounts for the whole-person** by:
  - ✓ Integrating physical and behavioral health and health related social need (HRSN) services;
  - ✓ Meeting patients where they are; and
  - ✓ Improving outcomes for all patients, particularly the most vulnerable and underserved.
- Bring all stakeholders together to map out needed shifts in the delivery system and give all a stake in this work.
- Facilitate the movement to more targeted value based payment (VBP) models that promote health equity.
- Build on the successes of DSRIP, while incorporating changes informed by challenges and lessons learned.

HERO Role Clarification

HEROs are:

- ✓ Intended to work with existing regional and local health systems.
- ✓ Hubs for regional planning, consensus building, collaboration, and coordination.
- ✓ Composed of and governed by a broad range of providers, CBOs, MCOs, and other stakeholders.

HEROs are NOT:

- ✗ Performing Provider Systems (PPS) or another form of intermediary entity.
- ✗ Responsible for receiving or distributing waiver funds.
- ✗ Duplicating any existing public health activities.
- ✗ Controlled by any single entity or provider type.

HERO Composition

HERO membership could include:

- Local Health Departments
- Managed Care Organizations (MCO)
- Hospitals and Health Systems*
- Primary Care Providers and FQHCs *
- Community Providers *
- Specialty Providers *
- Behavioral Health Providers *
- Consumer Representatives
- Providers of Long-term Services and Supports (LTSS)*
- Providers serving individuals with Intellectual and Developmental Disorders (I/DD) *
- Community Based Organizations (CBO) *
- Qualified Entities (QE) / Health Information Exchanges (HIE) / Regional Health Information Organizations (RHIO)
- Members of the Health Care Workforce
- Other Stakeholders
- ***This list is not exhaustive***
- ***Additional focus on I/DD, children and families and mental health based on regional needs/priorities***

*Participation may be direct or through network entities, such as IPAs, ACOs, SDHNs, or BHCCs, as applicable

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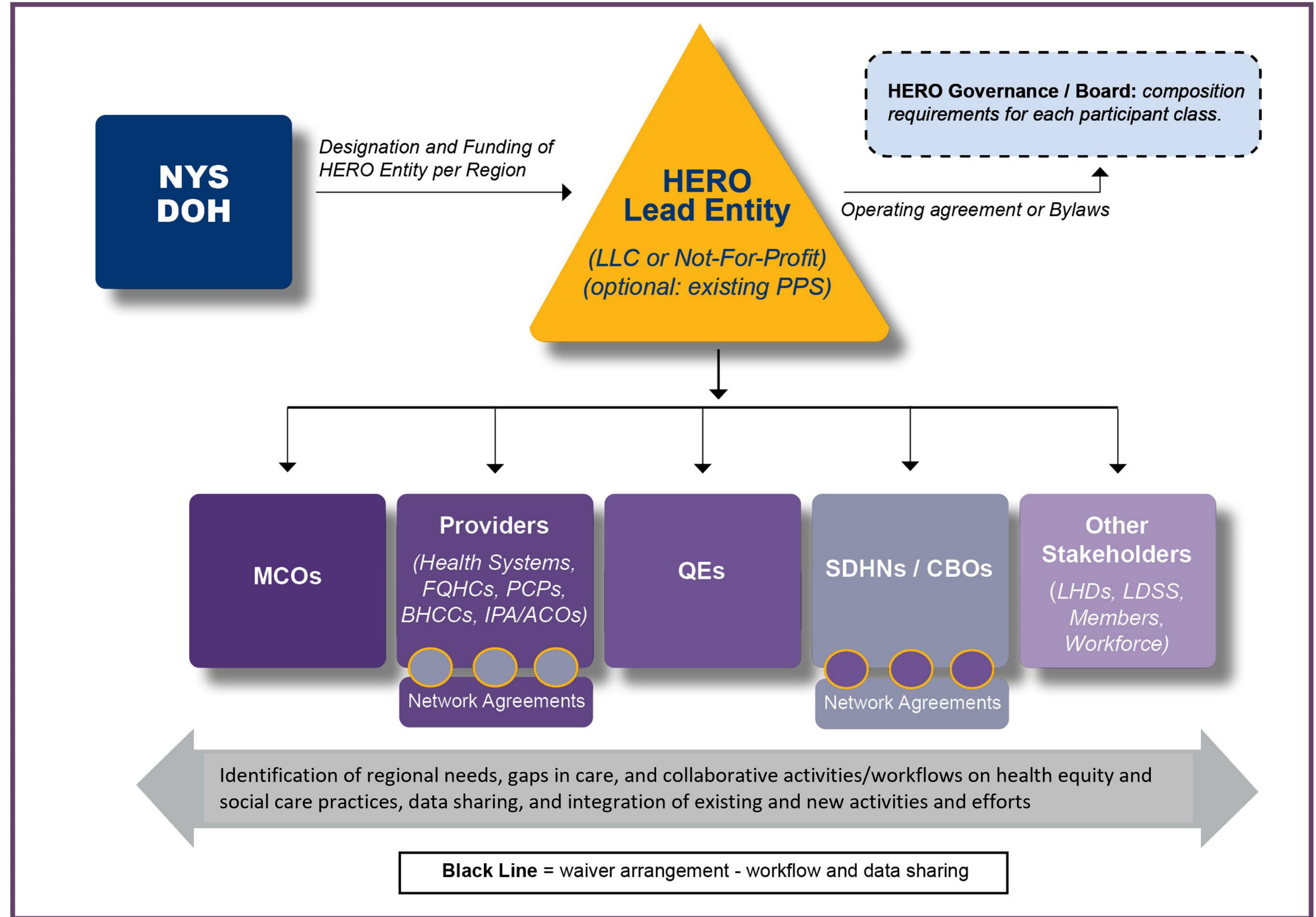
HERO Structure



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Strategy #1: Health Equity-Focused System Redesign

Social Determinants of Health Networks (SDHNs) – *$860 million*

- SDHNs will be **coordinated referral networks of CBOs that provide HRSNs**.
- DOH will contract with **one SDHN per region**, and the regions will **mirror the HERO regions.**
- Each SDHN will be managed by a Lead Entity that will act as a central vehicle for referral management, fiscal administration, VBP contracting, and reporting.
- The Lead Entity will also **support the CBOs in developing efficient business and operational practices and technological infrastructure**; and SDHN funding includes specific **dollars for CBO capacity building**.
- ***NYS will leverage existing IT systems for HRSN data collection and referral. SDHNs will be the primary vehicle for screening Medicaid members for HRSNs and collecting HRSN data and referral information, which will be integrated with clinical data through the Statewide Health Information Network for New York (SHIN-NY) to provide more holistic view of a member's needs and care.***

Strategy #1: Health Equity-Focused System Redesign

Targeted VBP Arrangements – *$6.8 billion*

- VBP is an effective vehicle for advancing health equity and HRSN services and incentivizing improvements in the quality of care.
- ***VBP will fund –***
  - HRSN screening and services provided through SDHNs with services reimbursed via fee schedule;
  - Referral management and fiscal administration support for CBOs performed by the SDHN lead entity; and
  - Targeted, health equity-focused VBP arrangements (e.g., global budget, bundled, episodic, and other advanced arrangements).
- The **VBP Roadmap will be updated** to address health equity and regional social care needs.

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Strategy #1: Health Equity-Focused System Redesign

Ensuring Access for Criminal Justice-Involved Populations – *$748M*

- **Targeted in-reach services** for incarcerated individuals **30 days prior to release** to ensure engagement in services upon release and assist with the successful transition to community life.
- Eligible individuals have two or more qualifying chronic diseases, or one single qualifying condition of either HIV/AIDS, serious mental illness, or an opioid use disorder. ***Expanded to include Hepatitis C, I/DD, and substance use disorder as single qualifying conditions.***
- *These services include –*
    - Care management and discharge planning,
    - Clinical consultant and peer services, and
    - Medication management plan development and delivery of certain high priority medications.

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Strategy #2: Strengthen Transitional Housing Services

Investing in Transitional Housing Services – $1.57 billion

- HEROs will develop an **inventory of available housing resources and regional need** to identify and address gaps in services.

SDHNs and Transitional Housing Stakeholders will implement the Enhanced *Transitional* Housing Initiative

- The initiative will encourage coordinated and targeted effort among MCOs, SDHNs, CBOs, and VBP contractors to connect high Medicaid utilizers with housing and services.
- *These services include –*
  - **Medical respite** for recently discharged patients at risk of imminent homelessness and too sick to return to the street;
  - **Community transitional services** for those living in institutional settings or experiencing homelessness including housing navigation, case management, short term rental assistance, and other fees, ***preparing individuals for housing and making connections to health services and care;***
  - **Tenancy supports** to ensure that individuals can stay safely housed in the community; and
  - **Referral** to and **coordination** of related services and benefits.

Goal #3: System Redesign and Workforce Capacity

COVID-19 Unwind Quality Restoration Pool – $1.5 billion

- A VBP Quality Incentive pool available to financially distressed safety net hospitals and nursing homes to engage in VBP arrangements, with a focus on ***quality improvement, advancing health equity, and expanding workforce capacity***.

Develop a Strong and Well-Trained Workforce – $1.5 billion

- Funding to address long-standing workforce shortages that were exacerbated by the COVID-19 pandemic to make the field more attractive to workers and provide opportunities for advancement.
- *Funds will be used to support the following activities –*
    - Recruitment and retention activities,
    - Development and strengthening of career pathways,
    - Workforce training initiatives,
    - Expansion of the community health workforce, and
    - Standardization of occupations and job training.

Goal #4: Creating Statewide Digital Health and Telehealth Infrastructure

Equitable Access to Telehealth Services for Members and Providers – $300 million

- An initiative to expand access to Digital and Telehealth Services by provisioning IT and training support to providers, as well as investments in infrastructure to improve patient access.
- *Activities include –*
  - Telehealth kiosks in homeless shelters,
  - Community health worker training to assist members in utilizing telehealth services, and
  - Tablets for providers and enrollees who lack access to technology necessary to participate in telehealth.

Estimate of Annual Amendment Expenditures

NYHER 1115 Waiver Application Funding Estimates						
Proposal	**DY 1**	**DY 2**	**DY 3**	**DY 4**	**DY 5**	**Total**
Strategy #1: Health Equity-Focused System Redesign	**$675**	**$1,324**	**$2,211**	**$2,219**	**$2,227**	**$8,655**
HEROs	$33	$65	$65	$65	$65	$293
SDHNs	$100	$190	$190	$190	$190	$860
Advanced VBP Models	$500	$1,000	$1,752	$1,752	$1,752	$6,755
Criminal Justice-Involved Populations	$43	$69	$204	$212	$220	$748
Strategy #2: Transitional Housing	**$63**	**$101**	**$301**	**$501**	**$601**	**$1,565**
Strategy #3: System Redesign and Workforce	**$450**	**$638**	**$638**	**$638**	**$638**	**$3,000**
System Redesign	$300	$300	$300	$300	$300	$1,500
Workforce Training	$150	$338	$338	$338	$338	$1,500
Strategy #4: Digital Health & Telehealth	**$60**	**$60**	**$60**	**$60**	**$60**	**$300**
Total Ask:	**$1,248**	**$2,123**	**$3,209**	**$3,417**	**$3,525**	**$13,520**

Dollars in Millions

Timeline

Activity	Date
✓ Public Notice posted to State Register/Public Comment Period Begins	April 13, 2022
✓ Tribal Comment Period Begins	April 13, 2022
✓ Public Hearings 1 & 2	May 3, 2022 and May 10, 2022
✓ Public Comment Period Ends	May 20, 2022
✓ Tribal Comment Period Ends	May 20, 2022
✓ Formal Submission of Amendment Application to CMS	September 2, 2022
✓ Federal Public Comment Period	September 19, 2022 – October 19, 2022
CMS & New York Negotiate Terms of Amendment	November – TBD
Implementation Date	TBD

1115 MRT Waiver Resources

1115 MRT Waiver Website
http://www.health.ny.gov/health_care/medicaid/redesign/medicaid_waiver_1115.htm

NYHER Amendment Application
https://www.health.ny.gov/health_care/medicaid/redesign/med_waiver_1115/docs/2022-09-02_final_amend_request.pdf

Original Concept Paper
https://health.ny.gov/health_care/medicaid/redesign/2021/docs/2021-08_1115_waiver_concept_paper.pdf

Quality Strategy
https://www.health.ny.gov/health_care/medicaid/redesign/docs/rev_quality_strategy_program_sept2015.pdf