HEALTH MANAGEMENT ASSOCIATES

New York State Medicaid Redesign Team (MRT) Waiver Amendment

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

1115 Research and Demonstration Waiver Amendment

New York State Council for Community Behavioral Healthcare
September 9, 2022

A BRIEF ASIDE

HEALTH MANAGEMENT ASSOCIATES

We have a capitalist healthcare system

Medicaid's move toward VBP has taught us some important lessons about delivery system transformation work

- Integrate behavioral health
- Address health-related social needs
- Data are invaluable if you can connect them
- Incentives must be sufficient and aligned across all of the Ps
- Engage stakeholders meaningfully
- Collaborate within AND across sectors
- Trickle-down economics still don't work
- Keep the FFS chassis for now
- Take care of the people who take care of the people

OVERALL STRUCTURE OF THE WAIVER

HEALTH MANAGEMENT ASSOCIATES

The NYS Medicaid Redesign Team (MRT) Waiver (formerly the Partnership Plan) has been in operation since 1997.

- New York´s 1115 MRT Waiver was last renewed on December 6, 2016, effective through March 31, 2021.
- **New York 1115 MRT Waiver Programs:**
  - Medicaid Managed Care, including Mainstream Medicaid Managed Care, Health And Recovery Plans (HARPs), Home and Community Based Services (HCBS), Managed Long-Term Care (MLTC), and Long-Term Services and Supports (LTSS) (Currently In Place, Extended Through March 31, 2027)
  - Delivery System Reform Incentive Payment (DSRIP) Program (Waiver Demonstration Ended April 1, 2020)
  - ***New York Health Equity Reform (NYHER) Waiver Amendment – (Currently under review by CMS)***

NYHER ≠ DSRIP 2.0

OVERVIEW OF NEW YORK'S 1115 WAIVER AMENDMENT REQUEST

New York is requesting $13.52 billion over five years to fund an 1115 Waiver Amendment.

The Amendment includes one goal and four main strategies:

Goal: Reduce health disparities, advance health equity, and support the delivery of social care

Strategy #1
Building a More Resilient, Flexible and Integrated Delivery System that Reduces Health Disparities, Promotes Health Equity, and Supports the Delivery of Social Care

Strategy #2
Developing and Strengthening Transitional Housing Services and Alternatives for the Homeless and Long-Term Institutional Populations

Strategy #3
Redesign and Strengthen System Capabilities to Improve Quality, Advance Health Equity, and Address Workforce Shortages

Strategy #4
Creating Statewide Digital Health and Telehealth Infrastructure

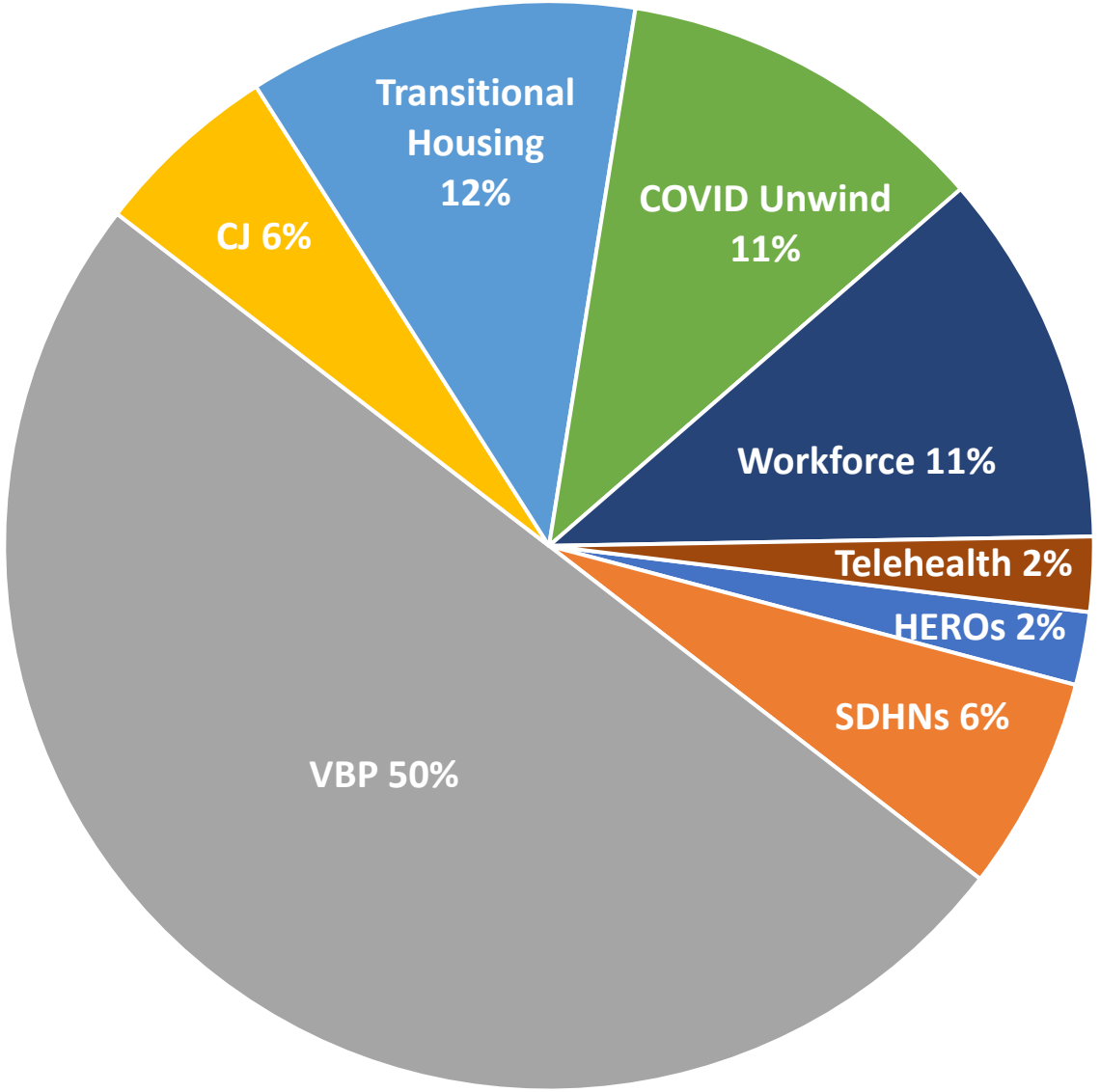
INITIATIVES IN THE WAIVER AMENDMENT

Strategy #1: Building a more resilient, flexible and integrated delivery system that reduces health disparities, promotes health equity, and supports the delivery of social care
Health Equity Regional Organizations (HEROs)
Social Determinant of Health Networks (SDHNs) Development and Performance
Advanced Value Based Payment (VBP) Models that Fund the Coordination and Delivery of Social Care via an Equitable, Integrated Health and Social Care Delivery System
Capacity Building and Training to Achieve Health Equity Goals
Ensuring Access for Criminal Justice-Involved Populations
Strategy #2: Developing and strengthening transitional housing services and alternatives for the homeless and long-term institutional populations
Investing in Transitional Housing Services and Alternatives for the Homeless and Long-Term Institutional Populations
Strategy #3: Redesign and strengthen system capabilities to improve quality, advance health equity, and address workforce shortages
COVID-19 Unwind Quality Restoration Pool for Financially Distressed Hospitals and Nursing Homes
Developing a Strong, Representative, and Well-Trained Workforce
Strategy #4: Creating statewide digital health and telehealth infrastructure

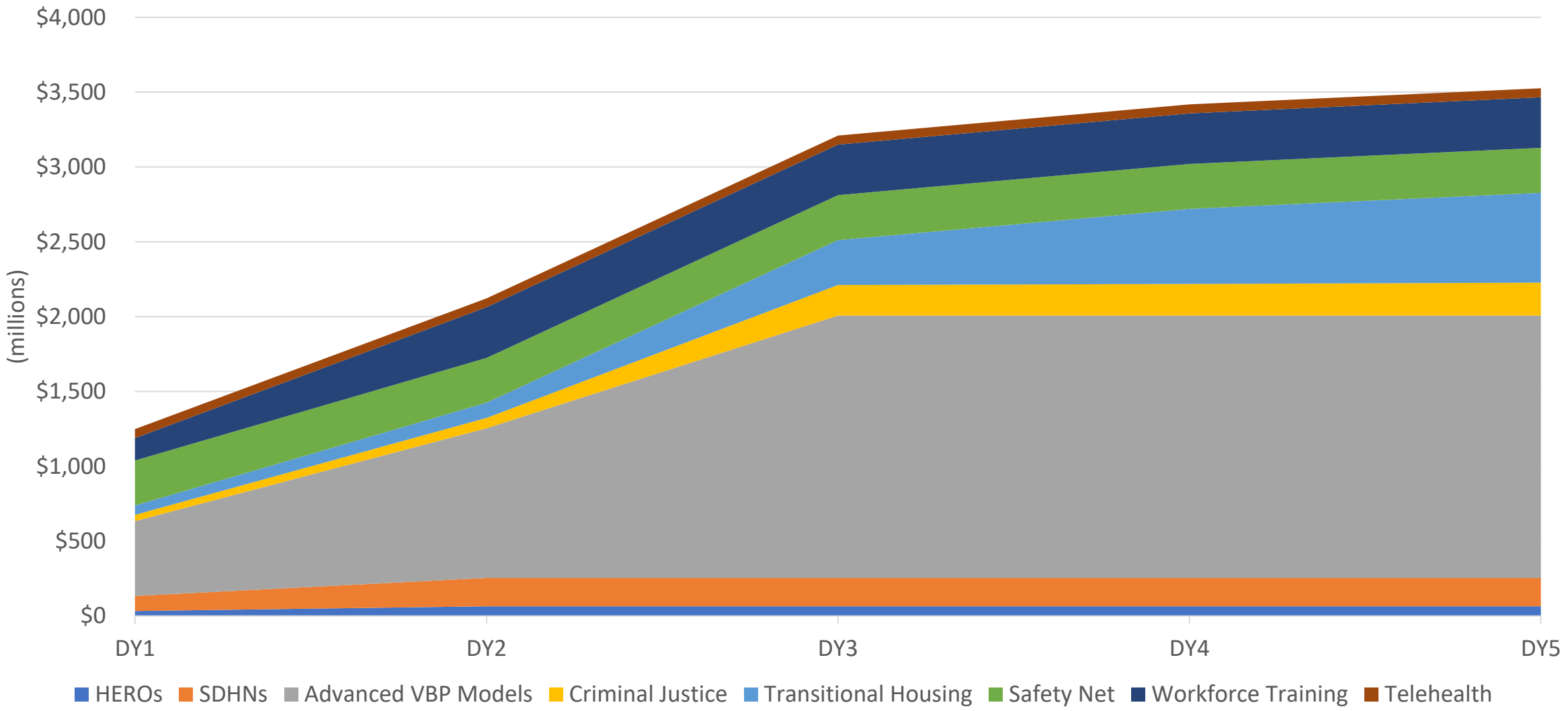
HOW THE MONEY IS EARMARKED

Waiver Proposal Initiatives	Funding in Draft Amendment (in millions)	Funding in Submitted Amendment (in millions)	% Change
Strategy #1: Health equity-focused system redesign			
HEROs	$325	**$293**	**-10%**
SDHNs	$585	**$860**	**+47%**
Advanced VBP models	$7,000	**$6,755**	**-4%**
Criminal Justice Involved Populations	$745	**$748**	**+0.4%**
Strategy #2: Transitional Housing	$1,565	**$1,565**	
Strategy #3: Prepare for Future Pandemics			
Safety Net Funding	$1,500	**$1,500**	
Workforce Training	$1,500	**$1,500**	
Strategy #4: Digital Health and Telehealth	$300	**$300**	
Total	$13,500	**$13,520**	**+0.1%**

PROPORTION OF DOLLARS IN THE AMENDMENT



FUNDING DISTRIBUTION OVER TIME

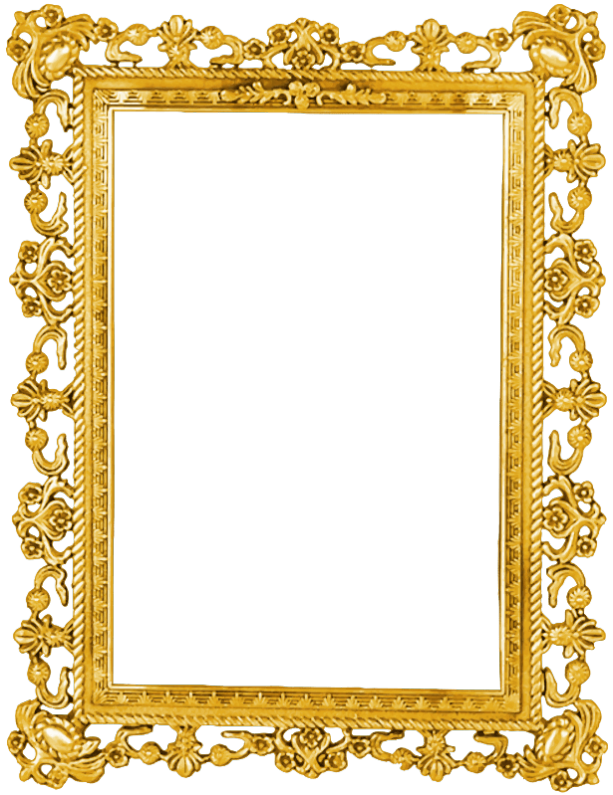


FUNDING DISTRIBUTION OVER TIME

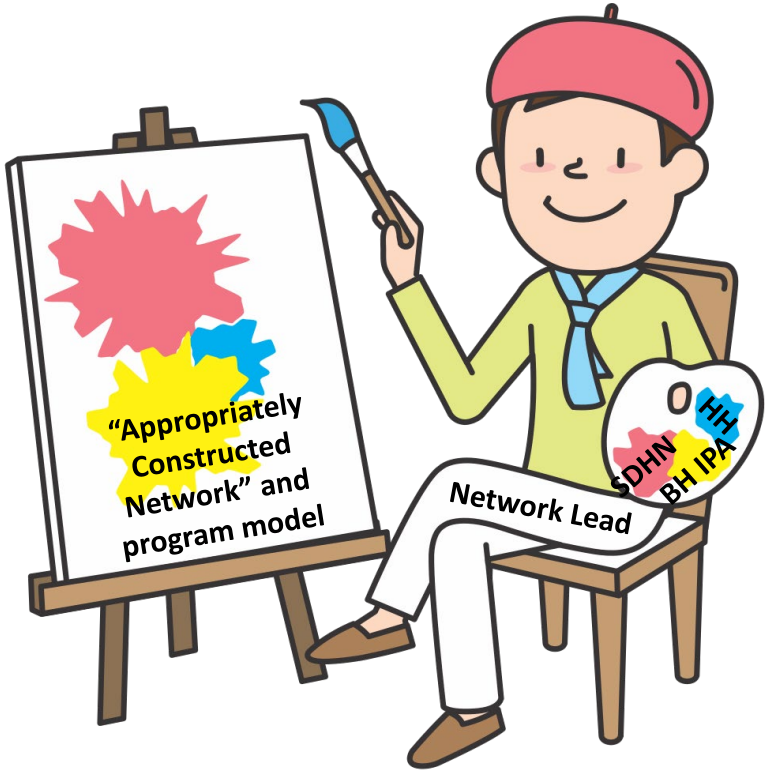
	Proposal	DY1	DY2	DY3	DY4	DY5	Total	Funding Description	Recipient
Goal #1	HEROs	$33	$65	$65	$65	$65	$293	Flat funding per year once procured based on Medicaid enrollment in the associated region	HERO (Existing or NewOrg)
	SDHNs	$100	$190	$190	$190	$190	$860	Initial upfront funding for CBO infrastructure support; flat funding per year in DY2-DY5	SDHN (Existing or NewOrg) CBOs
	Advanced VBP Models	$500	$1000	$1,752	$1,752	$1,752	$6,755	Gradually increasing funds with significant investment ramping up between DY2 and DY3	MCOs VBP Lead Entity Eligible Provider Networks
	Criminal Justice-Involved Population	$43	$69	$204	$212	$220	$748	Gradually increasing funds tied to the phasing of eligible incarcerated populations	Eligible Medicaid Service Providers, including A31 Health Home CM
Goal #2	Transitional Housing	$63	$101	$301	$501	$601	$1,565	Gradually increasing funds over full five years, ramping up with Medicaid housing resource development	SDHN (Existing or NewCo) CBOs Housing Providers
Goal #3	Safety Net	$300	$300	$300	$300	$300	$1,500	Flat funding per year	Hospitals Nursing Homes
	Workforce Training	$150	$338	$338	$338	$338	$1,502	Flat funding per year once procured	WIOs and workforce development centers
Goal #4	Telehealth	$60	$60	$60	$60	$60	$300	Flat funding per year	Technology Resources for Providers: CMs, SNFs, RTFs, CHWs, Dental, CBOs, etc.

PAINTING THE PICTURE

The HERO creates a framework for VBP contracts that prioritizes populations, performance measures and VBP design



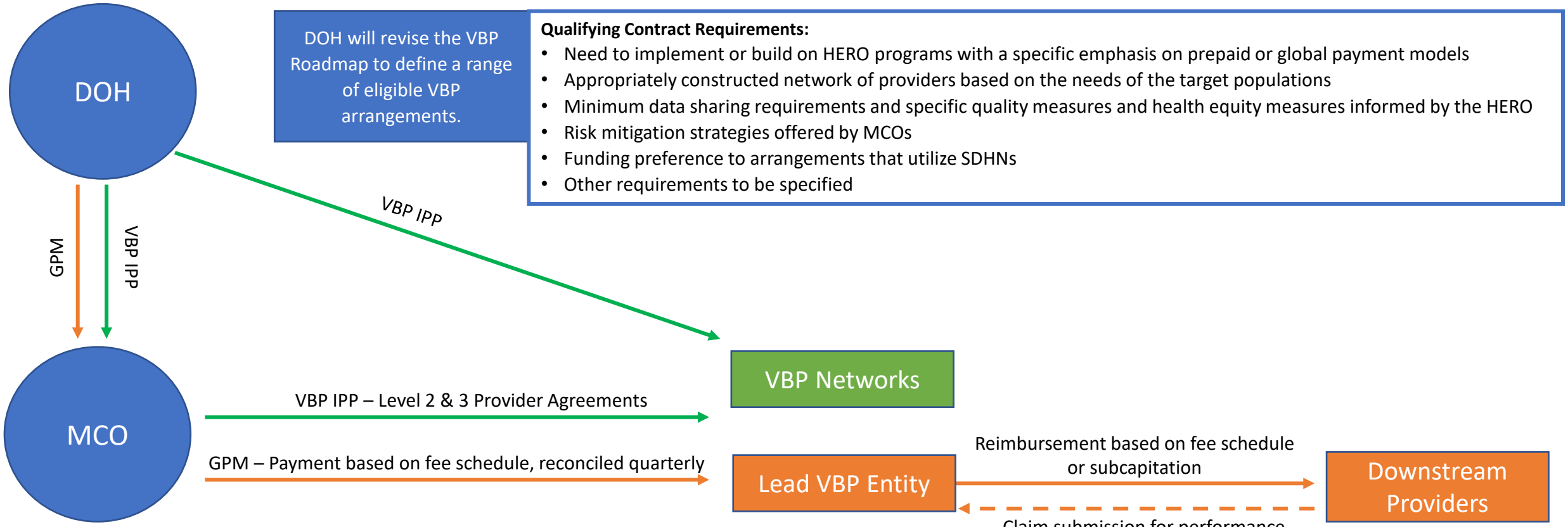
A provider builds a network to serve a population using a VBP model that moves performance measures that fit within the framework



A MCO signs a VBP contract to buy the service (from an "appropriately constructed network") that fits the framework

And the providers access the VBP-IPP funds for qualifying contracts (and the MCO gets a cut)

VBP INCENTIVE PAYMENT POOLS OVERVIEW



MCO Eligibility

Required to meaningfully participate in HEROs and engage in VBP contracts with an appropriately constructed network of providers for the population specific VBP arrangement.

VBP-IPP will leverage a fee schedule to pay CBOs in VBP networks or as downstream providers

HEROS AT-A-GLANCE (HEALTH EQUITY REGIONAL ORGANIZATIONS)

Who Can Serve as Lead/Fiduciary?

- LLC or Non-Profit (New or Existing Entity)
- Existing PPSs
- IPAs (including BH IPAs)
- LGUs
- PHIPs
- Other Stakeholders

Funding/Sustainability

- Existing Medicaid payments from DOH and MCOs remain intact
- HEROs would receive limited planning grants; HEROs would not receive and distribute waiver dollars
- Envisioned to extend beyond the period of the waiver and become self-sustaining
- HERO participants could contribute funding to HEROs after the waiver period to fund future activities

Governance Requirements

Must be mission-based and build a regionally-focused coalition of stakeholders

HERO Governance/Board – (Composition Requirements for Each Participant Class)

Operating Agreement/By-Laws

HERO (One Per Region)

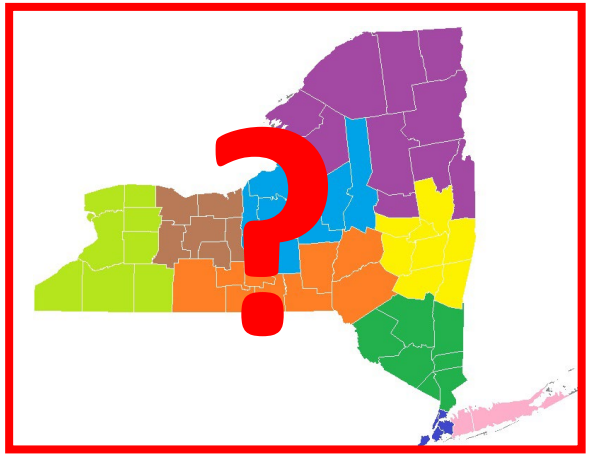
Participation Agreements

Participant Classes

MCOs	CBOs Organized Through SDHNs	Behavioral Health Networks	Hospitals and Health Systems
LTSS Providers (Including I/DD)	Qualified Entities (HIEs and RHIOs)	Community Based Providers (Including PCPs)	Population Health Vehicles (ACOs, IPAs)
Providers Serving Complex Children and Families	Tribal Nations	Consumers with Lived Experience, Including SMI, SUD, Physical Disability, and I/DD	

Regional Distribution

- Nine Across the State with option to further subdivide



Core Activities

- Regional health equity and social care need planning, including data sharing and integration of care management platforms, activities and efforts

Deliverables

- Annual Regional Plan
- Measure Selection, **Stratified by Race and Ethnicity**
- VBP Intervention Design
- Housing Program Inventory
- ~~**Social Care Needs Assessment**~~

SOCIAL DETERMINANT OF HEALTH NETWORKS (SDHNS) AT-A-GLANCE

Who Can Serve as Lead/Fiduciary?

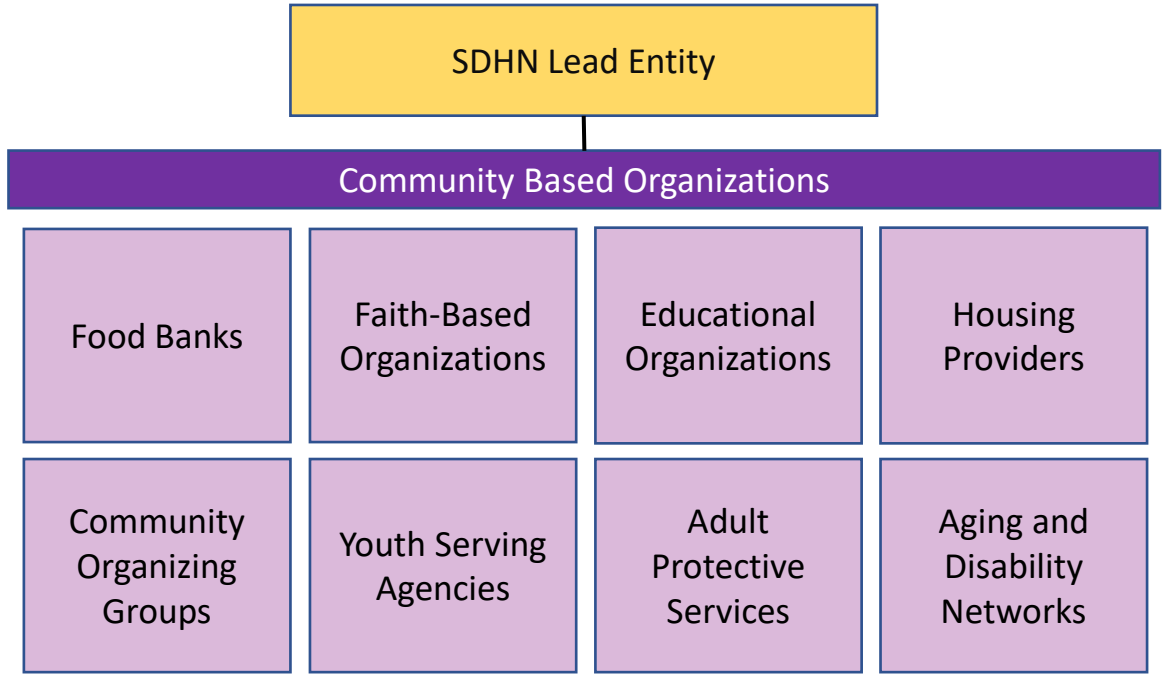
- The State will select a lead applicant within each region, which may be a CBO itself or a network entity (e.g., IPA, ACO) composed of CBOs.

Funding/Sustainability

- Direct infrastructure investments
- CBOs in SDHNs also receive funding to integrate into this network and provide services **and develop infrastructure**
- CBO funding will be tied to specific deliverables
- DOH will support the integration of SDHN services into MCO contracts and VBP arrangements beyond the life of the waiver
- **Funding for Social Care Interventions and Pilots**

Governance Requirements

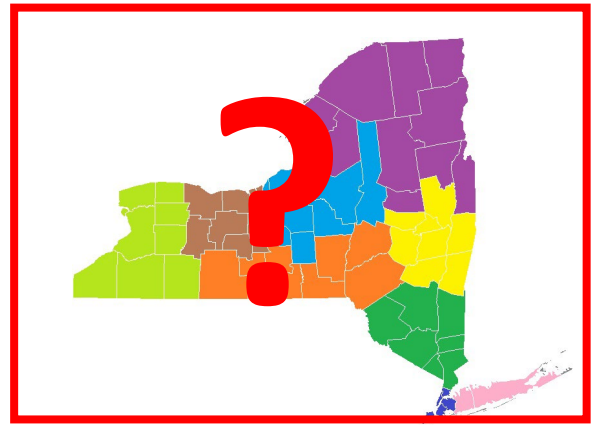
Each SDHN would consist of a network of CBOs within each region of the State (which should overlap with the regions and subregions that align with HEROs)



~~**As part of the SDHN initiative, DOH will also release a competitive procurement for a statewide social needs IT platform. Up to $30M for a five-year period will be dedicated to the creation, training and maintenance of the statewide platform.**~~

Regional Distribution

- Aligned with HERO regions (Target is 9 Across the State)



Activities & Deliverables

- Formally organize CBOs to perform SDH interventions
- Coordinate a referral network
- Create a single point of contracting for SDH arrangements
- Screen Medicaid enrollees for key SDH social care issues and make referrals
- Wrap a social service provider network around existing MCO clinical provider networks

SOCIAL CARE NEEDS SERVICES COVERED BY NC'S HEALTHY OPPORTUNITIES PILOT

- Housing Supports
  - First, last, security
  - Utilities
  - Navigation, inspection, remediation, modification, moving
  - Short-term post hospitalization
- Interpersonal Violence/Toxic Stress
  - IPV CM
  - Home visiting
  - Parenting curriculum
- Food
  - Food and Nutrition CM
  - Healthy Food Box
  - Medically Tailored Meal
- Transportation
  - Public and Private
  - CM Add-on
- High-intensity Enhanced CM
- Medical Respite
- Linkage to Health-Related Legal Support

OTHER WAIVER INITIATIVES INCLUDED IN THE AMENDMENT REQUEST

Goal	Initiative	Description
Strategy #1: Building a more resilient, flexible and integrated delivery system that reduces racial disparities, promotes health equity, and supports the delivery of social care.	Capacity Building and Training to Achieve Health Equity Goals	NYS will fund the expansion of the number of community health workers, care navigators and peer support workers, drawing from low-income and underserved communities to ensure the workforce reflects the community they serve.
	Ensuring Access for Criminal Justice Involved Populations	**Provision of Targeted Medicaid Services to Incarcerated Individuals 30 Days Prior to Release:** NYS seeks approval from CMS to provide a targeted set of in-reach Medicaid services for incarcerated individuals 30 days prior to release, including care management and discharge planning, clinical consultant services, peer services, and medication management plan development and delivery of certain high priority medications to ensure active engagement in services upon release and to assist with the successful transition to community life. Coverage for these services is suggested to be phased in, beginning with individuals incarcerated in State facilities, followed by local jails.

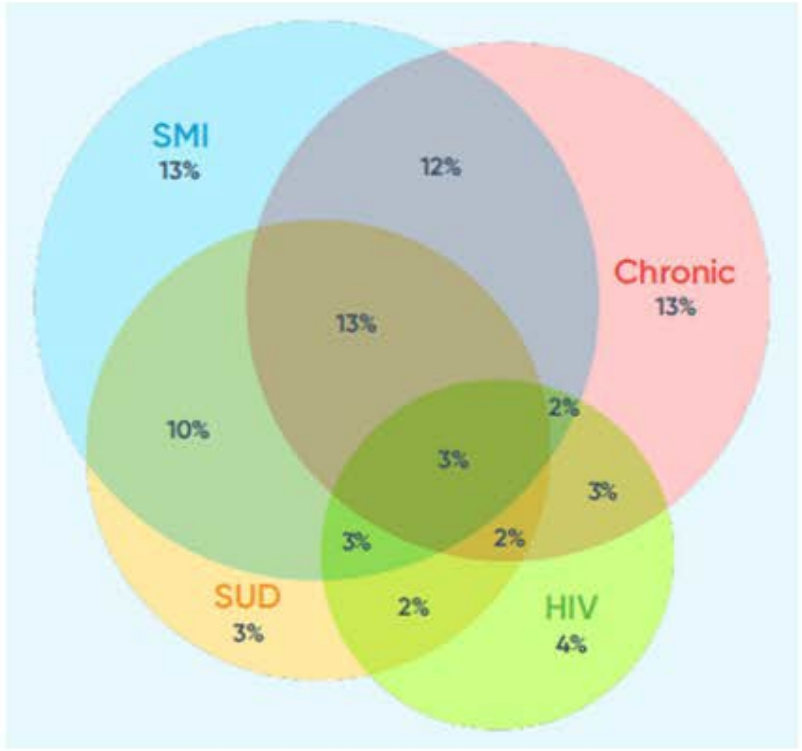
CORRECTIONAL IN-REACH PROPOSAL

- $745 million is earmarked for providing services to incarcerated individuals for 30 days prior to their discharge
- Begins with state prisons before expanding to local jails
- Individuals eligible for this program are:
- **Those Medicaid enrolled members who have two or more qualifying chronic conditions (such as COPD and diabetes), or one qualifying condition of either Hepatitis C, HIV/AIDS, sickle cell disease, a serious mental illness (SMI), I/DD, or a substance use disorder, who are incarcerated and 30 days prior to release. Services will include care management and discharge planning, clinical consultant services, peer services and medication management.**
- Approximately 11,000 prison discharges and 42,000 jail discharges in NYC of which approximately 48% are projected to be eligible
- 83 percent of New York's incarcerated individuals are in need of substance use disorder treatment upon release, according to the New York Department of Corrections and Community Supervision (DOCCS).
- In the 19 counties in the New York State County Re-Entry Task Force Program, 26 percent of eligible individuals required mental health treatment, 79 percent required substance use disorder treatment, while 82 percent required social services.

OTHER WAIVER INITIATIVES INCLUDED IN THE AMENDMENT REQUEST

Goal	Initiative	Description
Strategy #2: Developing Transitional Housing and Alternatives to Institutions for the Long-Term Care Population	Comprehensive Housing Planning through HEROs	The regional HEROs will work with local Continuum of Care (COC) planning bodies and others to identify housing gaps and potential housing solutions. HEROs will use Medicaid and homeless data to identify individuals who are high utilizers of Medicaid that need additional engagement with the system. They will also use Money Follows the Person (MFP) and other programs that serve the institutional population to identify individuals who need further assistance to return to community-based housing.
	Enhanced Transitional Housing Initiative	DOH will establish an Enhanced Transitional Housing Pool that will fund enhanced housing services, targeted to at-risk high utilizers and institutionalized individuals (as identified above). The Pool's funding will be supplemented with MCO and VBP arrangement funding as appropriate. Funds will be used to reimburse SDHNs for engaging with these members and helping them to find and stay in housing through transitional housing services (HCBS).

MRT Supportive Housing Clinical Characteristics



Seriously ill population, high rate of comorbidities:

- 62% have at least one serious mental illness
- 41% have substance use disorder
- 33.5% have "other chronic condition"
- 5% HIV+
- Diagnoses in 3 or more of above categories: 24%

Source: McGinnis et al, "Medicaid Redesign Team Supportive Housing Evaluation: Utilization Report 1," prepared by the SUNY Research Foundation for NYS DOH, June 2020.

"Other chronic condition"=12 other most common chronic conditions: hypertension, asthma, diabetes, osteoarthritis, coronary heart disease, chronic kidney disease, chronic obstructive pulmonary disease, cerebrovascular disease, congestive heart failure, cancer, angina, acute myocardial infarction.

NEW YORK STATE | Department of Health

OTHER WAIVER INITIATIVES INCLUDED IN THE AMENDMENT REQUEST

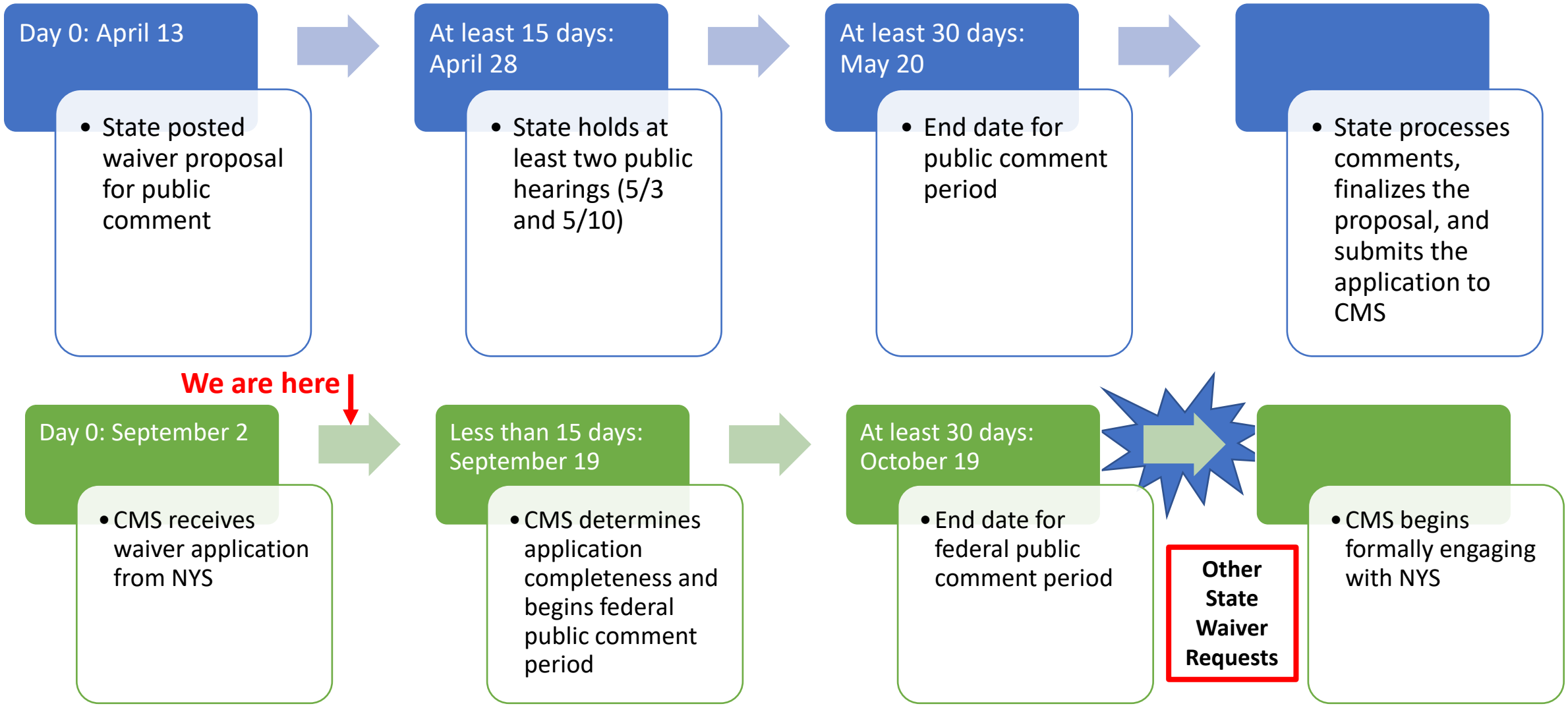
Goal	Initiative	Description
Strategy #3: Redesign and Strengthen System Capabilities for Future Pandemics & Natural Disasters	COVID Unwind Quality Restoration Pool	VBP pool available specifically to financially distressed safety net hospitals and nursing homes, defined as those with a high Medicaid payer mix. Funds would be available for: • Quality improvement and health equity activities; • Workforce training efforts to support the above initiatives and pandemic-related needs; and • Supporting safety net institutions' capacity to engage in other waiver initiatives, including VBP and HERO initiatives.
	Workforce Investments	This proposal would expand WIO initiatives from their DSRIP-era focus on long-term care to include health care workers from across the care continuum. Funds would go to initiatives that: • Expand and enrich the workforce to address shortages across the health care continuum, recruit people of color in medical professions, and provide workers with a greater range of opportunities for advancement; • Support the career pathways of frontline health care workers in entry-level positions where there are occupational shortages; • Support regional collaboration and training initiatives; • Expand the community health worker and related workforce, including care navigators and peer support workers; and • Standardize occupations and job training.

OTHER WAIVER INITIATIVES INCLUDED IN THE AMENDMENT REQUEST

Goal	Initiative	Description
Strategy #4: Creating a Digital Health and Telehealth Infrastructure	Equitable Virtual Care Access Fund	DOH has identified a preliminary set of investments for this fund, which include: • $15M for **care management and check-in services to reduce avoidable hospitalizations** • $9M to **equip approximately 600 Skilled Nursing Facilities (SNF) who are not dually enrolled in Medicare with telehealth equipment for their residents** • $9M per year to connect approximately 19,000 homebound enrollees and those living in **residential facilities with equipment and virtual care subscriptions** • $7.5M for 124 **Medicaid Community Health Workers (CHW) (two per county) to outfit CHWs with a backpack needed to facilitate telehealth** in the community • $3.7M for **Medicaid Community Dental Health Coordinators (CDHC) and for a backpack containing tele-dental equipment, including high resolution tele-dental cameras** • $3.7M to **provide telehealth kiosks to at least three homeless shelters in each county** • $5M for to **develop and deliver provider and member training** to promote telehealth and digital literacy • $7M to supply 10,000 **tablets to providers and enrollees who lack access to technology** necessary for telehealth services.

HEALTH MANAGEMENT ASSOCIATES

WAIVER TIMELINE



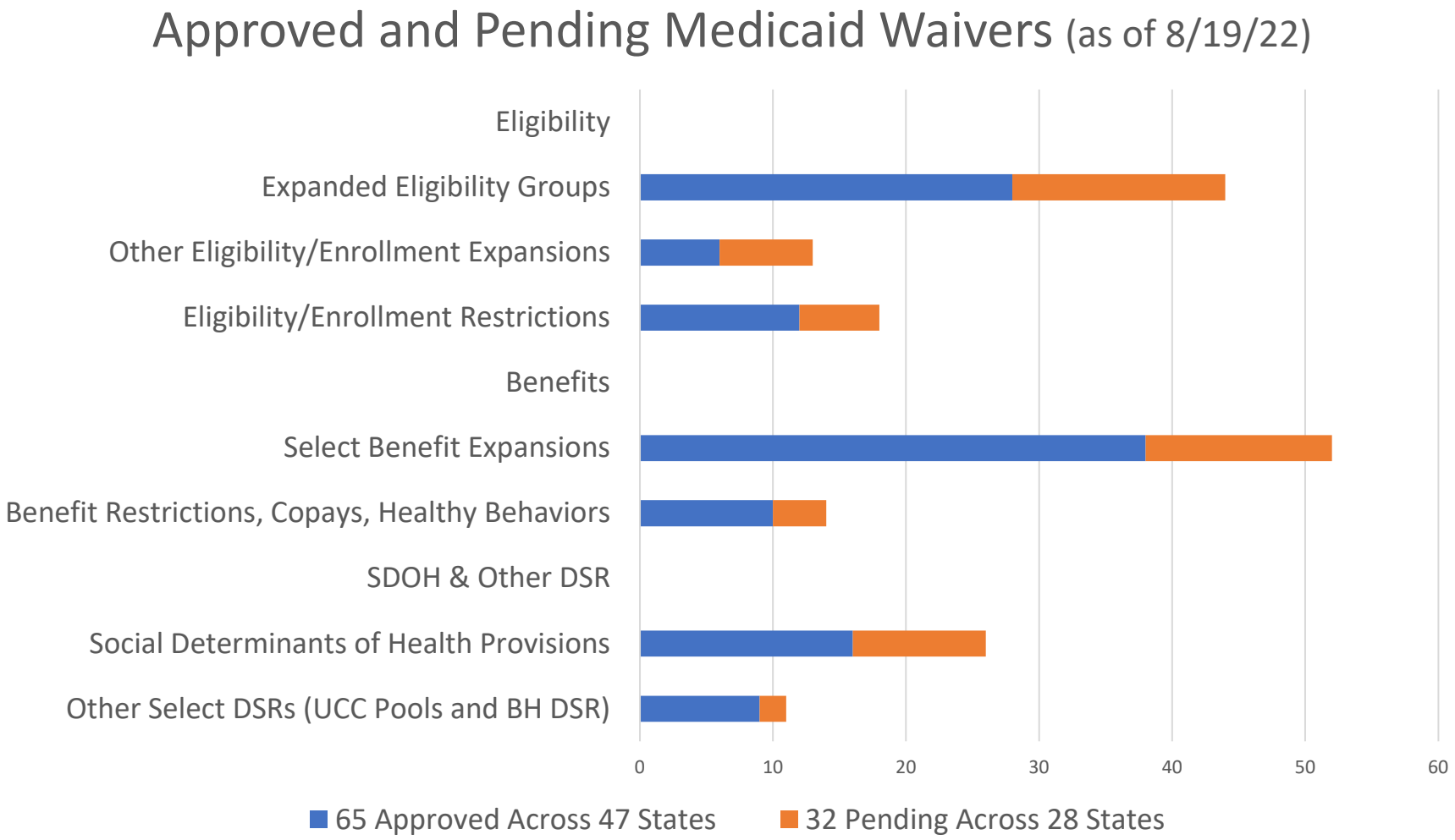
SOCIAL CARE BENEFITS INCLUDED IN OTHER STATE WAIVERS

	OR (1115) *(pending)*	CA (1915(b)) *(approved)*	NC (1115) *(pilot approved)*
Housing Supports	X	X	X
Interpersonal Violence/Toxic Stress			X
Food	X	X	X
Transportation	X		X
High Intensity Enhanced CM	X	X	X
Medical Respite			X
Linkage to Health-Related Legal Support			X

ANOTHER DSRIP LESSON LEARNED

CMS will review New York's submission for alignment with federal goals for Medicaid and from a cost/benefit perspective.

CMS may seek to add teeth by requiring specific outcomes and savings targets commensurate to the scale of the ask.



Source: Kaiser Family Foundation Medicaid Waiver Tracker

POTENTIAL OUTCOME REQUIREMENTS FOR WAIVER INITIATIVES

	Potential Metrics	
HEROs	• Shared performance against equity outcomes defined in a region • Number of VBP agreements leveraging equity metrics	• Development of Regional Equity Plan and Housing Program Inventory
SDHNs	• Reduced hospitalization for high-risk Medicaid recipients • Uptake of VBP amongst CBOs • # of services rendered under new authorities/fee structure • Outcomes linked to social care pilots	• Savings accrued to the Medicaid attributed to defined SDHN interventions • # of equity metrics linked to VBP agreements • % of CBOs connected to Level 3 or higher VBP arrangements
Advanced VBP models	• % of contracts linked to risk level 3 or higher • % of dollars linked to risk level 3 or higher • # of equity metrics linked to VBP agreements	• # or scale of participation in GPM • Savings targets attached to VBP agreements globally across Medicaid program
Criminal Justice	• # of individuals connected to Medicaid services • Reduced hospitalizations and/or reincarceration rates for individuals receiving Waiver services	• # of encounters tied to in-reach services 30 days pre-release • # of individuals connected to follow-up care
Transitional Housing	• # of individuals connected to housing and related Medicaid services • Rate of homelessness and complications for	• Readmission rate and unnecessary ED use for individuals linked to transitional housing services • Reduced rates of institutional levels of care and long term hospitalizations for individuals with homelessness
Safety Net Funding	• Provider-specific metrics tied to VBP implementation, quality improvement, and strategic partnerships	
Workforce Training	• Jobs created and/or retained regionally	• WIO reports on engagement/training, etc.
Telehealth	• Implementation of technology solutions,	• # of Medicaid participants served through new modalities

STRATEGIC IMPLICATIONS

HEALTH MANAGEMENT ASSOCIATES

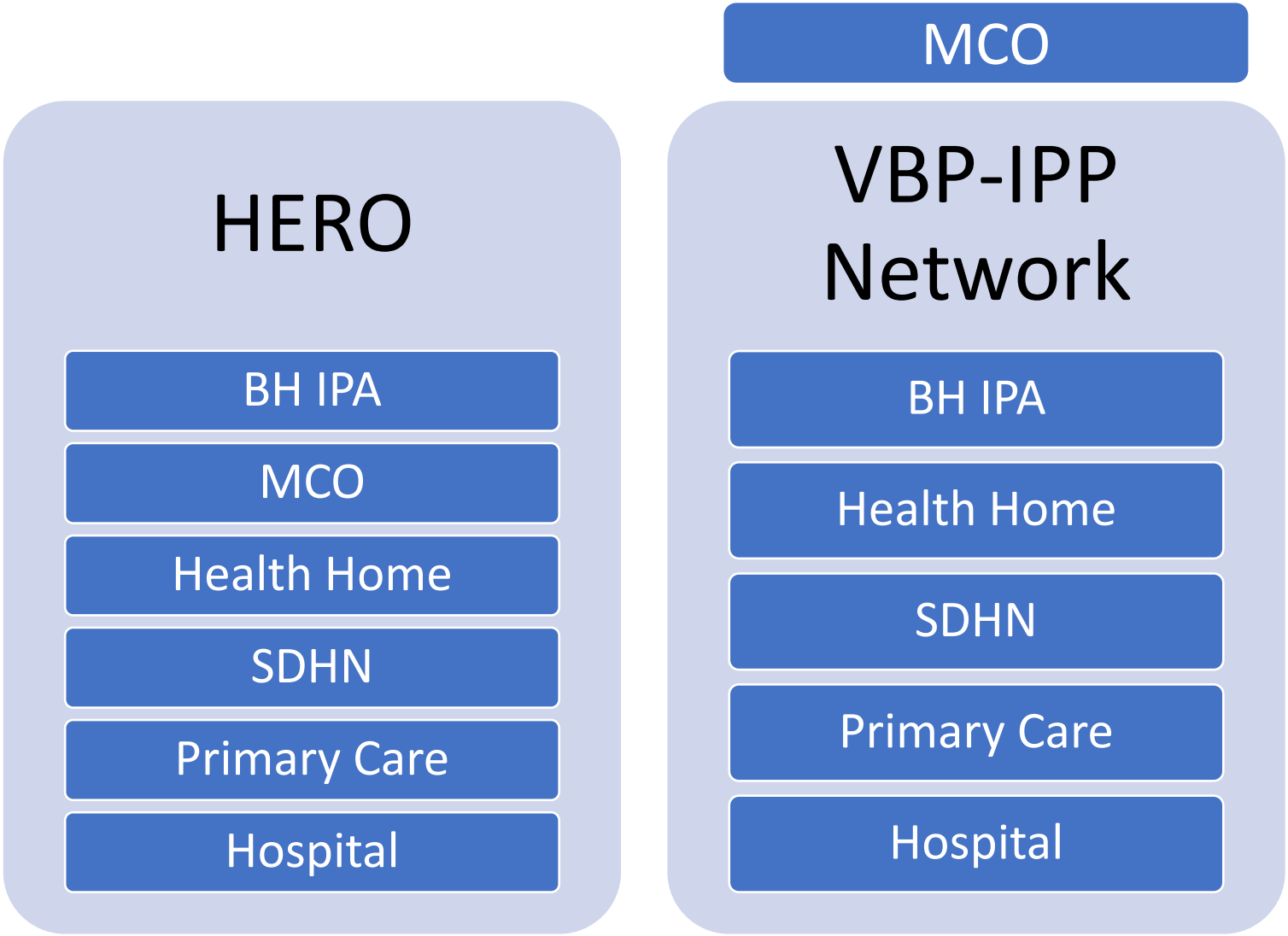
SIGNIFICANT WAIVER UPDATES WITH STRATEGIC IMPLICATIONS

Change	Implication
NY has decided not to finalize the regions at this time	Complicates planning activities; State has insisted it does not wish to replicate the regional issues created by DSRIP; however, the State conceded there will be more than 9 regions which suggests more regional breakdown particularly downstate
HERO governing body should include providers serving children and families with complex needs, Tribal Nations, and consumers with lived experience, including SMI, SUD, physical, intellectual, and developmental disabilities	Governance will in some cases need to be more expansive than originally contemplated; HERO leads will need to select a governance/ownership model that balances the diverse and various groups that will provide input to regional planning activities.
CBOs who operate in more than one geographic area will not be limited to only one SDHN	CBOs who operate in various regions in the State will no longer be limited to "choosing" a single SDHN potentially opening up additional partnership opportunities.
Include flexibility to approve additional social care interventions on pilot basis	Significant additional opportunity for investment for innovative/promising social care pilots funded directly through Medicaid

SIGNIFICANT WAIVER UPDATES WITH STRATEGIC IMPLICATIONS, CONT.

Change	Implication
The VBP incentive pool will use a fee schedule to pay CBOs	Could set a mandatory minimum threshold of reimbursement for CBOs serving Medicaid beneficiaries
Instead of procuring a Statewide IT and referral platform, NYS will the SHIN-NY	Leverages current statewide HIE infrastructure to support ingestion of SDOH data and serve as the referral platform for both HEROs and SDHNs
Behavioral health providers and providers serving high-needs children eligible for investments for workforce recruiting and retention initiatives.	Acknowledges the acute workforce needs of BH providers and providers serving children and families preserving an additional waiver revenue stream tied to training/recruitment and retention.
Expanded the population and services (clinical consultant services, peer services and medication management) for correctional in-reach service	Opportunity for Article 31 providers to provide correctional in-reach services

HEROS AND THE VBP INCENTIVE POOLS REQUIRE SIMILARLY COMPREHENSIVE NETWORKS



KEY CONSIDERATIONS FOR BH PROVIDERS - IMMEDIATE

- What changes do we want to propose during the federal comment period?
  - What do we think constitutes an “appropriately constructed network” for eligible VBP contracts?
  - How can we make sure the assessment and intervention for our communities’ Social Care Needs are appropriately addressed and aligned with the work BH providers do?
  - How do we make sure the waiver addresses BH providers’ unique workforce challenges?
  - For whom do we want attribution?
  - What data do we need from plans when we enter into VBP contracts?
    - How do we access those data?
  - Should high volume BH provider agencies be included in the safety net organization funding?
  - Should there be telehealth funding earmarked for BH?

Even with the uncertainty about what precisely will happen, there are huge strategic implications

- How does this change your organizational strategy regarding VBP?
- How does this change your organizational strategy regarding your BH IPA?
- How can you collaborate with or form SDHNs to leverage the infrastructure and relationships you have built?
- How can we make sure the interests of people with BH conditions are prioritized by the HEROs?
  - Should you push your BH IPA to lead one?
- How do we make sure you can access the global payment and incentive payment pools?
  - Who are your partners?
- Who are the partners you need to participate in advanced VBP models?
- Do/how do you want to participate in correctional in-reach?

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