

Date: November 23, 2022

To: Amir Bassiri, Medicaid Director, Office of Health Insurance Programs,

New York State Department of Health

From: Lauri Cole, Executive Director, NYS Council for Community Behavioral Healthcare

Re: Recent meeting to discuss Medicaid managed care issues

Earlier this year, Governor Hochul included an executive budget proposal that, if enacted, would have resulted in New York moving to competitively procure MCOs to manage the carve in of behavioral health services to Medicaid managed care, and other special populations. A formal, well-organized procurement of Medicaid Managed Care Organizations (MCOs) would take a significant amount of time and resources for the State to accomplish. However, the NYS Council anticipated that the long-term benefit of procurement would be much greater than the short-term costs associated with the process in terms of improving the State’s system of Medicaid Managed Care and so, we actively supported the proposal.

As New York State considers reforms to the Medicaid managed care program, we wish to go one the record with our thoughts about a HARP-only procurement. The NYS Council does not believe that this change would yield much benefit, and it may in fact be counterproductive.

While it may seem like a simple compromise from an initial proposal to procure all MCO benefits, we would see a HARP-only procurement strategy as a significant public policy reform that should be given thoughtful consideration by care recipients, consumer advocates, providers, state leaders, and payers.

The primary objectives of the NYS Council in supporting the competitive procurement proposal included in the January 2022 executive budget proposal was two-fold: 1) reduce inefficiencies in our system that will save scarce resources that can be reinvested to improve care, and 2) enhance protection of the rights of consumers and providers.

Procurement of the HARP product would be an ineffective strategy to achieve either of these goals for the following reasons:

***Segregation of HARP services is stigmatizing for consumers,*** and the division between the plans is artificial. This has the impact of treating HARP eligible New Yorkers as a distinct and ‘different’ group of people, rather than people with various and intermittent service needs that may be met by the small number of additional services offered by HARP management. In short, we feel the HARP misunderstands the nature of mental illness as stagnant. If you believe as we do that individuals can and do recover, HARP is not the answer.

***Building plan infrastructure around the distinction of a few sparsely available services is unnecessarily complicated******and does not reflect the recovery process or the current service delivery system.***  The handful of services that distinguishes HARP plans from mainstream benefits are not currently available statewide; instead of investing in a complex, years-long policy process with no guarantee of a benefit to consumers, New York State should continue to invest in service infrastructure that improves the quality of recovery services for all.

***HARP-only procurement would do nothing to address growing wait lists for care* or enforcement issues** that plague our system due to MCO failures to comply with laws, contract requirements and other guidance. A partial procurement of HARP plans would likely divert much-needed attention away from the enforcement of existing MCO contract provisions, without the payoff of oversight and contractual efficiencies for all plan members*.*State representatives appear to have limited resources with which to surveil, monitor, and enforce existing plan requirements. In addition, it appears that the current contract language ties the states hands in terms of removing bad actors or to enforce significant fines. All this leads us to conclude it may be time to re-negotiate these contracts in an effort to create more leverage for the state.

***The HARP implementation is over 6 years old and yet enrollment is not nearly what was expected.*** Implementing an auto enrollment process and/or new marketing strategies will not fix what is fundamentally broken with this program. It is not that care recipients don’t know about the availability of HARP benefits. Many of these individuals choose to stay outside of the HARP for a variety of reasons. We should learn from the choices being made by the individuals who are eligible for HARP but who do not currently take advantage of the benefit package.

***A HARP only procurement would result in increased workloads for providers including requiring them to collect and retain enrollment and eligibility information****,* which is not currently a provider responsibility, and adds extra steps to the billing and claims appeals cycles.

For more information or if we can be of further assistance, please contact Lauri Cole at 518 461-8200 or [lauri@nyscouncil.org](mailto:lauri@nyscouncil.org).