



Department
of Health

1115 Waiver Demonstration Concept Paper

Presentation to the Public Health and Health Planning Council

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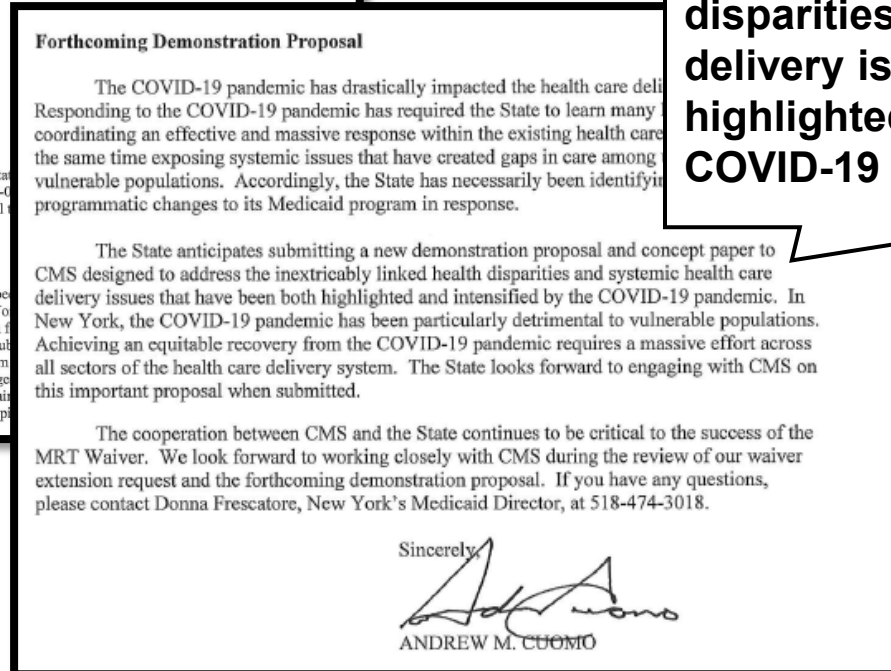
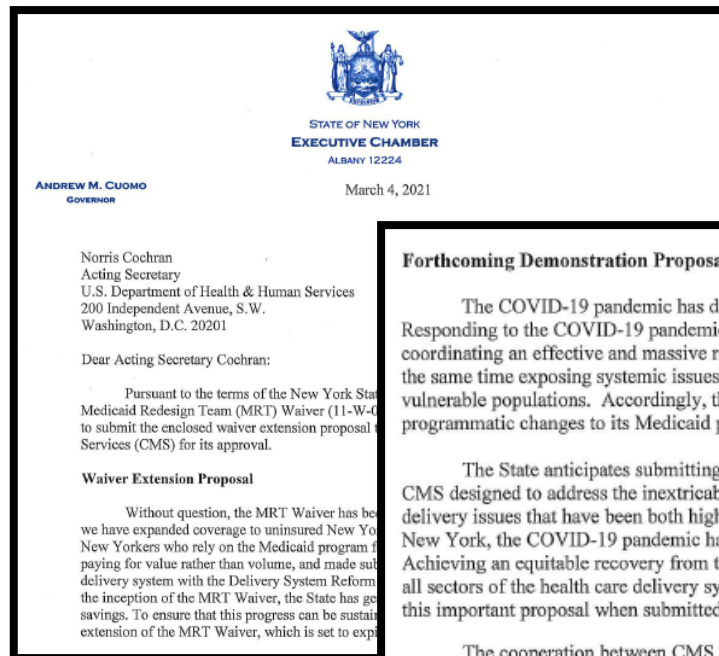
October 7, 2021

Agenda

1. Status and Process Overview
2. Summary of 1115 Waiver Concept Paper
 - a. Overview & Themes
 - b. **Health Equity-Focused System Redesign:** Create an Integrated Delivery System to Reduce Racial Disparities and Promote Health Equity
 - c. **Supportive Housing:** Invest in Supportive Housing and Alternatives to Institutions for the Long-Term Care, Disabled and Behavioral Health Populations
 - d. **Prepare for Future Pandemics:** Sustain System Capabilities for Future Pandemics & Natural Disasters
 - e. **Telehealth:** Promote Statewide Digital Health and Telehealth Infrastructure
3. Sources of Financing & Budget Neutrality
4. Summary of Stakeholder Feedback
5. Next Steps

Status and Process Overview (Cont'd.)

- As part of the waiver renewal application, NYS conveyed its desire to advance a “Forthcoming Demonstration Proposal” to achieve a larger structural redesign similar to DSRIP.
- Since the submission of the renewal, the Office of Health Insurance Programs has been working on developing and refining the referenced Concept Paper.




“The State anticipates submitting a new demonstration and *concept paper* to CMS designed to address the inextricably linked health disparities and systemic health care delivery issues that have been highlighted and intensified by the COVID-19 pandemic.”

Concept Paper: Overview & Themes

- **Term and Amount:** Comprehensive waiver amendment that would authorize new federal funding over a multi-year period.
 - Reflects size and scale of the pandemic in revealing gaps in our delivery system.
 - Proposal is **\$17 billion over five years**, which will be subject to budget neutrality rebasing and availability of sources of financing.
- **Themes of Proposed Demonstration:** Address the inextricably linked health disparities and systemic health care delivery issues that have been both highlighted and intensified by the COVID-19 pandemic.
 - Aligns with stated goals of the Biden administration to promote health equity and address health care disparities by fully integrating health care, behavioral health, and social care interventions (i.e., the social determinants of health).
 - Builds on the long-term movement to *value-based payment (VBP) arrangements*, including global and fully prepaid arrangements, as means of achieving provider payment stability during unexpected fluctuations in utilization.
 - Reflects New York's experience as the early epicenter of the pandemic, so that the State is able to "Build Back Better."
 - Learns from the DSRIP experience – need for regional alignment on objectives, more direct investments in social determinants of health, administrative simplification by avoiding new funding intermediaries, and deeper alignment of funding incentives.

Concept Paper: Overview & Themes (Cont'd.)

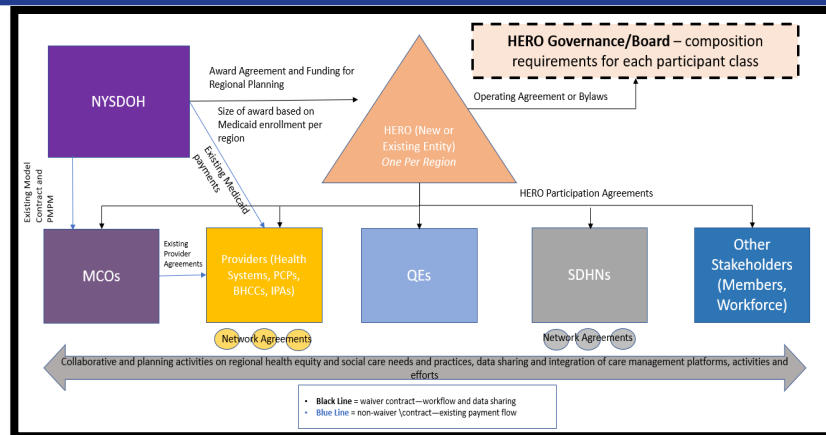
<p>1115 Waiver Demonstration: Conceptual Framework</p> <p>A Federal-State Partnership to Address Health Disparities Exacerbated by the COVID-19 Pandemic</p> <p>New York State Department of Health Office of Health Insurance Programs</p> <p>One Commerce Plaza Albany, NY 12207</p> <p>August 2021</p> 	<p>Table of Contents</p> <p>Executive Summary 3</p> <p>Background and Context: Lessons Learned from the COVID-19 Pandemic 4</p> <p>Relationship with Larger 1115 Waiver and DSRIP 6</p> <p>Initiatives & Investments Proposed by Waiver Goals 6</p> <p><i>Goal #1: Building a more resilient, flexible and integrated delivery system that reduces racial disparities, promotes health equity, and supports the delivery of social care</i> 7</p> <p> 1.1 Investments in Regional Planning through HEROs 9</p> <p> 1.2 Investments in Social Determinant of Health Networks (SDHNs) Development and Performance 13</p> <p> 1.3 Investments in Advanced VBP Models that Fund the Coordination and Delivery of Social Care via an Equitable, Integrated Health and Social Care Delivery System 16</p> <p> 1.4 Capacity Building and Training to Achieve Health Equity Goals 19</p> <p> 1.5 Ensuring Access for Criminal Justice-Involved Populations 20</p> <p><i>Goal #2: Developing Supportive Housing and Alternatives to Institutions for the Long-Term Care Population</i> 22</p> <p> 2.1 Investing in Home and Community-Based Services as Alternatives to Institutional Settings 24</p> <p> 2.2 Specific Supports for Individuals with Behavioral Health and Substance Use Disorder Needs 26</p> <p><i>Goal #3: Redesign and Strengthen Health and Behavioral Health System Capabilities to Provide Optimal Response to Future Pandemics & Natural Disasters</i> 27</p> <p> 3.1 Pandemic Response Redesign 27</p> <p> 3.2 Develop a Strong, Representative and Well-Trained Workforce 28</p> <p><i>Goal #4: Creating Statewide Digital Health and Telehealth Infrastructure</i> 30</p> <p>Budget Neutrality and Sources of Financing 32</p>
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- The concept paper has been developed and refined with the input and feedback of multiple internal and external stakeholders, including national waiver experts.

Concept Paper: Health Equity-Focused System Redesign

Stated Goal #1: Build a More Resilient, Flexible and Integrated Delivery System to Reduce Racial Disparities and Promote Health Equity, which has five sub-components.

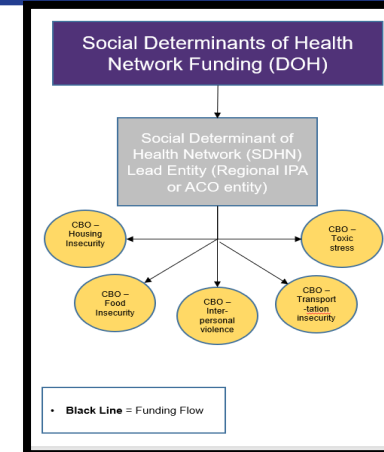
1. Development of Health Equity Regional Organizations (HEROs)



Regionally focused entities designed to collaborate on, coordinate, and facilitate activities that address the needs of the communities they serve to improve the overall health of these communities, for which HEROs would receive limited planning grants. HEROs would develop an overarching health equity strategy for the region.

Coalition of MCOs, hospitals and health systems, community-based providers, population health vehicles, behavioral health networks, community-based organizations (CBOs) organized through social determinants of health networks (SDHNs), Qualified Entities (QEs), consumer representatives, and other stakeholders.

2. Development of Social Determinants of Health Networks



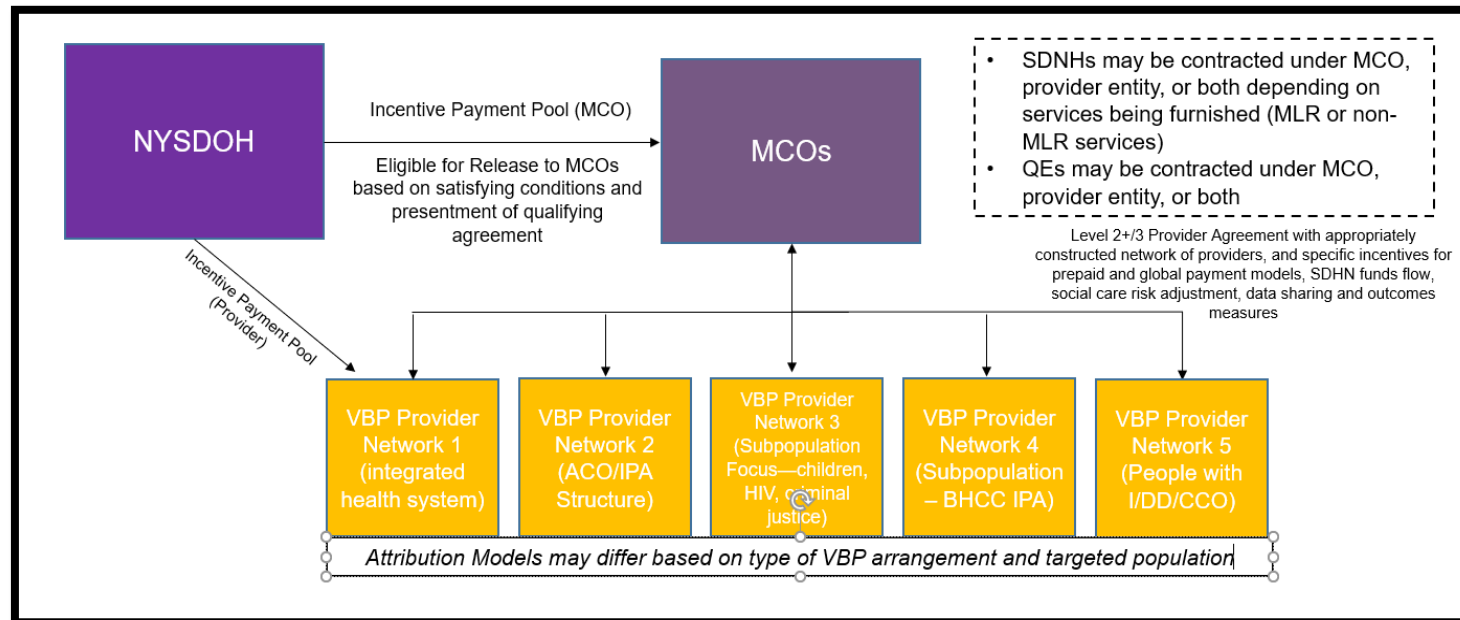
Regional networks of CBOs that would take a comprehensive and outcomes-focused approach to addressing social care needs that will improve health outcomes.

Formally organize CBOs to perform SDH interventions; coordinate a regional referral network with multiple CBOs, health systems and other health care providers; create a single point of contracting for SDH arrangements; and screen Medicaid enrollees for the key SDH social care issues and make appropriate referrals based on need.

Concept Paper: Health Equity-Focused System Redesign (Cont'd.)

3. Advanced VBP Models: Promote VBP arrangements to support the transformation and integration of the health and social care delivery system between MCOs (that have participated meaningfully in HEROs), providers and organizations in qualifying VBP contracts approved by DOH. Incentive awards would:

- *VBP Specific Funding:* Fund the evolution of MCO-network entity agreements into more sophisticated VBP contracting arrangements that incorporate health equity design, social care risk adjustment, and “global” prepaid payment models that fortify against fluctuations in utilization due to pandemics.
- *Update VBP Roadmap:* Develop a menu of options for services that would be included in each VBP model, members eligible for attribution for each model, selection and specifications of quality and outcome measures for each model, and methods to calculate the risk-adjusted cost of care and benchmarks.



Concept Paper: Health Equity-Focused System Redesign (Cont'd.)

4. Build Training Capacity: Expand the number of community health workers, care navigators and peer support workers to support regional collaboration under HEROs, SDHNs, and the move to advanced VBP models, as well as create and expand career pathways, apprenticeship programs, and cohort training programs

5. Ensuring Access for Criminal Justice-Involved Populations:

- *Description:* Reinstate Medicaid enrollment for incarcerated individuals 30 days prior to release for targeted services, including in-reach care management and discharge planning, clinical consultant services, and medication management plan development to assist with the successful transition to community life. This proposal reflects a prior 1115 waiver amendment that was rejected during the Trump Administration.
- *Eligibility:* Individuals incarcerated in county and state facilities with two or more chronic physical/behavioral health conditions, a serious mental illness, HIV or an opioid use disorder.

Concept Paper: Supportive Housing

Stated Goal #2: Developing supportive housing and alternatives to institutions for the long-term care and behavioral health populations.

Regional Supportive Housing Programs Inventory:

- HEROs would conduct an inventory to map existing efforts, identify gaps, and inform a plan for access to long-term services and supports and health care to enable individuals to receive services in their communities and to age in place.
- HEROs would then identify housing and community-based service solutions for the areas and populations where gaps exist and coordinate between MCOs, SDHNs and local government entities overseeing local housing programs.

Statewide Housing and Home-Based Services Initiatives:

- The State would consolidate and expand the array of supportive housing and medical respite programs across state agencies into a comprehensive supportive housing and respite services menu for HEROs, SDHNs, and MCOs to implement locally in partnership with other housing entities and stakeholders.
- Programs would be funded through VBP arrangements and direct payments via the HEROs, as well as through new federal and state housing funds that become available.
- Support Critical Time Interventions models to help people transition across levels of care and facilitate community integration and continuity of care; expand available housing-related reintegration services, including housing navigation support services, and landlord tenancy support services; and one-time barriers to housing, such as ***first and last month's rent***, deposits, application fees, and other rental assistance supports.

Concept Paper: Prepare for Future Pandemics

Stated Goal #3: Redesign and strengthen health and behavioral health system capabilities to provide optimal responses to future pandemics and natural disasters.

Pandemic Response Redesign: Funding provided to hospitals and other health facilities to develop a ready-to-execute strategy to respond to a significant increase in demand for acute care services, hospitalizations, higher intensity of care services, and the need to replace disrupted acute and chronic healthcare services that are attributable to a pandemic.

Components: Components of the funding include:

1. *Physical and IT Infrastructure Preparation and Planning:* Improve distressed and safety net hospitals capacity in medically underserved areas to update their oxygen, electrical and IT systems, and engage in preparation for the rapid, technology-enabled conversion of non-typical, acute medical patient care space.
2. *Inventory Planning:* Enable distressed and safety net hospitals to engage in planning activities for appropriate inventories of durable medical equipment and consumable supplies that are necessary for an effective pandemic response. This planning would determine the investments needed to expand consumable stockpiles.
3. *Training:* Ensure an available and cross-trained workforce that is able to respond to a large influx of patients. This includes training of clinical staff (e.g., physicians, nurses), conducted by or in collaboration with Workforce Investment Organizations (WIOs), to maintain skills outside of core areas of expertise.

Funding Conditions: Maximize existing components of our healthcare delivery system and where to invest to build capacity for pandemic or other mass events requiring sudden demand for high acuity care. Funding would be distributed according to completed redesign efforts.

Concept Paper: Prepare for Future Pandemics (Cont'd.)

Reinvestment in Workforce Investment Organizations (WIOs)

- *Purpose:* Focus on regional workforce needs and coordinate with the other WIOs across NYS to facilitate a cohesive approach to workforce development.
- *Planning:* Planning will involve a variety of stakeholders, including government entities, labor organizations, provider organizations (inclusive of former PPSs with proven workforce strategies), and CBOs.
- *Funding Opportunities:* Funds would support initiatives targeted at addressing workforce needs, shortages, and waiver-related activities, including:
 - recruitment and retention initiatives,
 - development of career pathways,
 - training initiatives to support regional collaboration and the move to advanced VBP models focused on new health equity design,
 - expanding community health worker and related workforce,
 - overcoming implicit bias,
 - apprenticeship programs, and
 - the standardization of training across the State.

Concept Paper: Digital Health and Telehealth

Stated Goal #4: Creating statewide digital health and telehealth infrastructure.

Equitable Virtual Care Access Fund to assist providers with human capital investments, resources, and support to promote virtual encounters to improve services to vulnerable populations and address ongoing workflow disruptions due to the COVID-19 emergency. Allowable use of funds include:

- Remote patient monitoring;
- Data platforms and interoperability;
- Patient-facing tools, tablets and remote monitoring devices; and
- Specialty virtual care models.

Statewide Coordination: A statewide collaborative group to identify local strategies for mutual assistance and to inform statewide standardization of technical requirements, workflows, as well as training and technical assistance to further build infrastructure to meet immediate and long-term needs. This group would also track access and service capacity and standardize criteria for virtual and in-person care.

Proposed Funding Breakdown among Waiver Components

The \$17B in new federal funding would be allocated as follows:

Proposal	Funding (in Millions)	Percentage of Total
Goal #1: Health Equity-Focused System Redesign		
HEROs	\$250	1.5%
SDHNs	\$1,750	10.3%
Advanced VBP Models	\$8,000	47.1%
Goal #2: Supportive Housing	\$3,000	17.6%
Goal #3: Prepare for Future Pandemics		
Pandemic Response Redesign	\$2,500	14.7%
Workforce Training	\$1,000	5.9%
Goal #4: Digital Health & Telehealth	\$500	2.9%
<u>Total Ask:</u>	\$17,000	100%

Sources of Financing

Sources of Financing

- New York is seeking to finance the non-federal share of the requested waiver amount through historical methods, including IGT and State Designated Health Programs (DSHPs).
- Flexible funding authorities and use of DSHP will enhance waiver initiatives.

Budget Neutrality

- New York continues to request rebasing adjustments to allow for additional minimum wage costs to be included within base against which neutrality is measured and permit accessing of a portion of carryover savings for new waiver investments.

Stakeholder Input

The concept paper was developed following extensive public feedback from stakeholders across New York State, including:

- Consumers
- Providers
 - Hospitals
 - Independent Practice Associations (IPA)
 - Performing Provider Systems (PPSs)
 - Federally Qualified Health Centers (FQHC)
- Managed Care Organizations
- Community-based organizations
- Advocates
- Industry leaders
- State Agencies Partners, including the Office for People with Developmental Disabilities, the Office of Mental Health, the Office of Addiction Supports and Services, and the Office of Children and Family Services

Next Steps

- **Points of confirmation and validation prior to submission:**
 - i. Validation of direction and approach.
 - Discuss CMS's current view of 1115 waivers
 - Eliminate or modify untenable asks
 - Explore additional opportunities being considered in other markets
 - Consider non-Medicaid sources of achieving similar objectives
 - ii. Duration, amount, and demonstration objectives.
 - iii. Timeline for submission.