



## **Summary – NYS 1115 Waiver Demonstration Concept Paper**

The Department of Health recently released a concept paper for a new 1115 waiver to CMS. This is the first step in obtaining the new waiver, and will be followed by a Draft Waiver Amendment Request and a Formal Waiver Amendment Request to CMS. The State requests \$17 billion over the next 5 years for the new demonstration, which is designed to build on DSRIP, continue the transition to value-based care, and reduce health disparities.

There are several parts of the waiver that show an understanding and prominence for behavioral health that was missing from the DSRIP program. Critically, DOH states that a lesson learned from DSRIP is the need for more direct investment in and involvement of behavioral health providers in governance and VBP accountability. We are pleased to see the DOH recognize that behavioral health is a central component of public and population health, as the Coalition has advocated.

### **Structure**

*Health Equity Regional Organizations (HEROs):* The central coordinating entity of the waiver are the HEROs. DOH proposes having just seven regional HEROs, although they state regions could be sub-divided based on compelling evidence from local health departments and key stakeholders. Importantly, every HERO must include on its governing board a behavioral health provider or network. Behavioral health IPAs are eligible to lead HEROs. Unlike the PPS's under DSRIP, the HEROs will receive only limited funding for planning grants, and will not receive or distribute waiver funds, a positive change.

Each HERO will have a governing board, and will include MCOs, providers, Qualified Entities (Health Information Exchanges or Regional Health Information Organizations), Social Determinants of Health Networks (described below), and other stakeholders such as consumer representatives and workforce leaders. HEROs are responsible for creating an annual regional plan to “enable a coordinated, holistic and value-driven approach to evaluating and addressing the needs of vulnerable populations in a financially stable and efficient manner through VBP.” HEROs are required to develop targeted VBP interventions for specific populations, including individuals with SMI or SUD.

*Social Determinant of Health Networks (SDHN):* through the waiver, DOH is seeking increase the integration of CBOs and social service providers that are addressing the social determinants of health. The waiver therefore proposes the creation of SDHNs, each of which would include CBOs that provide evidence-based interventions in a geographic area aligned with the HERO.

Coalition members may already be part of structures that qualify as SDHNs, such as EngageWell IPA. The state will select a lead applicant within each region, who could be a CBO itself or a network entity. SDHNs will receive direct investments to develop the necessary infrastructure for this work.

### **Value-Based Payment**

The new waiver proposes several ways to continue the transition to VBP. Critically, behavioral health providers will be included in the attribution methodology. Specifically, MCOs will be required to engage in VBP contracts with an appropriate network of providers for the target population. For VPB arrangements targeting the SMI, SUD and dually diagnosed populations, BH IPAs or other behavioral health provider networks must be included along with primary care providers and DOH would award funding based on differential attribution methodologies that utilize a member's primary behavioral health provider or Health Home rather than a primary care only attribution methodology.

The state will redesign the VBP roadmap to address health equity and social determinants of health. As examples of qualifying health equity-informed VBP arrangements, the state lists episodic or bundled-payment arrangements involving medication-assisted treatment and individuals experiencing significant episodic BH needs, such as transitioning to the community from an inpatient psychiatric facility.

### **Workforce**

Through the concept paper, the state acknowledges that workforce investments will be required to meet the state's other goals. The state proposes a substantial reinvestment in Workforce Investment Organizations, to engage in recruitment and retention initiatives; develop and strengthen career pathways; training initiatives; expanding the Community Health Worker and related workforce, and to standardize occupations and job training. The state explicitly notes the shortage of behavioral health providers in discussing recruitment and retention initiatives. We look forward to seeing more details of exactly how these workforce investments can be made and ensuring that behavioral health is a key focus of all workforce programs.

### **Criminal Justice-Involved Populations**

The state, recognizing the substantial substance use disorder and mental health needs of incarcerated individuals, proposes to reinstate Medicaid eligibility and enroll incarcerated individuals 30 days prior to release. These individuals would have access to in-reach care management and discharge planning, clinical consultant services, and medication management plan development, among other targeted services.

Additionally, a Therapeutic Residential Treatment Pilot is discussed. The pilot would involve individuals accused but not convicted of felony crimes who choose to receive specialized mental health/SUD treatment in a therapeutic residential environment.

### **Supportive Housing**

The state intends for the HEROs to conduct an inventory of supportive housing programs in each region, identify gaps, and work to find housing solutions. The state will establish a Statewide Housing and Home-Based Services initiative, to consolidate and expand the array of supportive

housing programs and develop a comprehensive and unified supportive housing and respite services menu across state agencies. Behavioral health supports, including SUD services, are envisioned as part of this menu.

*Specific Supports for Individuals with BH Needs:* Additionally, the state proposes specific supports for individuals with behavioral health needs. These include:

- Enrolling eligible individuals in Medicaid 30 days prior to discharge from a correctional facility;
- Authorizing Medicaid reimbursement for Critical Time Interventions models to help individuals transition across levels of care; and
- Expanding available services to support reintegration into the community, including funds to address one-time barriers to housing.

### **Telehealth Investments**

The waiver includes several proposals to ensure the continued availability of telehealth and invest in telehealth infrastructure. Importantly, telephonic-only service delivery is considered a key way to ensure equitable use and availability of telehealth.

*Equitable Virtual Care Access Fund:* recognizing that Medicaid reimbursements are insufficient for telehealth investments, the state would like to use waiver funds to create an Equitable Virtual Care Access Fund. The fund would assist providers to transition from the simple telehealth solutions thrown into service during the emergency into thoughtfully designed platforms, which would be integrated with EHRs, care management programs, social care services and more. Funding could also be used for specialty e-consult programs such as psychiatry; school-based telehealth to expand access to behavioral health, and payment for tablets.

### **Strengthening Pandemic Capabilities**

The waiver proposes a series of investments and actions to position New York better in the event of future pandemics and natural disasters. These proposals are largely not related to behavioral health. Hospitals would be encouraged to plan and prepare for converting psychiatric rooms into acute and subacute patient care. The health care workforce would receive training on how to recognize and respond to behavioral health impacts of pandemics.