NYS 1115 Waiver Amendment Request: Strategic Health Equity Reform Payment Arrangements

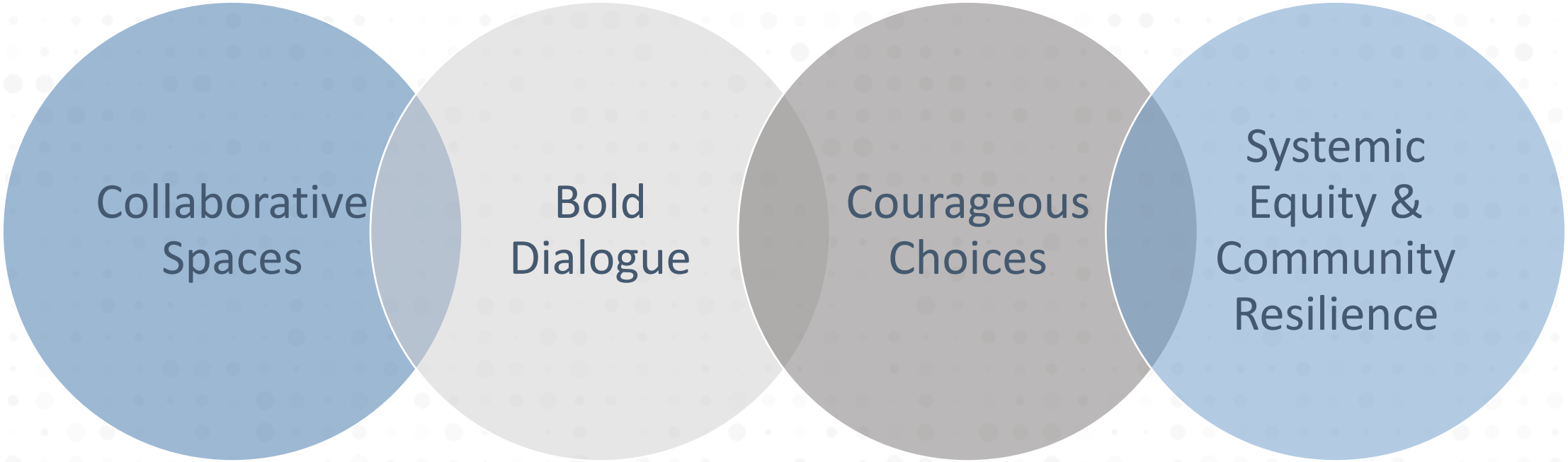
Scott Emery
Partner – Strategy + Transformation
M.S. Hall + Associates

M.S. Hall + Associates

- M.S. Hall + Associates is a data, finance, and strategic transformation consulting firm committed not only to the well-being of our clients, but to the health and growth of the communities they serve.

- Strategy + Transformation Team
  - We work with organizations across the public and social sectors: health and equity, community-based, philanthropic, governmental, and educational organizations are our clients.

STRATEGY + TRANSFORMATION TEAM: PRAXIS



STRATEGY + TRANSFORMATION TEAM: PORTFOLIO

Housing Trust Fund

- How might we design a housing strategy aimed at those most vulnerable for displacement?
- Sector: Governmental, Housing CBOs

Women's Wellness Center

- How might we co-design a women's wellness center in an urban neighborhood primarily comprised of resettled refugees?
- Sector: Healthcare, nonprofit CBOs, economic development

NYS DSRIP

- How might we design a performing provider system that best serves its region's Medicaid patients?
- Sector: Healthcare

Social Impact Agenda

- How might we design an adaptable, multi-county social impact agenda for an historic foundation?
- Sector: Philanthropy

Food Security Council

- How might we create an independent food council that serves as a network and a catalyst for collaboration across diverse partners?
- Sector: Food security CBOs, private

No Wrong Door

- How might we create a collaboration of PC, BH, and HH providers aimed at both clinical and SDOH gaps?
- Sector: Healthcare, CBOs

1115 Waiver Amendment Request

The takeaways

NYS requested $13.52 billion over a five (5) year waiver

Overall goal: fully integrating social care and health care into the fabric of the NYS Medicaid Program

- Building a more resilient, flexible, and integrated delivery system that reduces health disparities, promotes health equity, and supports the delivery of social care
- Developing and strengthening supportive housing services and alternatives for the homeless and long-term institutional populations
- Redesigning and strengthening system capabilities to improve quality, advance health equity, and address workforce shortages
- Creating statewide digital and telehealth infrastructure

Why?

COVID-19

Expansion of Medicaid to more than an additional 888,000 NYers

Disproportionate effect on low-wage workers and communities of color

Health disparities continue to exist despite previous, innovative efforts

Why?

Lessons Learned from DSRIP

- Regional alignment on objectives
- More direct investments to CBOs addressing SCN
- Developing VBP arrangements that promote whole person care by involving BH providers in governance and design of arrangements
- Promoting regional coordination of WF initiatives
- Achieve deeper alignment of provider and payer incentives – particularly capitation and/or global budgets

A few caveats:

- This is ***not DSRIP 2.0*** (or 3.0)
- It is the State showing its ***health equity*** cards and its determination to go in this direction.
- ***Community-based organizations*** will play a central role.
- Success will be found where ***networks of trust*** are made visible and expanded.

This is not just a continuation of previous efforts. It is a recalibration, and a significant next step for New York's march toward health equity.

It is the creation of a new status quo.

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)

Mission-based organizations that:

build a coalition of a variety of organizations

that will be regionally focused

in order to align with the health equity needs that differ by community and future value-based payment contracting structures.

Structure and Responsibilities of HEROs

Representation and Governance

- MCOs,
- hospitals and health systems,
- community-based providers
- ACOs and IPAs,
- behavioral health networks,
- LTSS including those who serve individuals with I/DD,
- community-based organizations (CBOs) organized through SDHNs,
- Qualified Entities (QEs) and Regional Health Information Organizations (RHIOs),
- consumer representatives,
- and other stakeholders

Funding and Capabilities

- $325M over 5 years; $65M/yr; 2% of overall funds
- Receive limited planning grants
- Receive and ingest data from national, State, local and proprietary data sources, and
- Assume a necessary regional planning focus in order to create collaborations,
- Develop a range of VBP models or other targeted interventions

Responsibilities

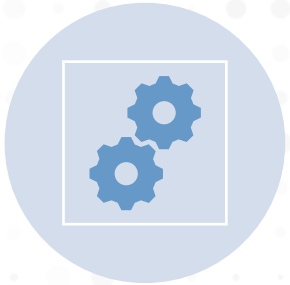
- Develop annual Regional Plans
- Uniform Social Care Assessment
- Measure Selection and Development
- Targeted VBP Interventions

Regional Plan

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*

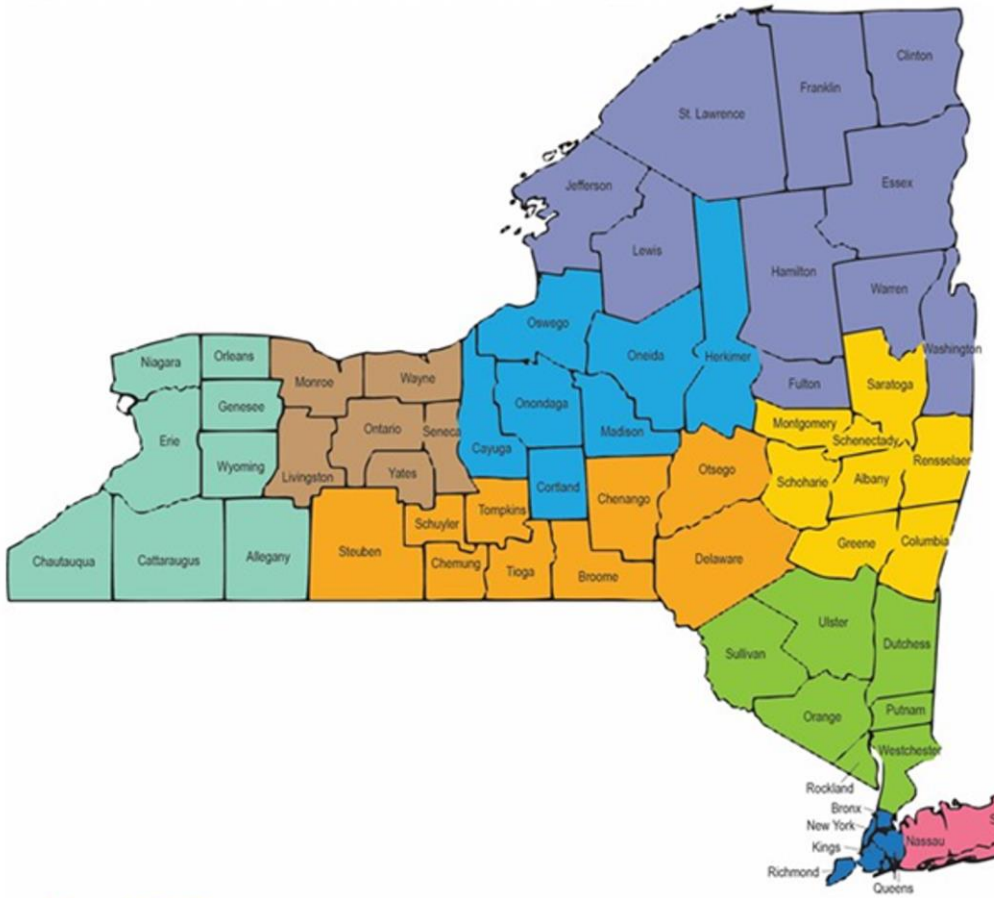
Develop a **mission-driven framework**, establishing goals, intended impacts, and a theory of change of how to accomplish the work

Identify specific **actions and initiatives** that facilitate assessment and data collection functions and that promote further coordinate care management for population health improvement



Act as **central hub of a data infrastructure** that operates with continuous feedback and measure adjustment to address additional areas of need

9 Regions Announced in Public Hearing on May 3:



Region 1
Albany, Columbia, Greene, Rensselaer, Montgomery, Saratoga, Schenectady, Schoharie

Region 2
Allegany, Cattaraugus, Chautauqua, Erie, Genesee, Niagara, Orleans, Wyoming

Region 3
Dutchess, Orange, Putnam, Rockland, Sullivan, Ulster, Westchester

Region 4
Bronx, Kings, New York, Queens, Richmond

Region 5
Livingston, Monroe, Ontario, Seneca, Wayne, Yates

Region 6
Broome, Chemung, Chenango, Delaware, Otsego, Schuyler, Steuben, Tioga, Tompkins

Region 7
Cayuga, Cortland, Herkimer, Madison, Oneida, Onondaga, Oswego

Region 8
Nassau, Suffolk

Region 9
Clinton, Essex, Franklin, Fulton, Hamilton, Jefferson, Lewis, St. Lawrence, Warren, Washington

May 2022

NEW YORK STATE | Department of Health

Other HERO responsibilities

Uniform Social Needs Assessments	Implement State-chosen SCN assessment tool
	Annually determine regional SCN needs
Measure selection and development	Select statewide & regional set of health equity quality improvement measures
	Ex: NCQA's Distinction in Multicultural Health Care
Targeted VBP interventions	Build regional consensus around a retooled VBP approach that braids models of care
	Build on Promising Practices of DSRIP

Social Determinants of Health Networks

SDHN would consist of a network of CBOs within each region of the State

To provide evidence-based interventions

that will be regionally focused

to address a range of SDH needs that will improve health outcomes, including housing instability, food insecurity, transportation, interpersonal safety, and toxic stress

Structure & Responsibilities of SDHNs

Representation and Governance

- Network of CBOs with a State-designated lead

Funding and Capabilities

- $585M over 5 years; $116M/yr; 4% of overall funding
- Receive direct investments to develop the infrastructure necessary to support this network of care
  - Including development of IT and business processes and other capabilities necessary
- CBOs will also receive funding necessary to integrate into this network and provide services
- CBO funding will be tied to specific deliverables of the populations served

Responsibilities

- Formally organize CBOs to perform SCN interventions
- Coordinate a regional referral network with multiple CBOs, health systems, and other healthcare providers
- Create a single point of contracting for SCN arrangements in VBP arrangements or with other providers
- Advise on the best structure for screening Medicaid enrollees for the key SCN social care issues and make appropriate referrals based on need

Social Care Data Interoperability Exchange

Statewide IT Platform

- Procurement of statewide IT social needs referral and data platform infrastructure

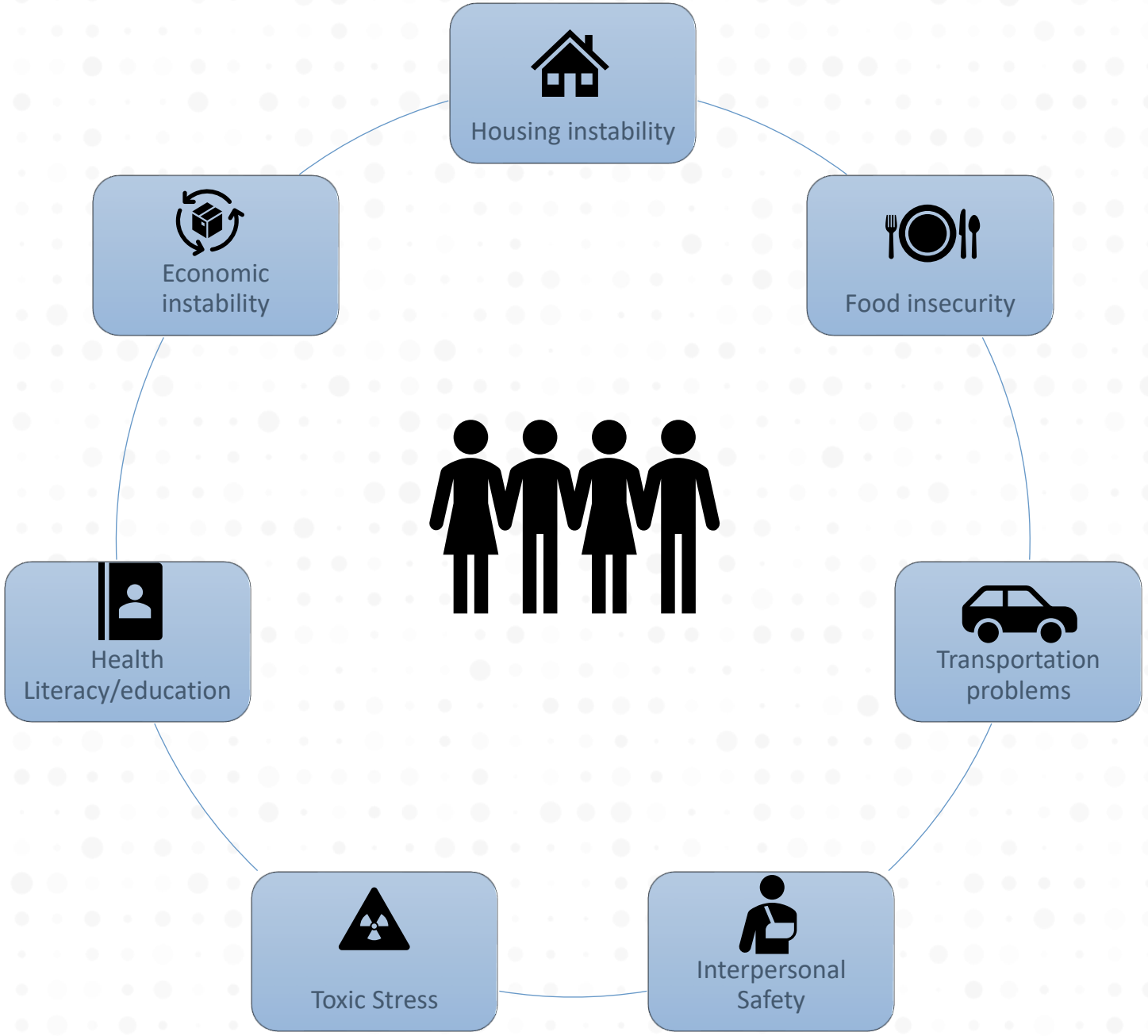
Referrals

- Referrals will flow through lead entity using statewide platform
- Connect to SHIN-NY

Funding

- Up to $30M for 5 years

Social Care Needs Areas



Investments in Advanced VBP Models

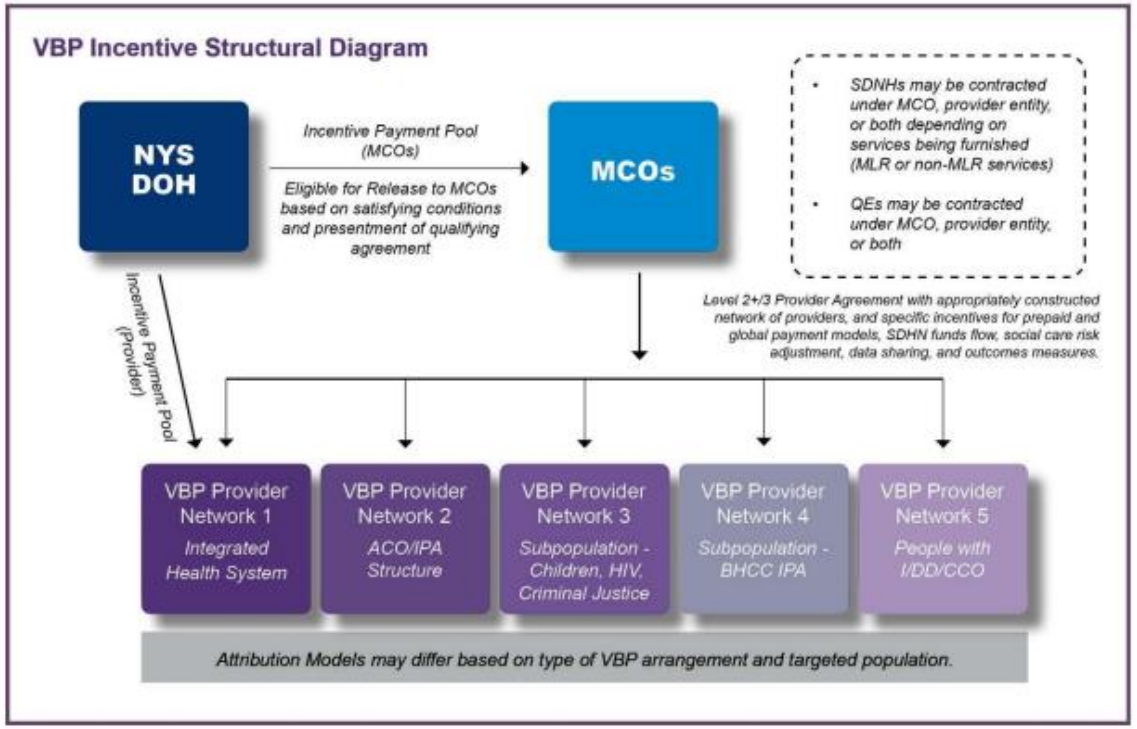
Global Prepayment Model	Support the mid- to long-term transformation and integration of the entire NYS health care and social care delivery system by funding the services needed to address SCN at scale
	Lead VBP entities: lead/dominant health system or financially integrated provider-based organization w/ability to manage physical & behavioral health
Redesign the VBP Roadmap to address health equity & SCN	NYS will develop a comprehensive range of VBP arrangements for the HEROs, SDHNs, and MCOs to consider adopting based on the specific populations and needs within each region
	NYS develop a menu of options with services that will be included in each VBP model, the 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
Advanced VBP Contract Requirements & Funds Flow	VBP incentive pool will use an established fee schedule to pay CBOs for interventions on a per service basis or similar methodology

Investments in Advanced VBP Models

- Funding: $7B over the 5 years
  - 52% of overall funding

- Staggered approach
  - DY1 $0
  - DY2 $500M
  - DY3-5 $2.167B

Exhibit 4: VBP Incentive Structural Diagram



Ensuring Access for Criminal Justice-Involved Populations

- Seeking to build and strengthen:
  - the relationship between the care provided inside its prisons and the care offered by Medicaid providers upon release,
  - ensuring appropriate transition and supports prior to re-entry to ensure particularly vulnerable patients with comorbidities have the housing and other supports they need to stabilize in a community setting

- Provision of Targeted Medicaid Services to Incarcerated Individuals 30 Days Prior to Release
  - care management and discharge planning
  - clinical consultant services
  - peer services
  - medication management plan development and delivery of certain high priority medications

- Services would be phased-in over two years
  - State facilities in the first year and adding services in local jails in the second year

- Funding: $745M over the 5 years
  - 6% of overall funding

Developing and strengthening supportive housing services and alternatives for the homeless and long-term institutional populations

Investing in Supportive Housing Services and Alternatives for the Homeless and Long-Term Institutional Populations

- Planning and coordinating through HEROS
  - Conduct an inventory of supportive housing programs in each region and identify the gaps that exist, mapping existing efforts and any gaps by area and vulnerable population
  - Match Medicaid and homeless data in order to identify eligible high utilizers that need enhanced engagement

- 5 Core Task to target the NYS housing gap
  - Identify accessible and affordable housing options in each region for homeless and transitional populations.
  - Identify high utilizer members and those who can transition safely to the community.
  - Provide enhanced housing services and coordination of all needed services to identified members.
  - Ensure the availability of sufficient long-term services and supports and accessible health care capacity to enable aging in place.
  - Measure costs savings and health outcomes.

Enhanced Supportive Housing Initiative

- Enhanced Supportive Housing Pool
  - Informed by a comprehensive and unified supportive housing and respite services menu for Medicaid members developed by HEROs and include MCO and VBP arrangement funding with matching 1115 waiver dollars

- Targeting:
  - Identified high utilizers or for those living in an institutional setting for 90 days or more using the regional data match mentioned above
  - Utilize the HERO's housing inventory and mapping to find appropriate housing

- Funds will then be paid to the SDHN for CBOs to engage Medicaid members and provide:
  - medical respite
  - housing navigation
  - community transitional services
  - coordinate care and services
  - tenancy supports

- Funding: $1.57B over 5 years
  - 12% of overall funding

Redesigning and strengthening 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

- VBP Pool
  - Available to financially distressed safety net and critical access hospitals and nursing homes
- Targeting:
  - High Medicaid payor mix to engage in VBP arrangements and facilitate post-pandemic quality improvement and meaningful contribution to the health equity goals of this waiver
- Funds will then be paid to the SDHN for CBOs to engage Medicaid members and provide:
  - Further move toward VBP with a focus on quality improvement and promoting health equity, consistent with the goals of this proposed amendment;
  - Develop workforce training, in collaboration with Workforce Investment Organizations (WIOs), to support quality improvement initiatives and pandemic-related needs
  - Implement interventions focused on health equity and population health improvement goals and work of HEROs described in Goal #1.
- Funding: $1.5B over 5 years
  - 11% of overall funding

Develop a Strong, Representative and Well-Trained Workforce

- Reinvestment in Workforce Investment Organizations (WIOs)
  - Focus on the needs of their respective regions and coordinate with the other WIOs across NYS to facilitate a cohesive approach to workforce development and share best practices
  - Planning efforts will involve a variety of stakeholders, including local government entities, labor organizations, provider organizations, and CBOs

- Funds will target:
  - Recruitment and Retention Initiatives
  - Develop and Strengthen Career Pathways
  - Training Initiatives
  - Expanding the Community Health Worker and Related Workforce
  - Standardize Occupations and Job Training

- Funding: $1.5B over 5 years
  - 11% of overall funding

Creating statewide digital and telehealth infrastructure

Equitable Virtual Care Access Fund

- Targeting:
  - Assist providers with these human capital investments, resources, and support
- Statewide collaborative group:
  - Identify local strategies/solutions for mutual assistance and to also
  - Inform statewide standardization of technical requirements, workflows, training, and technical assistance
- Funds may bolster telehealth modalities such as:
  - ‘At scale’ remote patient monitoring programs and other advanced care management and coordination solutions for high-prevalence chronic conditions,
  - Predictive analytics and other data platforms to support the delivery of comprehensive and integrated physical and virtual care
  - Patient-facing tools and devices to support the delivery of comprehensive and integrated physical and virtual care
  - Remote or digital-only day habilitation or social day care services for individuals with long-term care needs
  - Infrastructure and virtual care models that increase access to novel treatments and/or clinical trials for underserved populations

Equitable Virtual Care Access Fund

- Funding: $300M over 5 years
  - 2% of overall funding
- Estimated cost breakdown:
  - $15M for care management and check-in services to reduce avoidable hospitalizations for 25 percent of the approximately 200,000 Medicaid enrollees utilize inpatient and emergency room services multiple times a year
  - $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
  - $7.5M for 124 Medicaid Community Health Workers (CHW) (two per county); $279,000 annually to outfit CHWs with a backpack needed to facilitate telehealth in the community
  - $3.7M for 62 Medicaid Community Dental Health Coordinators (CDHC) one per county. Includes $235,600 annually ($3,800 each) for a backpack containing tele-dental equipment
  - $3.7M to provide telehealth kiosks to at least three homeless shelters in each county at approximately $20,000 each
  - $5M for to develop and deliver provider and member training to promote telehealth
  - and digital literacy
  - $7M to supply 10,000 tablets ($700 each) to providers and enrollees who lack
  - access to technology necessary for telehealth services

Estimated Funding Schedule (in $ millions) over 5yr period
Adapted from source: https://health.ny.gov/health_care/medicaid/redesign/2022/docs/2022-04_1115_waiver_draft_amendment.pdf p52

Waiver Component	DY1	DY2	DY3	DY4	DY5	Total	Percent	Targeted Organization(s)
HEROs	$65	$65	$65	$65	$65	$325	2%	9 HEROs
SDHNs	$121	$116	$116	$116	$116	$585	4%	9 SDHNs, CBOs, IT Platform
Advanced VBP Models	$0	$500	$2,167	$2,167	$2,167	$7,000	52%	MCOs, Lead VBP Entity, Eligible Provider Networks
Criminal Justice-Involved Pops	$19	$171	$178	$185	$192	$745	6%	Eligible Medicaid Service Providers Health Homes
Supportive Housing	$63	$101	$301	$501	$601	$1,565	12%	SDHN, CBOs, Housing Providers
Distressed Safety Nets	$300	$300	$300	$300	$300	$1,500	11%	Distressed Hospitals, SNFs
Workforce	$300	$300	$300	$300	$300	$1,500	11%	Workforce Investment Organizations
Telehealth Initiatives	$60	$60	$60	$60	$60	$300	2%	Variety of providers

What’s next?

Announced in Public Hearing on May 3

Next Steps

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
Target Date to Incorporate Public Comments and Finalize Amendment	July 1, 2022
Target Date for Formal Submission of Amendment Application to CMS	July 25, 2022
Federal Public Comment Period	July 30, 2022 – August 29, 2022
CMS & New York Negotiate Terms of Amendment	Potentially Beginning Summer 2022
Target Implementation Date	January 1, 2023

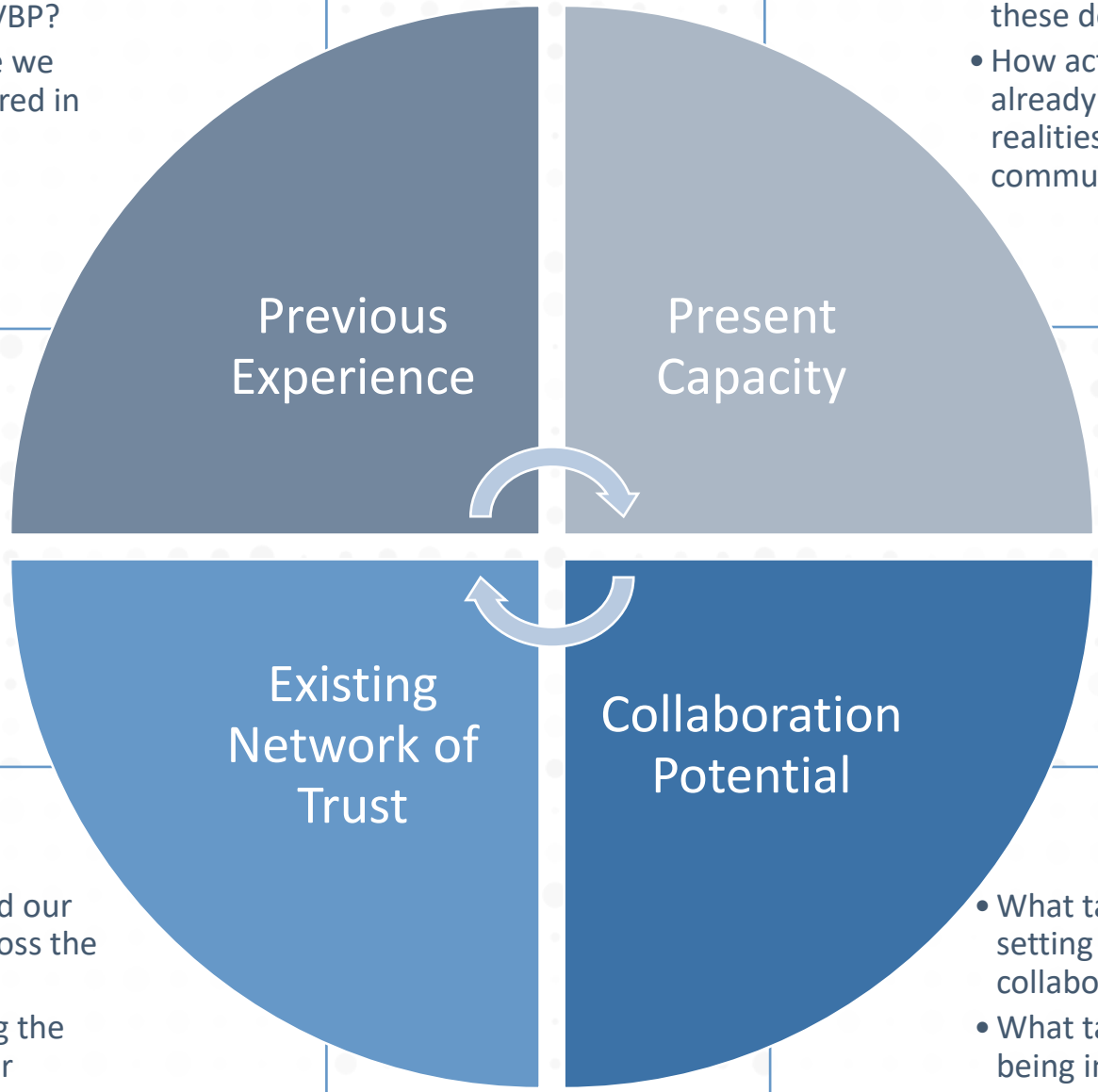
May 2022

NEW YORK STATE | Department of Health

Key Questions

- What has been our involvement in VBP?
- How familiar are we with what occurred in DSRIP?

- Who will stay on top of these developments?
- How active are we already within the SCN realities of our community?



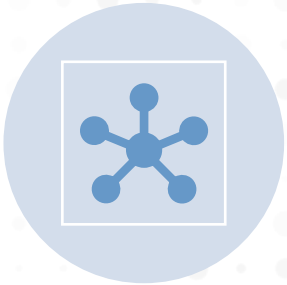
- Have we mapped our key partners across the region?
- Who is capturing the SCN needs of our region?

- What tables are we setting for regional collaboration?
- What tables are we being invited to for regional collaboration?

Key actions:

Establish regional/local conversations for listening and awareness building

Strengthen internal strategic vision and aspirations



Make visible your networks

Design future-oriented scenario planning for SCN areas

Questions?

Thank you!

Scott Emery

Partner – Strategy & Transformation

M.S. Hall + Associates

scott.emery@mshallassociates.com