



Department
of Health

1115 WAIVER DEMONSTRATION

Update on Health Equity Regional Organizations (HEROs)

Presentation to the Public Health and Health Planning Council

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Agenda

- Overview of Proposed 1115 Waiver Demonstration
- Health Equity Regional Organizations (HEROs)
 - Composition
 - Functions
 - Goals
 - Funding
- Role of Local Health Departments (LHDs) in HEROs
- Role of LHDs in Other Waiver Activities

Proposed 1115 Waiver Demonstration

- NYS is partnering with the federal government to make an investment of up to \$17 billion in New York's Medicaid delivery system over five years.

Goals:

1. Building a more resilient, flexible, and integrated delivery system that reduces racial disparities, promotes health equity, and supports the delivery of social care;
2. Developing and strengthening supportive housing services and alternatives to institutions for the long-term care population;
3. Redesigning and strengthening safety net facilities and workforce capacity to improve quality and rebuild from the COVID-19 pandemic; and
4. Creating statewide digital health and telehealth infrastructure.

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HERO Overview

- In connection with Goal #1 of the waiver, NYS proposed the development of HEROs, which are described as follows:
 - Regional, mission-based organizations composed of a coalition of stakeholders.
 - Hubs for regional collaboration, coordination, and decision-making and will inform future advanced VBP arrangements targeted at health equity.
- DOH will contract with a single HERO per region based on existing regions utilized by DOH for Medicaid rate setting, but DOH would consult with LHDs and other key stakeholders to sub-divide these regions based on compelling evidence that such further divisions would enhance the work of HEROs.
- A HERO may be an expansion of an ***existing entity***, or a new corporate entity formed by regional participants.

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HERO Overview (Cont'd.)

- Based on comments received on Concept Paper, certain questions and concerns have been raised with regard to HEROs:
 - How can HEROs support, rather than supplant, existing public health efforts within a region?
 - Will HEROs duplicate existing collaborations and infrastructure surrounding public health efforts?
 - Can LHDs or existing collaborations qualify for designation as a HERO, so as to avoid necessary duplication?

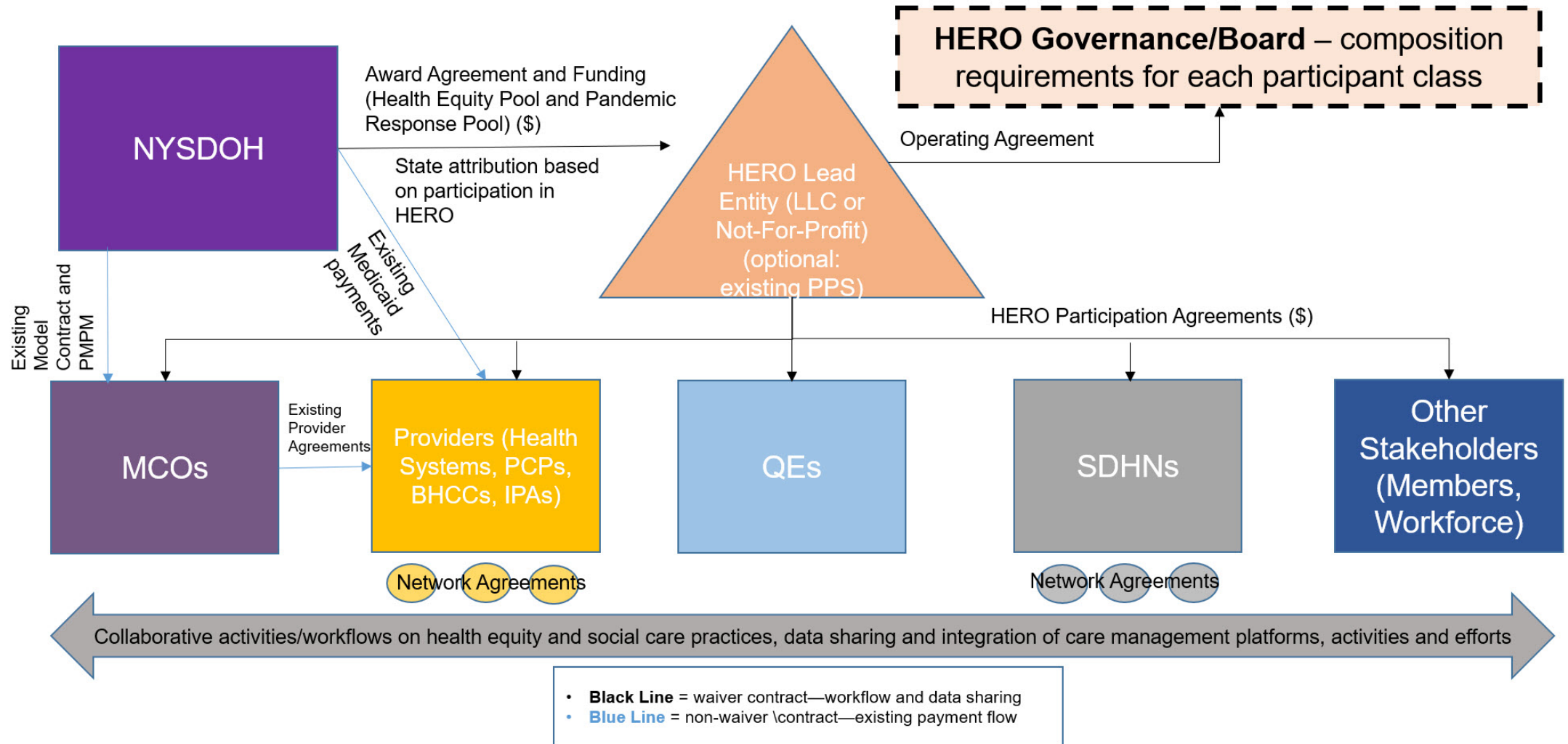
HEROs Composition

HEROs' membership would include:

- Local Health Departments
- Managed Care Organizations (MCO)
- Hospitals and Health Systems
- Primary Care Providers
- Community Providers
- Accountable Care Organizations (ACO)
- Independent Provider Associations (IPA)
- Behavioral Health Networks
- Consumer Representatives
- Providers of Long-term Services and Supports (LTSS), including those serving Intellectual and Developmental Disorders (I/DD)
- Community Base Organizations (CBO)
- Social Determinants of Health Networks (SDHN)
- Qualified Entities (QE), or Health Information Exchanges (HIE)
- Regional Health Information Organizations (RHIO)
- Other Stakeholders

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HERO Structural Diagram (Funds Flow)



HEROs Functions

- Serve as the central hub of regional consensus-building, planning, and coordination around health equity improvement initiatives.
- Develop an Annual Regional Plan to enable a holistic, clinically integrated, and value-driven approach to evaluating and addressing the physical and behavioral health and social care needs of vulnerable populations through VBP interventions.
- Establish goals, set measures, priorities, intended impacts, and a theory of change of how to accomplish the work.
- Serve as the central hub of a data infrastructure with additional dimensions of data collection and analysis emerging as necessary to address additional areas of need, including regional data capabilities assessment and technical support.
- Assess existing housing inventory and identify gaps and possible solutions.

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HEROs Goals

- Continue the movement to more advanced VBP models to promote health equity and provide cash flow stability during health crises.
- Develop a delivery system built for “well care” and that accounts for the whole-person that:
 - Integrates physical and behavioral health and services related to social determinants of health;
 - Meets patients where they are;
 - Has flex and surge capacity during public health crises; and
 - Improves outcomes for all patients, particularly the most vulnerable and underserved.
- Build on the success of DSRIP while incorporating changes informed by challenges and lessons learned.
- Rebuild from the COVID-19 pandemic with a more flexible, resilient healthcare system.

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HEROs Funding

- The waiver application requests \$325M over five years for planning grants to HEROs.
- HEROs would not receive and distribute waiver funds similar to intermediary entities in other waiver demonstrations approved by CMS.
 - Given this function, DOH does not anticipate duplication of any existing public health activities.
 - Due to the role of the HEROs being derivative of existing efforts around public health activities and regional planning, HEROs would extend beyond the period of the waiver as they do now and serve as central coordinating bodies and provide research and data analytics on regional health equity issues.
- A sustainable model for HEROs is Common Ground Health in Rochester—a not-for-profit research and planning organization that provides ongoing value to the community by bringing together local stakeholders on area health issues.

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HEROs and LHDs

HEROs will complement the work of LHDs in their effort to promote public health:

- HEROs are intended to work with existing local systems and entities to develop a coordinated and comprehensive plan to addressing the physical and behavioral health and social care needs for Medicaid members in each region.
- LHDs *could serve* as the HERO in some regions, as they have some of the necessary data infrastructure in place and have existing relationships with other governmental entities that would be involved in the regional planning efforts.
- If not acting as the HERO, LHDs would be part of the HERO's governance structure.

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Role of LHDs in Other Waiver Activities

Building on the work of the HEROs, two major drivers of the transformation strategy are the formation of Social Determinant of Health Networks (SDHNs) and advanced VBP arrangements.

- ***SDHNs:*** SDHNs are networks of community-based organizations (CBOs) to provide a streamlined, closed-loop referral system for social care services. Ideally, there would be a single SDHN per region. Through HEROs or independently, LHDs would be able to influence the composition of SDHNs in a particular region.
- ***Advanced VBP Arrangements:*** The Annual Regional Plan developed by HEROs would detail the needs of the region and methods for addressing them, which would be inclusive of the VBP strategy.
 - As LHDs would either serve as the HEROs or be part of the HERO governance structure, they would participate in the development of the regional plans.
 - The managed care procurement proposal in the SFY 2022-23 Executive Budget would give the State and local partners the ability to compel MCOs to meaningfully engage in the regional work and VBP arrangements.

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