



New York State Department of Health

First Quarterly Report: Spending Narrative for Implementation of American Rescue Plan Act of 2021, Section 9817

Additional Support for Medicaid Home and Community- Based Services (HCBS) during the COVID-19 Emergency

Federal Fiscal Year 2022 – Quarter 2 Report
October 18, 2021

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Letter of Attestation from State of New York

October 18, 2021

BY E-MAIL

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Re: **New York State Quarterly Report:**
Implementation of American Rescue Plan Act of 2021, Section 9817

Dear Mr. Tsai:

On behalf of the New York State Department of Health (the Department or DOH) as the single state Medicaid agency, I write to provide the first quarterly update for New York State (the State or New York) regarding certain Medicaid expenditures for home and community-based services (HCBS) provided by section 9817 of the American Rescue Plan Act of 2021 (ARPA) (Pub. L. 117-2). In connection with the receipt of increased Federal Medical Assistance Percentage (FMAP) for these categories of HCBS, I attest to the following:

- The State is using the federal funds attributable to the increased FMAP to supplement and not supplant existing state funds expended for Medicaid HCBS in effect as of April 1, 2021;
- The State is using the state funds equivalent to the amount of federal funds attributable to the increased FMAP to implement or supplement the implementation of one or more activities to enhance, expand, or strengthen HCBS under the Medicaid program;
- The State is not imposing stricter eligibility standards, methodologies, or procedures for HCBS programs and services than were in place on April 1, 2021;
- The State is preserving covered HCBS, including the services themselves and the amount, duration, and scope of those services, in effect as of April 1, 2021; and
- The State is maintaining HCBS provider payments at a rate no less than those in place as of April 1, 2021.

As reflected in the enclosed quarterly report, the State has made meaningful progress in implementing the spending plan and narrative that it submitted to CMS on July 8, 2021. However, this progress is necessarily limited by the partial approval the State received from CMS on August 25, 2021 for 18 of its proposals. To that end, the State looks forward to working with CMS to achieve full approval of its spending plan and narrative, such that New York is able to further the goals of section 9817 of ARPA and support critical HCBS in the State.

Please do not hesitate to contact me with any questions.

Very truly yours,

Brett R. Friedman, Esq.
Acting Medicaid Director
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NYS Department of Health

Enclosure

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Executive Summary

The American Rescue Plan Act (ARPA) was signed into law on March 11, 2021. Section 9817 of ARPA provides a 10 percent increase in Federal Medical Assistance Percentage (FMAP) to state Medicaid programs from April 1, 2021 to March 31, 2022 to supplement existing state expenditures on home and community-based services (HCBS). As detailed in State Medicaid Director Letter #21-003, issued by the Centers for Medicare & Medicaid Services (CMS) on May 13, 2021 (the SMDL), CMS affords states the ability to invest or reinvest these funds in a variety of ways that expand and enhance investments in Medicaid-covered HCBS, address COVID-related needs, and build HCBS capacity. While these enhanced funds are generated until March 31, 2022, states may expend these funds any time before March 31, 2024.

This opportunity enables New York to make significant investments that expand, enhance, or strengthen HCBS for Medicaid members. This new federal funding arrived at an opportune moment, as providers are working to rebuild and expand capacity, adjust to the realities of post-pandemic service provision, address increases in demand, and build workforce capacity. To these ends, New York proposed to make investments that will support the needs of our most vulnerable populations. New York's approach prioritizes investments with long-term sustainable benefits, including building workforce capacity and digital infrastructure to streamline service delivery, and that work to improve the quality and efficiency of services in the more immediate term, including helping HCBS providers overcome pandemic-related service disruptions and expenses. New York is pleased to update CMS about our progress in advancing these proposals.

The initial spending plan New York submitted to CMS on July 8, 2021, which contained 39 separate proposals across three categories:

1. Supporting and Strengthening the Direct Care Workforce
2. Building HCBS Capacity through Innovations and Systems Transformation; and
3. Investing in Digital Infrastructure

Of the 39 proposals, New York interprets CMS's letter of August 25, 2021 as approving or partially approving nearly all of these proposals, or components thereof. Critically, these 39 proposals were developed collaboratively among six State agencies that oversee the categories of HCBS funded by section 9817 of ARPA. These agencies include: the Department of Health (DOH), the Office for People with Developmental Disabilities (OPWDD), the Office of Mental Health (OMH), the Office of Children and Family Services (OCFS), the Office of Addiction Services and Supports (OASAS), and the State Office for the Aging (SOFA, and with OPWDD, OMH, OCFS, and OASAS, the Partner Agencies). DOH and the Partner Agencies engaged with stakeholders to inform the development of these proposals for recommendations on the use of the funds. DOH is maintaining a public website to keep stakeholders apprised of developments and progress with regard to approval and implementing of New York's spending plan, which links to specific updates from the Partner Agencies of their respective websites, where

applicable. This website may be accessed here:
https://www.health.ny.gov/health_care/medicaid/redesign/hcbs/enhanced_funding/

Progress & Activity Updates

New York State (NYS, New York, or the State) is committed to investing funds in meaningful ways that create sustainable impact on the Medicaid HCBS service delivery system across the State, improving outcomes for service recipients and their families. At present, the State is largely focusing efforts on launching proposed activities, drafting spending authorities, and preparing for implementation.

CMS fully approved 14 of the proposed activities on August 25, 2021.¹ Since this approval New York has worked diligently to draft and submit relevant federal authorities. DOH and the Partner Agencies began this process for each of the 14 fully approved activities. The details of this progress are found--organized by activity--in **Appendix A** of this document. In addition to the 14 fully approved proposed activities, there are 25 activities pending CMS approval, including two that required modification and clarification before CMS could approve, as these proposals appeared to fund room and board, which CMS found was not a qualifying expense. In its capacity as the single state Medicaid agency, DOH responded to CMS's requests for clarification about the 25 pending activities on September 3, 2021 and awaits full approval.² In the interim, DOH and the Partner Agencies have worked diligently to architect the necessary foundational components for these activities in anticipation of their approval.

Based on these efforts, significant progress has been made on nearly all activities to obtain needed federal authorities to implement these proposed activities, including the drafting and posting of some State Plan Amendments (SPAs), and development of directed payment preprints under 42 C.F.R. § 438.6(c) (Section 438.6(c)). DOH is confident that our progress in building a strong foundation and implementation plan for all 39 activities, including potential future modifications to these proposals or the development of new proposals or emergent needs are identified, will enable successful outcomes and positive long-term impacts for individuals served by HCBS across the state.

Modifications to Spending Plan Proposals

Obtaining the needed federal approvals and authorities to implement existing proposals is the current priority of the State. DOH and its Partner Agencies are creating clear guidance and processes for implementation to ensure all CMS-approved activities are implemented in a timely manner. At the present time and given that many of the spending plan proposals are only partially approved, DOH and its Partner Agencies are not currently proposing any new spending plan proposals as part of this quarterly update but is considering new proposals related to the impacts of vaccine mandates on the HCBS workforce, the expansion into HCBS provider types permitted by CMS

¹ A copy of this letter from CMS is attached to this quarterly update as **Appendix B**.

² A copy of this response letter to CMS is attached to this quarterly update as **Appendix C**.

administrative guidance that were previously unaddressed by the initial spending plan and narrative, or other new developments to expand, enhance or strengthen HCBS programs in the State. Additionally, DOH and its Partner Agencies have decided to forgo any funding of room and board expenses based on CMS's denial of these proposal components in its partial approval letter of August 25, 2021.

Accordingly, based on these developments, updates to the spending plan financial projections accompanying this quarterly report, and programmatic design work surrounding implementation of the approved proposals, this quarterly update reflects the following modest modification to the State's initial spending plan and narrative:

- **Improve the OMH Workforce.** This proposal will shift from being implemented solely through a state directed payment preprint, to being implemented both through a state directed payment under managed care and FFS rate enhancements under SPAs. This change is intended to facilitate implementation and allow for a more targeted reach and impact.
- **Improve the OASAS Workforce.** This proposal will shift from being implemented through a state directed payment, to being implemented through a short-term FFS rate enhancement under the State Plan. This change has been motivated by a review of OASAS provider needs and mechanisms for implementation. The resulting rate increase will apply to addiction rehabilitative services.
- **Transform the LTC Workforce and Achieve Value-Based Payment (VBP) Readiness.** The value of this proposal has increased from \$623M to \$722.5M state funds equivalent due to changes in spending projections that will generate additional enhanced FMAP.
- **Enhanced Rates for Private Duty Nursing.** This proposal increased in value from \$10M to \$13.1M state funds equivalent to reflect updated spending projections within the service category.
- **Support Program Growth in Personal Care Services and CDPAP or Ensure Capacity.** Based on comments from CMS in its letter of August 25, 2021, CMS is currently unable to fund year-over-year growth in PCS and CDPAP consistent with its interpretation of section 9817 of ARPA but will consider whether incremental program growth between projected baseline spend and actual spend, due to other HCBS investments removing existing barriers, is an eligible expenditure. Accordingly, DOH is refining this proposal for CMS's review.
- **Integrated Housing Pilot and Provide Incentives for the Development of More Integrated Residential Services.** CMS sought clarification on these proposals especially regarding potential funding for room and board, which CMS noted is not approvable under section 9817 of ARPA. DOH removed room and board from the Integrated Housing Pilot and clarified the funding cannot be used for room and board under Provider Incentives for the Development of More Integrated Residential Services. The revised proposals have been resubmitted for approval.

Notwithstanding these modest changes, DOH anticipates that future quarterly updates will have more substantial modifications to the spending plan to reflect new or different

funding needs, subsequent developments in implementation or based on other factors informed by stakeholder outreach and discussions with CMS.

Challenges & Lessons Learned

DOH plans to document challenges and lessons learned in subsequent quarterly reports as proposals are implemented and funding distributed.

Sustainability Plan

New York is committed to leveraging this significant investment to foster long-term positive impact on the HCBS system. Eleven of the proposed activities work to strengthen and support the direct care workforce across the state. Workforce shortages and instability were exacerbated by the COVID-19 Public Health Emergency. Investments in the HCBS workforce will help address these challenges while having long lasting impacts both on access to care for vulnerable populations in need of these services and on the quality of care that those members receive. Additional training and enhanced benefits for the HCBS workforce will play an instrumental role in improving the delivery system over the coming years. The State is also exploring potential funding sources to continue workforce efforts beyond the initial period.

Twenty-two of the thirty-nine proposed activities aim to increase and strengthen capacity, foster innovation, and create systems transformation for HCBS. Most of these activities leverage rate increases for services and funding to implement and expand programs to increase and augment services delivered across the state. Program designs have been developed to encourage investment focused on long-term impact while addressing immediate concerns in the wake of the COVID-19 pandemic. The State is tracking possible modalities to keep successful activities and enhancements beyond March 31, 2024.

Six of the activities aim to strengthen the digital infrastructure for HCBS provider agencies in New York. These investments will allow HCBS provider agencies to reopen strategically during times when face-to-face interactions come with a risk, while also supporting the integration of modern technology into service delivery, documentation, and care. The State has prioritized activities that are innovative enough to endure beyond March 31, 2024.

Appendix A: Individual Activity Updates

I. Supporting & Strengthening the Direct Care Workforce

A. Transform the LTC Workforce and Achieve Value-Based Payment (VBP) Readiness

New York seeks to leverage a significant portion of additional FMAP to increase the capacity and quality of its HCBS workforce, such that both this workforce, and the licensed home care services agencies (LHCSAs) or consumers working in conjunction with fiscal intermediaries (FIs), can implement evidence-based care interventions, promote quality, and participate effectively in value-based payment (VBP) arrangements, including Mainstream Managed Care Plans and MLTCs. Specifically, investing in evidence-based programs that help LHCSAs and consumers in the Consumer Directed Personal Assistance Program (CDPAP) recruit, retain, train, and support their direct care workers will ensure that New York has adequate, high quality personnel to meet the anticipated growth in demand.

Anticipated Implementation Date: 01/01/2022

Status Update Overall:

DOH is currently in the process of completing the Section 438.6(c) pre-print for this proposal and will seek CMS approval of that pre-print in order to include this funding within managed care rates. After approval, information will be shared with both providers and health plans which details program requirements, measures used to drive funding amounts, and other elements of program design.

Status for Federal Approval of Spending Plan:

Approved by CMS on August 25, 2021.

Update on Needed Federal Authorities (SPA, Pre-print, etc. as indicated in the spending plan:

Section 438.6(c) pre-print for this proposal to be submitted in October or early November 2021.

Changes to the Amounts of Funding Projected to be Spent (if any):

The State is now projecting that \$722.5M will be spent on this proposal. The previous funding amount was \$623M. The increase is due to additional enhanced FMAP funding earned from managed care.

Lessons Learned/Best Practices (if any):

This program has not reached the implementation phase yet and therefore it is difficult to determine the impact of the proposal and/or to glean any lessons learned or best practices at this time. DOH will offer additional insights in this area during future reporting periods.

Sustainability Update:

The funds will benefit the direct care workforce to ensure that increased access and availability of HCBS can be staffed across the State. The initiatives implemented during this period will support the growing need for HCBS by ensuring improved workforce capacity, skill-level, and quality.

B. Improve the OPWDD Workforce

There are over 100,000 Direct Support Professionals (DSPs) and Family Care Providers in the New York statewide OPWDD system, who are dedicated to helping people with IDD to live independent, productive lives. However, there has been considerable turnover and attrition in this space. New York seeks to improve and sustain the workforce by implementing COVID-19 workforce performance incentives, IDD workforce longevity and retention bonuses, DSP workforce development grants to improve quality, and a workforce recruitment initiative.

Anticipated Implementation date: 11/01/2021

Status Update Overall:

OPWDD developed two surveys to send to providers to collect information to determine funding allocations for four supplemental one-time payments. One survey, to be sent upon Appendix K approval, will determine the allocation for three of the supplemental payments. A second survey will be sent out end of calendar year to determine funding allocations for vaccine incentive payments. The submission of a Provider Attestation will be required prior to the disbursement of any supplemental payments to that provider.

For workforce development grants and the workforce recruitment initiative, OPWDD is drafting Request for Applications (RFA). The launch of both RFAs is tentatively scheduled for 11/15/2021.

Additionally, OPWDD is developing reporting processes and determining possible metrics to understand the impact of these payments and grants on worker retention, attraction, and vaccination rates.

Status for Federal Approval of Spending Plan:

Approved by CMS on August 25, 2021.

Update on Needed Federal Authorities (SPA, Pre-print, etc. as indicated in the spending plan:

For the four supplemental one-time payments, OPWDD submitted an Appendix K on 09/07/2021 and is awaiting approval. Once the Appendix K is approved, NYS plans to submit a SPA, or emergency SPA, to initiate supplemental payments for the Direct Care Professionals (DSP) who work in the Medicaid IDD system in non-HCBS waiver programs.

Changes to the Amounts of Funding Projected to be Spent (if any):

No allocated funding changes are currently anticipated.

Lessons Learned/Best Practices (if any):

This program has not reached the implementation phase yet and therefore it is difficult to determine the impact of the proposal and/or to glean any lessons learned or best practices at this time. OPWDD will offer additional insights in this area during future reporting periods.

Sustainability Update:

Investments in the HCBS workforce will have long lasting impacts both on access to care for vulnerable populations in need of these services and on the quality of care that those members receive. Additional trainings and enhanced benefits for the OPWDD workforce will play an instrumental role in improving the delivery system over the coming years.

Applicants responding to the RFAs are required to provide long-term sustainability plans.

C. Expand Advanced Training Incentive Program for HCBS Transitions from Nursing Homes

New York proposes to use the enhanced FMAP for HCBS to expand and enhance advanced training programs and incentives for direct care workers to recognize signs of patient clinical improvement and the potential for HCBS programs and services to allow for community discharge and reintegration. This program would continue New York's work toward ensuring that individuals receive Medicaid-funded services in the least restrictive setting and permitting facility discharge when appropriate HCBS services and supports are identified. This program will also reward eligible nursing home providers that have shown a commitment to giving direct care staff tools to help assist in appropriate discharge to community-based settings.

Anticipated Implementation Date: 01/01/2022

Status Update Overall:

DOH published a Federal Public Notice on this proposed State Plan Amendment (SPA) on September 29, 2021. DOH is finalizing the details of expanding and enhancing advanced training program incentives for direct care providers.

Status for Federal Approval of Spending Plan:

Pending approval from CMS. DOH sent requested clarification on September 3, 2021.

Update on Needed Federal Authorities (SPA, Pre-print, etc. as indicated in the spending plan:

DOH published this proposed SPA in the Federal Public Notice on September 29, 2021.

Changes to the Amounts of Funding Projected to be Spent (if any):

No changes to the projected funding amounts for this proposal are anticipated at this time.

Lessons Learned/Best Practices (if any):

This program has not reached the implementation phase yet and therefore it is difficult to determine the impact of the proposal and/or to glean any lessons learned or best practices at this time. DOH will offer additional insights in this area during future reporting periods.

Sustainability Update:

Investments in the HCBS workforce will have long lasting impacts both on access to care for vulnerable populations in need of these services and on the quality of care that those members receive. Expanding the ATI program will have a lasting impact on the Medicaid program as members are transitioned to less restrictive settings in a manner that is safe and appropriate to individual needs.

D. Workforce Transportation Incentive

New York will invest a portion of the enhanced FMAP in worker transportation grants to eligible home care agencies that apply to the State to address identified transportation barriers to worker recruitment or retention. The grants will have to be expended in full in support of mitigating these barriers in a geographically appropriate manner that is included in the application and approved by the State.

Anticipated Implementation Date: 04/01/2022

Status Update Overall:

DOH is finalizing the programmatic design for this proposal. Guidance and programmatic detail will be developed and communicated to providers in the near future.

Status for Federal Approval of Spending Plan:

Approved by CMS on August 25, 2021.

Update on Needed Federal Authorities (SPA, Pre-print, etc. as indicated in the spending plan:

We do not anticipate the need for federal authority in order to execute this proposal.

Changes to the Amounts of Funding Projected to be Spent (if any):

No changes to the projected funding amounts for this proposal are anticipated at this time.

Lessons Learned/Best Practices (if any):

This program has not reached the implementation phase yet and therefore it is difficult to determine the impact of the proposal and/or to glean any lessons learned or best practices at this time. DOH will offer additional insights in this area during future reporting periods.

Sustainability Update:

Investments in the HCBS workforce will have long lasting impacts both on access to care for vulnerable populations in need of these services and on the quality of care that those members receive. Providing support for car services, or providing passes for public transportation, is likely to assist in agencies' recruitment and retention efforts and alleviate service delays and access to care for many individuals.

E. Improve OMH Workforce

This proposal would provide prescribers, licensed practitioners, and program staff in community, rehabilitation, and housing settings to receive targeted loan forgiveness, tuition reimbursement, hiring and signing bonuses, longevity payments, expanded student placements, shift differential pay and expanded retirement contributions. Funds will be implemented through a directed payment preprint to Medicaid MCOs and administered as grants to providers meeting specific qualifications and based on service utilization. Funding would go directly to mental health providers.

Anticipated Implementation Date: Adult HCBS and Rehabilitation and Community Residences: 11/01/2021, ACT 11/07/2021, PROS 11/14/2021.

Status Update Overall:

Federal Public Notices have been republished with NYS Department of State for dates of 10/06/2021 and 10/13/2021. OMH is developing programmatic guidance to circulate to providers to support implementation of this proposal.

Status for Federal Approval of Spending Plan:

Pending approval. NYS sent requested clarification to CMS on September 3, 2021.

Update on Needed Federal Authorities (SPA, Pre-print, etc. as indicated in the spending plan:

DOH and OMH will pursue rate enhancements under SPAs as well as seeking federal approval through a Section 438.6(c) pre-print. SPAs and a directed payment preprint are currently under development by OMH/DOH and will be circulated to CMS soon.

Changes to the Amounts of Funding Projected to be Spent (if any):

No changes to the projected funding amounts for this proposal are anticipated at this time.

Lessons Learned/Best Practices (if any):

This program has not reached the implementation phase yet and therefore it is difficult to determine the impact of the proposal and/or to glean any lessons learned or best practices at this time. DOH and OMH will be able to offer additional insights in this area during future reporting periods.

Sustainability Update:

Investments in the HCBS workforce will have long lasting impacts both on access to care for vulnerable populations in need of these services and on the quality of care that those members receive. Additional training and enhanced benefits for the OMH workforce will play an instrumental role in improving the delivery system over the coming years. The State is also exploring potential additional programmatic and clinical initiatives designed to complement these workforce enhancements beyond the initial period.

F. Improve the OASAS Workforce

To sustain staffing levels and maintain services while also allowing for maximum flexibility, OASAS proposes to use a temporary rate increase to provide funding for OASAS service providers to offer one or more workforce development strategies. OASAS will set specific goals for this funding to impact capacity building and lower waitlists. The funding will be evaluated for specific outcomes.

Anticipated Implementation Date: 11/01/2021

Status Update Overall:

Upon review of OASAS provider needs and mechanisms for implementation, OASAS has revised its approach to support workforce. This proposal has been revised from directed payments to instead be a rate increase from November 1, 2021 until December 31, 2021 for addiction rehabilitative services. At this time DOH has reviewed Federal Public Notice for OASAS Workforce rate changes with a planned publication date of 11/01/2021. A SPA is also being developed and will be circulated to CMS in the near future. OASAS is developing billing and programmatic guidance to circulate to providers to support implementation of this proposal.

Status for Federal Approval of Spending Plan:

Pending approval. NYS sent requested clarification to CMS on September 3, 2021.

Update on Needed Federal Authorities (SPA, Pre-print, etc. as indicated in the spending plan:

OASAS has drafted changes to appropriate SPA pages noting the effective date of revised rates.

Changes to the Amounts of Funding Projected to be Spent (if any):

No changes to the projected funding amounts for this proposal are anticipated at this time.

Lessons Learned/Best Practices (if any):

This program has not reached the implementation phase yet and therefore it is difficult to determine the impact of the proposal and/or to glean any lessons learned or best practices at this time. DOH and OASAS will be able to offer additional insights in this area during future reporting periods.

Sustainability Update:

While OASAS does not anticipate extending these rates beyond period noted above, the increased resources available to providers allow investments in the HCBS workforce that will have long term impact on access to care for vulnerable populations in need of these services and on the quality of care that those members receive. Additional training and enhanced benefits for the OASAS workforce will play an instrumental role in improving the delivery system over the coming years.

G. Increase Medicaid Rehabilitation Rates for OMH Community Residence Programs

Rate increases will be targeted towards direct care staff costs in order to meet critical challenges to workforce recruitment and retention, which are needed to operate these programs more effectively and to address the current critical workforce shortages. Funding will be disbursed through rate increases paid across FFS Medicaid claims as services are provided to eligible Medicaid recipients.

Anticipated Implementation Date: 11/01/2021

Status Update Overall:

OMH is finalizing the programmatic design for this proposal. Programmatic detail will be developed and communicated to providers in the near future.

Status for Federal Approval of Spending Plan:

Approved by CMS on August 25, 2021.

Update on Needed Federal Authorities (SPA, Pre-print, etc. as indicated in the spending plan:

Implemented under State Plan Authority.

Changes to the Amounts of Funding Projected to be Spent (if any):

No changes to the projected funding amounts for this proposal are anticipated at this time.

Lessons Learned/Best Practices (if any):

This program has not reached the implementation phase yet and therefore it is difficult to determine the impact of the proposal and/or to glean any lessons learned or best practices at this time. DOH and OMH will be able to offer additional insights in this area during future reporting periods.

Sustainability Update:

Investments in the HCBS workforce will have long lasting impacts both on access to care for vulnerable populations in need of these services and on the quality of care that those members receive. Additional funding for worker recruitment and retention will play an instrumental role in improving the delivery system over the coming years.

H. Enhance the Children's Services Workforce

Due to provider diversity and differing needs of agencies regarding staffing, as well as to ensure the maximum ability to maintain or build service capacity, a model is recommended that would offer eligible providers flexibility in utilizing the enhanced FMAP. Specific goals will be attached to this funding to impact capacity building and eliminate waitlists, and the awardees will be evaluated for specific outcomes.

Anticipated Implementation Date: Pending CMS response and approval of Disaster SPA.

Status Update Overall:

DOH is developing a provider attestation to better understand wants and needs of all providers and will send out a survey.

Status for Federal Approval of Spending Plan:

Pending approval. DOH sent requested clarification to CMS on September 3, 2021.

Update on Needed Federal Authorities (SPA, Pre-print, etc. as indicated in the spending plan:

DOH is in the process of creating a strategy to determine direct payment modality, via either a pre-print or mini grants through the Disaster SPA/SPA. Once this process is determined a Needed Federal Authority will be drafted.

Changes to the Amounts of Funding Projected to be Spent (if any):

No changes to the projected funding amounts for this proposal are anticipated at this time.

Lessons Learned/Best Practices (if any):

This program has not reached the implementation phase yet and therefore it is difficult to determine the impact of the proposal and/or to glean any lessons learned or best practices at this time. DOH will offer additional insights in this area during future reporting periods.

Sustainability Update:

Investments in the HCBS workforce will have long lasting impacts both on access to care for vulnerable populations in need of these services and on the quality of care that those members receive. Additional training and enhanced benefits for the Children's Service Workforce will play an instrumental role in improving the delivery system over the coming years. The state is also exploring potential funding sources to continue this program beyond the initial period.

I. Expand Training and Implementation Support for Evidence Based Practices

OMH has undertaken a significant system redesign initiative to foster provision of evidence-based practices, recovery-oriented care, and psychiatric rehabilitation services. Under this redesign, OMH must expand training and implementation support in Evidence Based Practices (EBP), including diagnosis and treatment across the provider continuum, with incentivization of EBP uptake and fidelity, with particular focus on the assessment and treatment of co-occurring disorders, treatment of marginalized and underrepresented demographics, and specialty clinical populations (including but not limited to clinical high risk for psychosis and obsessive-compulsive disorder), leadership training, addressing provider costs associated with training attendance, collaboration with State University of New York (SUNY) in a Certified Rehabilitation Counselor (CRC) or Masters in Psychiatric Rehabilitation program, and development/expansion of rehabilitation programs and services with in-person training. Funding will be dispersed via existing or new contracts with training and technical assistance agencies and SUNY or other institutions of higher education.

Anticipated Implementation Date: 01/01/2022

Status Update Overall:

OMH is finalizing the programmatic design for this proposal. Guidance and programmatic detail will be developed and communicated to OMH State partners and impacted providers in the near future.

Status for Federal Approval of Spending Plan:

Pending approval from CMS. NYS sent requested clarification to CMS on September 3, 2021. NYS responded to CMS's request for more information relating to whether activities will target providers that are delivering any of the services that are listed in Appendix B or that could be listed in Appendix B by stating that the targeted providers provide services that could be authorized under 42 CFR § 440.130(d).

Update on Needed Federal Authorities (SPA, Pre-print, etc. as indicated in the spending plan:

We do not anticipate the need for federal authority in order to execute this proposal.

Changes to the Amounts of Funding Projected to be Spent (if any):

No changes to the projected funding amounts for this proposal are anticipated at this time.

Lessons Learned/Best Practices (if any):

This program has not reached the implementation phase yet and therefore it is difficult to determine the impact of the proposal and/or to glean any lessons learned or best practices at this time. DOH and OMH will be able to offer additional insights in this area during future reporting periods.

Sustainability Update:

Investments in EBP will have long lasting impacts on the quality of care that vulnerable populations receive. Additional training for the LTSS workforce will play an instrumental role in improving the delivery system over the coming years.

J. Expand Recruitment and Retention of Culturally Competent, Culturally Responsive and Diverse Personnel

OMH will provide funding to SUNY/CUNY schools based on geographic location and programs offered to underserved students to complete study in fields with the highest identified need (e.g., social work, psychology, etc.). These funds would be used to support educational attainment and credentialing fully or partially.

Anticipated Implementation Date: 01/01/2022

Status Update Overall:

OMH is finalizing the programmatic design for this proposal. Guidance and programmatic detail will be developed and communicated to OMH State partners and impacted providers in the near future.

Status for Federal Approval of Spending Plan:

Pending approval from CMS. NYS sent requested clarification to CMS on September 3, 2021. NYS responded to CMS's request for more information relating to whether activities will target providers that are delivering any of the services that are listed in Appendix B or that could be listed in Appendix B.

Update on Needed Federal Authorities (SPA, Pre-print, etc. as indicated in the spending plan:

We do not anticipate the need for federal authority in order to execute this proposal.

Changes to the Amounts of Funding Projected to be Spent (if any):

No changes to the projected funding amounts for this proposal are anticipated at this time.

Lessons Learned/Best Practices (if any):

This program has not reached the implementation phase yet and therefore it is difficult to determine the impact of the proposal and/or to glean any lessons learned or best practices at this time. DOH and OMH will be able to offer additional insights in this area during future reporting periods.

Sustainability Update:

Investments in a diverse, culturally competent, and culturally responsive mental health workforce will have lasting impacts both on access to care for vulnerable populations in need of these services and on the quality of care that those members receive. These investments will play an instrumental role in improving the delivery system over the coming years.

K. Expand Certified and Credentialed Peer Capacity

New York proposes to expand certified peer capacity (inclusive of adult peer, youth peer, family peer) in OMH programs through investment in resources for recruitment, education/training, and career pipeline investments. As New York continues to grow its capacity to provide Peer Support services across the OMH system of care, agencies that currently do not offer Peer Support services need additional guidance on how to implement these services effectively in their settings. The creation of a New York State Peer Workforce Advancement and Mentoring Network and a Peer-Delivered Service Inclusion Center of Excellence will help OMH in achieving these goals. Additionally, training expansion and capacity to best support underserved and emerging populations, such as justice-involved individuals and older adults with mental illness will be needed to ensure the Peer Workforce is adequately equipped to provide effective services to these groups.

Anticipated Implementation Date: 01/01/2022

Status Update Overall:

OMH is finalizing the programmatic detail and monitoring and evaluation strategy. OMH is developing guidance that will be communicated to impacted providers.

Status for Federal Approval of Spending Plan:

Pending approval from CMS. NYS sent requested clarification to CMS on September 3, 2021. NYS responded to CMS's request for more information relating to whether activities will target providers that are delivering any of the services that are listed in Appendix B or that could be listed in Appendix B by stating that the targeted providers provide services that could be authorized under 42 CFR § 440.130(d).

Update on Needed Federal Authorities (SPA, Pre-print, etc. as indicated in the spending plan:

We do not anticipate the need for federal authority in order to execute this proposal.

Changes to the Amounts of Funding Projected to be Spent (if any):

No changes to the projected funding amounts for this proposal are anticipated at this time.

Lessons Learned/Best Practices (if any):

This program has not reached the implementation phase yet and therefore it is difficult to determine the impact of the proposal and/or to glean any lessons learned or best practices at this time. DOH and OMH will be able to offer additional insights in this area during future reporting periods.

Sustainability Update:

This investment will provide agencies that do not currently offer Peer Support services additional guidance on how to implement these services effectively in their settings. Training expansion and capacity to best support underserved and emerging populations will ensure the Peer Workforce is adequately equipped to provide effective services to these groups in the long-term. Once the infrastructure is established with the eFMAP funding, OMH anticipates that these initiatives can be maintained through modification of deliverables in existing direct contracts with the statewide peer programs.

II. HCBS Capacity, Innovations, and Systems Transformation

A. Support Program Growth in Personal Care Services and CDPAP or Ensure Capacity

New York will invest a portion of the enhanced FMAP to strengthen and support existing FFS and managed care programs that offer PCS and CDPAS through March 31, 2022 by ensuring adequate program funding is available to support growth in these programs created by related investments that expand capacity and access, including workforce development.

Anticipated Implementation Date: 01/01/2022

Status Update Overall:

Based on comments from CMS in its letter of August 25, 2021, CMS is unwilling to fund year-over-year growth in PCS and CDPAS but will consider whether incremental program growth between projected baseline spend and actual spend, due to other HCBS investments removing existing barriers, is an eligible expenditure. Accordingly, DOH is refining this proposal for CMS's review.

Status for Federal Approval of Spending Plan:

Pending approval from CMS. DOH is currently analyzing this proposal in response to CMS questions.

Update on Needed Federal Authorities (SPA, Pre-print, etc. as indicated in the spending plan:

We do not anticipate the need for a new federal authority in order to execute this proposal.

Changes to the Amounts of Funding Projected to be Spent (if any):

No changes to the projected funding amounts for this proposal are finalized at this time. Upon future modification of the proposal the spending estimate for the proposal will be updated and communicated to CMS in subsequent reporting.

Lessons Learned/Best Practices (if any):

This program has not reached the implementation phase yet and therefore it is difficult to determine the impact of the proposal and/or to glean any lessons learned or best practices at this time. DOH will offer additional insights in this area during future reporting periods.

Sustainability Update:

By allowing this funding to be used to support this natural growth in PCS and CPDAS, as projected by New York, the enhanced funding under section 9817 will help New York continue its work to ensure that individuals with assessed functional needs will be served in the community in which they choose to live, in the least restricted environment appropriate to their needs and preferences. Accordingly, this investment will assist the state in meeting exponential demand for HCBS in the long-term care service domain and help us ensure the sustainability and continued growth of these programs. Investments in CDPAS and PCS will have long lasting impacts both on access to care for vulnerable populations in need of these services and on the quality of care that those members receive.

B. Expand Capacity in Nursing Home Transition and Diversion and Traumatic Brain Injury

Amend both the 1915(c) Nursing Home Transition and Diversion (NHTD) and Traumatic Brain Injury (TBI) waivers to adjust payments for Nursing Visits for Home and Community Support Services (HCSS), develop a new service of Adult Companion Services for the NHTD and TBI waiver programs, add independent providers to Substance Abuse Services in the TBI waiver, establish rate differentials, provide a recruitment and retention stipend for all direct service staff who provide face-to-face services, implement a training stipend program, and build an enhanced provider community.

Anticipated Implementation Date: Different provisions of the Appendix K will be phased in beginning January 1, 2022, contingent on CMS approval.

Status Update Overall:

DOH is currently drafting an Appendix K waiver request for submission to CMS. The State is setting the groundwork on each of the adjustments proposed, including establishing necessary rate codes and assigning rates to existing providers.

Status for Federal Approval of Spending Plan:

Approved by CMS on August 25, 2021.

Update on Needed Federal Authorities (SPA, Pre-print, etc. as indicated in the spending plan:

DOH is drafting Appendix K waiver amendments for submission to CMS.

Changes to the Amounts of Funding Projected to be Spent (if any):

No changes to the projected funding amounts for this proposal are anticipated at this time.

Lessons Learned/Best Practices (if any):

This program has not reached the implementation phase yet and therefore it is difficult to determine the impact of the proposal and/or to glean any lessons learned or best practices at this time. DOH will offer additional insights in this area during future reporting periods.

Sustainability Update:

New York will seek to amend the existing Appendix K waiver amendment, which includes both waiver populations, to modify and augment existing services and to implement a series of enhancements to support the recruitment and retention of key staff, and the provision of additional services throughout the PHE. These initiatives will complement and expand services and resources for waiver participants, family members and providers of informal supports and services. The anticipated sustainable outcomes from these investments will include:

- Reduce nursing home admissions by providing increased quality home supports.
- Invest in provider development and workforce resources to ensure that there are sufficient resources available to provide an adequate continuum of care; and
- Support the program infrastructure at the regional level to facilitate enhanced services, support service recipients and provide oversight of service provision.

C. Invest in the Expansion of the Community First Choice Option Services

With this funding, New York proposes to expand its Community First Choice Option (CFCO) platform to include additional services along with its robust personal care and consumer directed personal care services. These additional services would expand access to individuals with physical, emotional/behavioral,

and intellectual/developmental disabilities of all ages to many options available currently only to those enrolled in one of New York's 1915(c) waivers.

Anticipated Implementation Date: 04/01/2022

Status Update Overall:

DOH is drafting a notice of this proposed SPA for the Federal Public Notice for publication in the near future. DOH is finalizing the programmatic design for this proposal. Billing guidance and programmatic detail will be developed and communicated to providers soon.

Status for Federal Approval of Spending Plan:

Approved by CMS on August 25, 2021.

Update on Needed Federal Authorities (SPA, Pre-print, etc. as indicated in the spending plan:

DOH is drafting a public notice of this State Plan Amendment that will be posted in the near future.

Changes to the Amounts of Funding Projected to be Spent (if any):

No changes to the projected funding amounts for this proposal are anticipated at this time.

Lessons Learned/Best Practices (if any):

This program has not reached the implementation phase yet and therefore it is difficult to determine the impact of the proposal and/or to glean any lessons learned or best practices at this time. DOH will offer additional insights in this area during future reporting periods.

Sustainability Update:

This proposal will further the State's common goal of ensuring that individuals across the disability spectrum can live independently in the least restrictive environment they desire with full access to the community. Investments in Community First Choice Option services will have long lasting impacts both on access to care for vulnerable populations in need of these services and on the quality of care that those members receive.

D. Support the Unique Program of All-Inclusive Care for the Elderly (PACE)

Support a fully integrated care model to enhance PACE Organizations as an option for dually eligible beneficiaries in New York. The State proposes to invest \$40M in State Funds Equivalent as part of capitated premiums paid to PACE Organizations to assist PACE centers to reopen safely and institute effective control measures and provide PACE programs workforce development funds to recruit and retain qualified staff.

Anticipated Implementation Date: 01/01/2022

Status Update Overall:

DOH is analyzing the impact from incorporation of this funding into PACE rates while meeting all applicable rate setting requirements including those related to amounts the State would otherwise have paid (AWOP). Subsequent to this analysis DOH will develop rate impacts and communicate those to CMS.

Status for Federal Approval of Spending Plan:

Approved by CMS on August 25, 2021.

Update on Needed Federal Authorities (SPA, Pre-print, etc. as indicated in the spending plan:

DOH is developing a PACE Organization Premium Adjustment that will be circulated to CMS in the near future.

Changes to the Amounts of Funding Projected to be Spent (if any):

No changes to the projected funding amounts for this proposal are anticipated at this time.

Lessons Learned/Best Practices (if any):

This program has not reached the implementation phase yet and therefore it is difficult to determine the impact of the proposal and/or to glean any lessons learned or best practices at this time. DOH will offer additional insights in this area during future reporting periods.

Sustainability Update:

Investments in the PACE demonstration will have long lasting impacts on those organizations' ability to deliver care under a fully integrated care delivery model. Investments will support the efforts of PACE organizations as they adjust to service interruptions stemming from COVID-19 and they invest in improving their resiliency through the coming years.

E. Improve the OPWDD Delivery System

Prior to March 2022, OPWDD will fund several contracts, grants, and cooperative agreements to improve and stabilize HCBS delivery, enhance state and local infrastructure to support people and their families through person-centered practices and services, and increase access to HCBS. Investments will address current inefficiencies, seek to assist underserved populations, and prioritize integrated HCBS, including modernization of the state system to administer assistive technology, vehicle, and environmental modifications; addressing technology needs of waiver participants with a particular focus on underserved communities; identifying and addressing the needs of unpaid family caregivers. exploring incentives to expand and support competitive, integrated employment; seeking collaborative approaches to address the needs of children with complex needs across multiple state agencies and systems; reviewing the efficacy of accelerating assessment for children to maximize integration strategies; developing strategies to expand access to supported decision-making in the

context of person-centered planning; and evaluating initiative investments to ensure efficacy and program integrity.

Anticipated Implementation date: 11/01/2021

Status Update Overall:

OPWDD is drafting a RFA while simultaneously developing grants and contracts processes to ensure an efficient and timely distribution of funds. The RFA launch is tentatively scheduled for 11/15/2021, and responses are due in either December or January. Grant selection, awards, and contract execution are planned to occur in early 2022.

Status for Federal Approval of Spending Plan:

Approved by CMS on August 25, 2021.

Update on Needed Federal Authorities (SPA, Pre-print, etc. as indicated in the spending plan:

As funds will be distributed through grants, OPWDD does not anticipate the need for federal authority to execute this proposal.

Changes to the Amounts of Funding Projected to be Spent (if any):

No allocated funding changes are currently anticipated.

Lessons Learned/Best Practices (if any):

This program has not reached the implementation phase yet and therefore it is difficult to determine the impact of the proposal and/or to glean any lessons learned or best practices at this time. OPWDD will offer additional insights in this area during future reporting periods.

Sustainability Update:

Applicants responding to the RFA are required to provide long-term sustainability plans.

F. Invest in a Community Engagement Initiative – HCBS Day Service

The pandemic has created a unique opportunity to assist willing and interested providers to evolve their business models and practices towards day supports that are more person-centered and better integrated in the broader community, which will increase capacity to serve more people, and reduce reliance upon site-based services.

OPWDD is developing a comprehensive initiative to convert center-based day services into more community-based day services that will allow for greater interaction and independence in the community.

This initiative will include grant funding to provide one-time, outcome-based payments to HCBS day providers as well as technical assistance and operational

support for model changes that support person-centered day services delivered in the broader community. This funding will also include options for the development of telehealth infrastructure as a component of model changes.

To receive funds, providers must commit to participation in a learning Community of Practice (CoP) and must achieve operational changes to expand more integrated models of community-based day service delivery as a condition of receipt of payment. Funds will be available to providers through a grant application process.

Anticipated Implementation date: 11/01/2021

Status Update Overall:

OPWDD is drafting a RFA while simultaneously developing grants and contracts processes to ensure an efficient and timely distribution of funds. The RFA launch is tentatively scheduled for 11/15/2021, and responses are due in either December or January. Grant selection, awards, and contract execution are planned to occur in early 2022.

Status for Federal Approval of Spending Plan:

Pending approval from CMS. NYS sent requested clarification to CMS on September 3, 2021. NYS responded to CMS's request for the State to indicate whether this proposal would include capital investments.

Update on Needed Federal Authorities (SPA, Pre-print, etc. as indicated in the spending plan:

As funds will be distributed through grants, we do not anticipate the need for federal authority to execute this proposal.

Changes to the Amounts of Funding Projected to be Spent (if any):

No allocated funding changes are currently anticipated.

Lessons Learned/Best Practices (if any):

This program has not reached the implementation phase yet and therefore it is difficult to determine the impact of the proposal and/or to glean any lessons learned or best practices at this time. OPWDD will offer additional insights in this area during future reporting periods.

Sustainability Update:

Applicants responding to the RFA are required to provide long-term sustainability plans.

G. Invest in Diversity, Equity, and Inclusion for People with IDD

OPWDD seeks to leverage the CoP work and initial agency assessments of equity issues to develop and implement a comprehensive strategic initiative, inclusive of culture, ethnicity, language, sexual orientation, gender identity, and

ability. This one time investment will provide for equity analyses of data, focus group research, and partnerships with people and organizations in underserved communities to inform longer-term equity and access efforts, as well as investments in early-stage strategies to address identified equity and access needs. OPWDD will work with a third-party grant administrator to oversee the implementation of this grant.

Anticipated Implementation date: 02/01/2022

Status Update Overall:

OPWDD is drafting a RFA while simultaneously developing grants and contracts processes to ensure an efficient and timely distribution of funds. The RFA launch is tentatively scheduled for 11/15/2021, and responses are due in either December or January. Grant selection, awards, and contract execution are planned to occur in early 2022.

Status for Federal Approval of Spending Plan:

Approved by CMS on August 25, 2021.

Update on Needed Federal Authorities (SPA, Pre-print, etc. as indicated in the spending plan:

As funds will be distributed through grants, OPWDD does not anticipate the need for federal authority to execute this proposal.

Changes to the Amounts of Funding Projected to be Spent (if any):

No allocated funding changes are currently anticipated.

Lessons Learned/Best Practices (if any):

This program has not reached the implementation phase yet and therefore it is difficult to determine the impact of the proposal and/or to glean any lessons learned or best practices at this time. OPWDD will offer additional insights in this area during future reporting periods.

Sustainability Update:

Applicants responding to the RFA are required to provide long-term sustainability plans.

H. Integrated Housing Pilot

Establishes a pilot program and evaluation for a limited number of participants to assess the effectiveness of housing investments that expand access to affordable, accessible, non-certified housing options for OPWDD Waiver participants, including individuals seeking to transition from certified settings. Funds would be invested in development of housing navigators and other housing-related costs (tenancy supports) for individuals seeking to move from their family home (with a priority for those living with aging caregivers) or from a congregate setting into private housing at prevailing market rates. The pilot would

seek to assess and identify opportunities where housing investments could result in residential habilitation cost savings while supporting individuals to live in the most integrated setting of their choosing. The pilot would be implemented through competitive grant funding. OPWDD will work with a third-party grant administrator to oversee the implementation of this pilot.

Status Update Overall: OPWDD is drafting a Request For Application while simultaneously developing grants and contracts processes to enable an efficient and timely distribution of funds. The RFA launch is tentatively scheduled for 11/15/2021. Grant selection, awards, and contract execution are planned to occur in early 2022.

The original proposal included utilizing funds for room and board, which was removed.

Status for Federal Approval of Spending Plan:

Pending approval from CMS. NYS sent requested clarification to CMS on September 3, 2021. In response to CMS concerns, DOH removed room and board funding from the proposal.

Update on Needed Federal Authorities (SPA, Pre-print, etc. as indicated in the spending plan:

As funds will be distributed through grants, OPWDD does not anticipate the need for federal authority to execute this proposal.

Changes to the Amounts of Funding Projected to be Spent (if any):

No changes to the projected funding amounts for this proposal are anticipated at this time.

Lessons Learned/Best Practices (if any):

This program has not reached the implementation phase yet and therefore it is difficult to determine the impact of the proposal and/or to glean any lessons learned or best practices at this time. DOH and OPWDD will be able to offer additional insights in this area during future reporting periods.

Sustainability Update:

Applicants responding to the RFA are required to provide long-term sustainability plans.

I. Adjust Residential Addiction Treatment Services Rate

To maintain crucial services, New York proposes to temporarily increase rates for existing residential services and to increase services for individuals in early recovery to assist with reintegrating into their community by incorporating the residential reintegration service into the Medicaid benefit package.

- *Apply the 10% rate adjustment to OASAS residential addiction treatment services; and*

- *Utilize enhanced FMAP monies to support necessary staffing and start-up costs for OASAS residential reintegration addiction treatment services through enhanced Medicaid rates once incorporated into the Medicaid benefit.*

Anticipated Implementation Date: 01/01/2022

Status Update Overall:

OASAS Federal Public Notice has been reviewed by DOH. A State Plan Amendment has been developed and will be circulated to CMS in the near future. OASAS is finalizing programmatic design and laying the groundwork for rate development and implementation.

Status for Federal Approval of Spending Plan:

Pending approval from CMS. NYS sent requested clarification to CMS on September 3, 2021. NYS responded to CMS's request for more information relating to whether activities will target providers that are delivering any of the services that are listed in Appendix B or that could be listed in Appendix B.

Update on Needed Federal Authorities (SPA, Pre-print, etc. as indicated in the spending plan:

OASAS has developed a State Plan Amendment which will be circulated to CMS in the near future.

Changes to the Amounts of Funding Projected to be Spent (if any):

No changes to the projected funding amounts for this proposal are anticipated at this time.

Lessons Learned/Best Practices (if any):

This program has not reached the implementation phase yet and therefore it is difficult to determine the impact of the proposal and/or to glean any lessons learned or best practices at this time. DOH and OASAS will be able to offer additional insights in this area during future reporting periods.

Sustainability Update:

Increases in rates for existing residential services and investment in residential reintegration for individuals in early recovery will allow for improved care for patients suffering from addiction and co-occurring mental health conditions. These initial investments will have lasting impact on the access to care for vulnerable populations in need of these services and on the quality of care that those members receive.

J. Expand and Implement HCBS and Community Oriented Recovery and Empowerment (CORE) Services

HCBS and CORE services expansion and implementation support aimed to complement current infrastructure funding via enhanced rates, marketing, and

outreach funds; expanded provider capacity via workforce funding; and improved access and engagement via transportation and telehealth infrastructure. Ensuring access to critical treatment and rehab services for individuals identified as having significant behavioral health need and service utilization (Health and Recovery Plan (HARP) enrollees). Funding will be disbursed through rate increases paid across MCO Medicaid claims as services are provided to eligible Medicaid recipients, and through state directed grants in areas where there is insufficient provider capacity. Funding will be allocated to Adult BH HCBS and CORE providers.

Anticipated Implementation Date: 01/01/2022

Status Update Overall:

OMH is finalizing the programmatic detail and monitoring and evaluation strategy under the State's directed payment preprint as approved by CMS. OMH is developing guidance that will be communicated to providers in advance of the directed payment implementation. OMH is also identifying state directed grant options to fill in gaps where a rate increase alone would not address program goals. CMS approved the transitions of HCBS to CORE services effective 02/01/2022.

Status for Federal Approval of Spending Plan:

Pending approval. NYS sent requested clarification to CMS on September 3, 2021. NYS responded to CMS's request for more information relating to whether activities will target providers that are delivering any of the services that are listed in Appendix B or that could be listed in Appendix B.

Update on Needed Federal Authorities (SPA, Pre-print, etc. as indicated in the spending plan:

Section 438.6(c) pre-print for this proposal to be submitted in the near future.

Changes to the Amounts of Funding Projected to be Spent (if any):

No changes to the projected funding amounts for this proposal are anticipated at this time.

Lessons Learned/Best Practices (if any):

This program has not reached the implementation phase yet and therefore it is difficult to determine the impact of the proposal and/or to glean any lessons learned or best practices at this time. DOH and OMH will be able to offer additional insights in this area during future reporting periods.

Sustainability Update:

Investments in CORE infrastructure and provider capacity will have long lasting impacts both on access to care for vulnerable populations in need of these services and on the quality of care that those members receive. Enhancing

rates and providing workforce and transportation funding will play an instrumental role in improving the delivery system over the coming years.

K. Support the Transition to Article 29-I Health Facility Core Limited Health

Implement a rate adjustment of 25 percent, retroactive to April 1, 2021, until March 31, 2022 for Article 29-I Health Facility Core Limited Health Related Services Per Diem Rates. This temporary increase would assist providers to build capacity to meet the increasing needs of children.

Anticipated Implementation Date: Pending CMS response and approval of Disaster SPA/SPA

Status Update Overall:

DOH is awaiting CMS approval of the Disaster SPA 21-0055. DOH will be submitting SPA 21-0054. Guidance being drafted for providers and Medicaid Managed Care Plans (MMCP) regarding billing.

Status for Federal Approval of Spending Plan:

Pending approval. DOH sent requested clarification to CMS on 09/03/2021.

Update on Needed Federal Authorities (SPA, Pre-print, etc. as indicated in the spending plan:

DOH developed a Disaster SPA 21-0054 “Enhanced FMAP” was submitted to CMS October 8, 2021.

FPN for SPA 21-0055, “CFTSS/29I Enhanced FMAP” was posted on September 15, 2021. The SPA is projected to be submitted this quarter for a December 31, 2021 submission date.

Changes to the Amounts of Funding Projected to be Spent (if any):

No changes to the projected funding amounts for this proposal are anticipated at this time.

Lessons Learned/Best Practices (if any):

This program has not reached the implementation phase yet and therefore it is difficult to determine the impact of the proposal and/or to glean any lessons learned or best practices at this time. DOH will offer additional insights in this area during future reporting periods.

Sustainability Update:

The Public Health Emergency greatly impacted these providers. Raising rates is intended to support providers to stay open and active in order to maintain or improve capacity and access to services. The state is also exploring potential funding sources to continue the increased rate beyond the initial period.

L. Expand Crisis Services for People with IDD

There is a growing need for enhanced behavioral health services that exceeds current service capacity. In order to address the behavioral health needs of people with IDD the State will: expand Crisis Services for People with IDD (CSIDD), enhance rates for Intensive Behavioral Support Services (IBS), and connect IDD Service System and Community-Based Services.

Anticipated Implementation date: 11/01/2021

Status Update Overall:

The contract start date for the Region 2 CSIDD Expansion is tentatively planned for 11/1/2021. For Region 3 CSIDD Transition, the contract start date is tentatively planned for 03/01/2021.

For the enhanced rate for IBS, OPWDD is awaiting approval on the submitted Appendix K.

For connecting the IDD service system and community-based services, OPWDD is drafting a RFA while simultaneously developing grants and contracts processes to ensure an efficient and timely distribution of funds. The RFA launch is tentatively scheduled for 11/15/2021, and responses are due in either December or January. Grant selection, awards, and contract execution are planned to occur in early 2022.

Status for Federal Approval of Spending Plan:

Pending approval. NYS sent requested clarification to CMS on September 3, 2021. NYS responded to CMS's request for more information relating to whether activities will target providers that are delivering any of the services that are listed in Appendix B or that could be listed in Appendix B.

Update on Needed Federal Authorities (SPA, Pre-print, etc. as indicated in the spending plan:

For the enhanced rate for IBS, OPWDD submitted an Appendix K Waiver 09/07/2021. A 1915(c) Waiver Amendment will be submitted to align with the end of the Appendix K Authority.

Changes to the Amounts of Funding Projected to be Spent (if any):

No allocated funding changes are currently anticipated.

Lessons Learned/Best Practices (if any):

This program has not reached the implementation phase yet and therefore it is difficult to determine the impact of the proposal and/or to glean any lessons learned or best practices at this time. OPWDD will offer additional insights in this area during future reporting periods.

Sustainability Update:

OPWDD is in initial stages of sustainability planning as part of program design for these investments. The state is also exploring potential funding sources to continue this program beyond the initial period.

Applicants responding to the RFA are required to provide long-term sustainability plans.

M. Enhanced Rates for Private Duty Nursing (PDN)

New York proposes to invest \$13.1M on a one-time basis in state and federal enhanced matching funds to supplement FFS Medicaid private duty nursing (PDN) rates for adult recipients to align with the rates recently enhanced for the under 23 population. The investment would apply until March 31, 2022. This proposal would ensure adequate reimbursement and access to PDN services for FFS members who turn 23 years old and remain in the program and help with staffing cases, which has been even more challenging during the COVID-19 pandemic. The FFS Medicaid base fees are currently lower than the Medicaid Managed Care fees creating a disincentive for providers to service FFS adult members.

Anticipated Implementation Date: 01/01/2022

Status Update Overall:

DOH is drafting a notice of this proposed State Plan Amendment (SPA) for the Federal Public Notice with a planned publication date of November 1, 2021. DOH is finalizing the programmatic design for this proposal. Billing guidance and programmatic detail will be developed and communicated to providers in the near future.

Status for Federal Approval of Spending Plan:

Pending approval from CMS. CMS requested additional information related to this request on August 25th, 2021. DOH responded to CMS's request for more information relating to whether the enhanced rates for PDN will be limited to PDN provided in the home by stating PDN services funded under this proposal are only available in HCBS settings, rather than in a facility.

Update on Needed Federal Authorities (SPA, Pre-print, etc. as indicated in the spending plan:

DOH is drafting a public notice of this SPA that will be posted in the near future.

Changes to the Amounts of Funding Projected to be Spent (if any):

Changed anticipated amount from \$10M to \$13.1M.

Lessons Learned/Best Practices (if any):

This program has not reached the implementation phase yet and therefore it is difficult to determine the impact of the proposal and/or to glean any lessons

learned or best practices at this time. DOH will offer additional insights in this area during future reporting periods.

Sustainability Update:

This proposal will ensure adequate reimbursement and access to PDN services for FFS members who turn 23 years old and remain in the program and help with staffing cases, which has been even more challenging during the COVID-19 pandemic. Investments in PDN services for this population will have long lasting impacts both on access to care for vulnerable populations in need of these services and on the quality of care that those members receive.

N. Provide Incentives for the Development of More Integrated Residential Services

These resources will be used to fund incentive payments for Residential Habilitation Providers to expand the use of innovative technologies, housing options and staffing models to expand Supportive Residential Habilitation and Family Care Residential Habilitation options that support people in a more independent manner in the most integrated settings, consistent with their needs and preferences. OPWDD will work with a third-party grant administrator to oversee the implementation of this pilot.

Status Update Overall: OPWDD is drafting a Request for Application while simultaneously developing grants and contracts processes to enable an efficient and timely distribution of funds. The RFA launch is tentatively scheduled for 11/15/2021. Grant selection, awards, and contract execution are planned to occur in early 2022.

The revised proposal clarifies funds cannot be used for room and board.

Status for Federal Approval of Spending Plan:

Pending approval from CMS. NYS sent requested clarification to CMS on September 3, 2021. In response to CMS concerns, DOH clarified room and board funding are not included in the proposal.

Update on Needed Federal Authorities (SPA, Pre-print, etc. as indicated in the spending plan:

As funds will be distributed through grants, OPWDD does not anticipate the need for federal authority to execute this proposal.

Changes to the Amounts of Funding Projected to be Spent (if any):

No changes to the projected funding amounts for this proposal are anticipated at this time.

Lessons Learned/Best Practices (if any):

This program has not reached the implementation phase yet and therefore it is difficult to determine the impact of the proposal and/or to glean any lessons

learned or best practices at this time. DOH and OPWDD will be able to offer additional insights in this area during future reporting periods.

Sustainability Update:

Applicants responding to the RFA are required to provide long-term sustainability plans.

O. Invest in OASAS Outpatient Addiction Rehabilitation Treatment Services Adjustments

Utilize enhanced funding to increase access by incentivizing providers that deliver services in the community for all outpatient addiction rehabilitation services through a 10 percent temporary rate enhancement.

Anticipated Implementation Date: 11/01/2021

Status Update Overall:

At this time DOH has reviewed Federal Public Notice for OASAS Outpatient rate changes with a planned publication date of 11/01/2021. A State Plan Amendment has been developed and will be circulated to CMS in the near future. OASAS is developing billing and programmatic guidance to circulate to providers to support implementation of this proposal.

Status for Federal Approval of Spending Plan:

Pending approval from CMS. NYS sent requested clarification to CMS on September 3, 2021. NYS responded to CMS's request for more information relating to whether activities will target providers that are delivering any of the services that are listed in Appendix B or that could be listed in Appendix B.

Update on Needed Federal Authorities (SPA, Pre-print, etc. as indicated in the spending plan:

The State Plan Amendment has been developed and will be shared with CMS in the near future.

Changes to the Amounts of Funding Projected to be Spent (if any):

No changes to the projected funding amounts for this proposal are anticipated at this time.

Lessons Learned/Best Practices (if any):

This program has not reached the implementation phase yet and therefore it is difficult to determine the impact of the proposal and/or to glean any lessons learned or best practices at this time. DOH and OASAS will be able to offer additional insights in this area during future reporting periods.

Sustainability Update:

Outpatient Addiction Rehabilitation and Treatment Services are an essential part of the safety net for members with substance and alcohol abuse conditions.

Investments in these providers will improve access and enhance the resilience of the provider community for future years.

P. Invest in Personalized Recovery Oriented Services (PROS) Redesign

Supporting a PROS redesign via enhanced rates within PROS to include an increase in offsite capacity and one on one service, program specific staffing investments including peers and rehabilitation staff, grants for physical plant improvements. Investment based upon Consolidated Financial Report (CFR) gap to actual costs and recent provider closure. The PROS model must be updated to accommodate changing population and system need and demographics (i.e., telehealth, desire for more one on one, off-site capability, unemployment), while right-sizing financial model to support it. Funding would be disbursed through rate increases paid across FFS or MMC plans.

Anticipated Implementation Date: 11/01/2021

Status Update Overall:

Federal Public Notice will be published with NYS Department of State on 10/13/2021. OMH is developing programmatic guidance to circulate to providers to support implementation of this proposal.

Status for Federal Approval of Spending Plan:

Pending approval from CMS. NYS sent requested clarification to CMS on September 3, 2021. NYS responded to CMS's request for more information relating to whether activities will target providers that are delivering any of the services that are listed in Appendix B or that could be listed in Appendix B.

Update on Needed Federal Authorities (SPA, Pre-print, etc. as indicated in the spending plan:

NYS will publish a Federal Public Notice for the State Plan Amendment on 10/13/2021. State Plan Amendment is currently under development by OMH/DOH and will be circulated to CMS in the near future.

Changes to the Amounts of Funding Projected to be Spent (if any):

No changes to the projected funding amounts for this proposal are anticipated at this time.

Lessons Learned/Best Practices (if any):

This program has not reached the implementation phase yet and therefore it is difficult to determine the impact of the proposal and/or to glean any lessons learned or best practices at this time. DOH and OMH will be able to offer additional insights in this area during future reporting periods.

Sustainability Update:

Investments in the PROS programs and workforce will allow the PROS model to adapt to the changing population and system needs well into the future.

Q. CFTSS Rate Adjustments

Apply the 25% rate adjustment to CFTSS rates, including “off-site” rates, retroactive to April 1, 2021, until March 31, 2022.

Anticipated Implementation Date: Pending CMS response and approval of Disaster SPA/SPA

Status Update Overall:

DOH is awaiting CMS approval of the Disaster SPA 21-0055. DOH will be submitting SPA 21-0054. Guidance being drafted for providers and Medicaid Managed Care Plans (MMCP) regarding billing.

Status for Federal Approval of Spending Plan:

Pending approval. DOH sent requested clarification to CMS on September 3, 2021.

Update on Needed Federal Authorities (SPA, Pre-print, etc. as indicated in the spending plan:

DOH developed a Disaster SPA 21-0054 “Enhanced FMAP” was submitted to CMS October 8, 2021.

FPN for SPA 21-0055, “CFTSS/29I Enhanced FMAP” was posted on September 15, 2021. The SPA is projected to be submitted this quarter for a December 31, 2021 submission date.

Changes to the Amounts of Funding Projected to be Spent (if any):

No changes to the projected funding amounts for this proposal are anticipated at this time.

Lessons Learned/Best Practices (if any): N/A

This program has not reached the implementation phase yet and therefore it is difficult to determine the impact of the proposal and/or to glean any lessons learned or best practices at this time. DOH will offer additional insights in this area during future reporting periods.

Sustainability Update:

Additional funds allow increased access to these clinical Medicaid services. Since they are the entry point to assist children, youth and families in early intervention and prevent the need for institutional levels of care, this lessens burden on other parts of the system supporting sustainability.

R. Children's Waiver HCBS Rate Adjustments

Implement a HCBS rate adjustment of 25% retroactive to April 1, 2021, until March 31, 2022. This would assist providers to build capacity to meet the increasing need.

Anticipated Implementation Date: Pending CMS approval of Appendix K

Status Update Overall:

DOH drafted an Appendix K NY. 4125.R05.12 and has been submitted to CMS. Developed updated rates and prepared a notice to providers and MMCP about the rate adjustment.

Status for Federal Approval of Spending Plan: Approved by CMS on August 25, 2021.

Update on Needed Federal Authorities (SPA, Pre-print, etc. as indicated in the spending plan:

DOH submitted Appendix K to CMS.

Changes to the Amounts of Funding Projected to be Spent (if any):

No changes to the projected funding amounts for this proposal are anticipated at this time.

Lessons Learned/Best Practices (if any): N/A

This program has not reached the implementation phase yet and therefore it is difficult to determine the impact of the proposal and/or to glean any lessons learned or best practices at this time. DOH will offer additional insights in this area during future reporting periods.

Sustainability Update:

Raising rates is intended to promote capacity and access to services hopefully improving the delivery system over the coming years. The state is also exploring potential funding sources to continue the increased rates beyond the initial period.

S. Invest in Assertive Community Treatment (ACT) Services

Increasing the existing service payment rates for ACT teams serving the highest need individuals in the mental health system. Funding will be disbursed through rate increases paid across FFS or MCO Medicaid claims following a state plan amendment as services are provided to eligible Medicaid recipients.

Anticipated Implementation Date: 01/01/2022

Status Update Overall:

NYS will publish a Federal Public Notice for the State Plan Amendment with a planned publication date of 10/06/2021. OMH is developing programmatic guidance to circulate to providers to support implementation of this proposal.

Status for Federal Approval of Spending Plan:

Pending approval from CMS. NYS sent requested clarification to CMS on September 3, 2021. NYS responded to CMS's request for more information relating to whether activities will target providers that are delivering any of the services that are listed in Appendix B or that could be listed in Appendix B.

Update on Needed Federal Authorities (SPA, Pre-print, etc. as indicated in the spending plan:

Federal Public Notice was issued with NYS Department of State on 10/06/2021. State Plan Amendment is currently under development by OMH/DOH and will be circulated to CMS in the near future.

Changes to the Amounts of Funding Projected to be Spent (if any):

No changes to the projected funding amounts for this proposal are anticipated at this time.

Lessons Learned/Best Practices (if any):

This program has not reached the implementation phase yet and therefore it is difficult to determine the impact of the proposal and/or to glean any lessons learned or best practices at this time. DOH and OMH will be able to offer additional insights in this area during future reporting periods.

Sustainability Update:

Additional funding will allow ACT providers to hire a competent, skilled workforce, improving access to care for vulnerable populations in need of these services and the quality of care that those members receive.

T. Implement Youth ACT programs

Support the implementation of Youth ACT programs through start-up, training, and monitoring funds, and pre-discharge Residential Treatment Facility (RTF) transitional services supported via reinvestment in the out years. As part of OMH's mission to reduce reliance on out of home care, Youth ACT is an important model that is being pioneered across the State to serve children and families with high needs who may not have the supports to successfully engage in more traditional models, and to divert them from long-term stays in higher levels of care. This model is being developed and launched in 2021-2022 and includes a multidisciplinary approach to the family in their own settings and builds in support to transition across levels of care. Specifically, supporting funding of stepdown from Residential Treatment Facilities can decrease lengths of stay outside the home. Funds will be distributed through start-up Medicaid rate increases.

Anticipated Implementation Date: 01/01/2022

Status Update Overall:

NYS published Federal Public Notice for the State Plan Amendment on 10/06/2021. OMH is developing programmatic guidance to circulate to providers to support implementation of this proposal.

Status for Federal Approval of Spending Plan:

Pending approval from CMS. NYS sent requested clarification to CMS on September 3, 2021. NYS responded to CMS's request for more information relating to whether activities will target providers that are delivering any of the services that are listed in Appendix B or that could be listed in Appendix B.

Update on Needed Federal Authorities (SPA, Pre-print, etc. as indicated in the spending plan:

Federal Public Notice published with NYS Department of State on 10/06/2021. State Plan Amendment is currently under development by OMH/DOH and will be circulated to CMS in the near future.

Changes to the Amounts of Funding Projected to be Spent (if any):

No changes to the projected funding amounts for this proposal are anticipated at this time.

Lessons Learned/Best Practices (if any):

This program has not reached the implementation phase yet and therefore it is difficult to determine the impact of the proposal and/or to glean any lessons learned or best practices at this time. DOH and OMH will be able to offer additional insights in this area during future reporting periods.

Sustainability Update:

Youth ACT is an important model for reducing reliance on out of home care. Supporting Youth ACT Teams' start-up costs will allow the providers to maintain viability during enrollment and ensure adequate workforce supports. It will serve children and families with high needs who may not have the supports to successfully engage in more traditional models, and to divert them from long-term stays in higher levels of care.

U. Health Home Servicing Children Rate Adjustments

Provide a temporary annual assessment fee of \$200 to Health Homes for conducting an HCBS eligibility determination.

Anticipated Implementation Date: Pending CMS approval of Appendix K

Status Update Overall:

DOH drafted an Appendix K NY. 4125.R05.12 and has been submitted to CMS and is working on billing guidance for HHSC.

Status for Federal Approval of Spending Plan: Approved by CMS on August 25, 2021.

Update on Needed Federal Authorities (SPA, Pre-print, etc. as indicated in the spending plan:

DOH submitted Appendix K to CMS

Changes to the Amounts of Funding Projected to be Spent (If any):

No changes to the projected funding amounts for this proposal are anticipated at this time.

Lessons Learned/Best Practices (if any):

This program has not reached the implementation phase yet and therefore it is difficult to determine the impact of the proposal and/or to glean any lessons learned or best practices at this time. DOH will offer additional insights in this area during future reporting periods.

Sustainability Update:

NYS is examining the additional workload for Health Home Serving Children's (HHSC) care managers (CM) due to the new consolidated Children's Waiver and determine what assistance/changes may be needed. The Home and Community Based Services Level of Care assessment is a new and additional assessment for HHSC CMs.

V. Implement Young Adult ACT Teams

Support the implementation of Young Adult ACT programs through startup, training, monitoring funds, and pre-discharge. Young Adult Alternative Payment Model (APM) and program model development to support individuals upon discharge from a First Episode Psychosis (FEP) program, and support for foster-care transitions. The Young Adult ACT teams will serve young adults ages 18 to 25 with Serious Mental Illness (SMI) who have continuous high service needs that have not been met by traditional outpatient services or they are at risk for not being able to live in the community. The Young Adult ACT teams will provide clinical treatment, as well as additional services and supports to help the individuals gain the skills necessary to be independent adults. The multi-disciplinary, community-based teams will include an evidence-based supportive vocational and employment program, support to develop the real-world skills needed for independence and support to develop or expand the young adult's family and social network. Funds will be distributed through start-up Medicaid rate increases. Investments will be recurring and funding transitions to OMH reinvestment funds for sustainability. These funds are currently included in the State Financial Plan.

Anticipated Implementation Date: 01/01/2022

Status Update Overall:

NYS will publish a Federal Public Notice for the State Plan Amendment with a planned publication date of 10/06/2021. OMH is developing programmatic guidance to circulate to providers to support implementation of this proposal.

Status for Federal Approval of Spending Plan:

Pending approval from CMS. NYS sent requested clarification to CMS on September 3, 2021. NYS responded to CMS's request for more information relating to whether activities will target providers that are delivering any of the services that are listed in Appendix B or that could be listed in Appendix B.

Update on Needed Federal Authorities (SPA, Pre-print, etc. as indicated in the spending plan:

Federal Public Notice published with NYS Department of State on 10/06/2021. State Plan Amendment is currently under development by OMH/DOH and will be circulated to CMS in the near future.

Changes to the Amounts of Funding Projected to be Spent (if any):

No changes to the projected funding amounts for this proposal are anticipated at this time.

Lessons Learned/Best Practices (if any):

This program has not reached the implementation phase yet and therefore it is difficult to determine the impact of the proposal and/or to glean any lessons learned or best practices at this time. DOH and OMH will be able to offer additional insights in this area during future reporting periods.

Sustainability Update:

The multi-disciplinary, community-based Young Adult ACT teams will include an evidence-based supportive vocational and employment program, support to develop the real-world skills needed for independence and support to develop or expand the young adult's family and social network. This will be a recurring investment; funding will transition to State General Fund support.

III. Digital Infrastructure Investment

A. Modernize OPWDD IT Infrastructure to Support Medicaid Enterprise & Investments to Expand Operational Capacity

Investments to Expand Operational Capacity OPWDD will collaborate with the DOH and New York State Information Technology Services (ITS) to seek investments to access and leverage ongoing federal Health Information Technology funding for OPWDD's Medicaid IT infrastructure, including billing, incident management, needs assessments and service determinations, care management and statewide case management. In addition, resources will be used to develop new interactive dashboards, reporting, and data integration for stakeholder transparency to ensure quality supports and services are delivered

to New Yorkers with developmental disabilities. Resources will also be used to make one-time investments in areas such as systems to manage scheduling and deployment of the direct support staff workforce and inventory tracking.

Anticipated Implementation date: 11/01/2021

Status Update Overall:

OPWDD is drafting a scope of work. Contract execution is tentatively planned for December 2021.

Status for Federal Approval of Spending Plan:

Approved by CMS on August 25, 2021.

Update on Needed Federal Authorities (SPA, Pre-print, etc. as indicated in the spending plan:

As funds will be distributed through grants, OPWDD does not anticipate the need for federal authority to execute this proposal.

Changes to the Amounts of Funding Projected to be Spent (if any):

No allocated funding changes are currently anticipated.

Lessons Learned/Best Practices (if any):

This program has not reached the implementation phase yet and therefore it is difficult to determine the impact of the proposal and/or to glean any lessons learned or best practices at this time. OPWDD will offer additional insights in this area during future reporting periods.

Sustainability Update:

The identified IT enhancements and resulting systems updates are intended as a one-time process. However, the impact will have long-term benefits upon completion.

B. Strengthen NY Connects Infrastructure

New York proposes to invest a portion of this enhanced funding for NY Connects to include additional resources in the directory, across the services sectors serving individuals with physically disabilities, children with special needs, persons with intellectual disabilities or developmental disabilities, and those with serious behavioral health conditions. SOFA would develop and deliver specific training for NY Connects operators about changes in accessing services and supports across the disability continuum.

Implementation Date: 10/01/2021

Status Update Overall:

DOH and SOFA have finalized investment areas for NY Connects and have begun the initial phase of the investment and implementation process.

Status for Federal Approval of Spending Plan:
Approved by CMS on August 25, 2021.

Update on Needed Federal Authorities (SPA, Pre-print, etc. as indicated in the spending plan:

We do not anticipate the need for federal authority in order to execute this proposal.

Changes to the Amounts of Funding Projected to be Spent (if any):

No changes to the projected funding amounts for this proposal are anticipated at this time.

Lessons Learned/Best Practices (if any):

This program has not reached the implementation phase yet and therefore it is difficult to determine the impact of the proposal and/or to glean any lessons learned or best practices at this time. DOH will offer additional insights in this area during future reporting periods.

Sustainability Update:

Investments in the directory of New York HCBS services will have long lasting impacts on access to care for vulnerable populations in need of these services.

C. Advance Children's Services IT Infrastructure

Create a flexible mechanism by which providers can enhance their IT infrastructure to meet the needs of children and families they serve. This can include integrating EHR systems, developing billing platforms/hire billing vendors, Health Home build system to take oversight of Modifications, HCBS Requirements, POC, and Linkages to Services Oversight, EVV reimbursement, funding for administrative staff, funding for training staff, telehealth equipment, necessary facility changes, and a funding pool to incentivize Article 29-I providers meeting established performance targets and criteria.

Anticipated Implementation Date: Pending CMS response and approval of Disaster SPA/SPA.

Status Update Overall:

DOH is developing provider attestation and creating a provider attestation survey to better understand needs of each agency and agency's ability to utilize available funds.

Status for Federal Approval of Spending Plan:

Pending approval. DOH sent requested clarification to CMS on September 3, 2021.

Update on Needed Federal Authorities (SPA, Pre-print, etc. as indicated in the spending plan:

DOH began creating a strategy to determine direct payment modality, either via a pre-print or via mini grants through the Disaster SPA/SPA.

Changes to the Amounts of Funding Projected to be Spent (if any):

No changes to the projected funding amounts for this proposal are anticipated at this time.

Lessons Learned/Best Practices (if any):

This program has not reached the implementation phase yet and therefore it is difficult to determine the impact of the proposal and/or to glean any lessons learned or best practices at this time. DOH will offer additional insights in this area during future reporting periods.

Sustainability Update:

The identified IT enhancements and resulting systems updates are intended as a one-time process. However, the impact will have long-term benefits upon completion.

D. Extend Short-Term Support for BH Care Collaboratives (BHCC)

Beginning in 2018, New York State invested \$60M to develop BHCC service networks across the behavioral and physical health continuum to prepare the BH system to engage VBP and increase availability of integrated clinical services. Funds supported BH provider system culture change, moving from competition to collaboration across networks. BH providers in these BHCC networks gained knowledge and insight about how to define and measure the value BH brings to the overall health care system and managed care organizations. Most of these provider networks incorporated as BH IPAs, in order to enter contract arrangements. These BH IPAs developed significant infrastructure to drive integrated care, measure and manage data across networks, and improve service delivery across the behavioral and physical health spectrum. This additional development funding would allow for BH IPAs to continue their pre-pandemic work.

Anticipated Implementation Date: 01/01/2022

Status Update Overall:

OMH is developing a submission to CMS for spending authority as well as finalizing financial and programmatic details for this proposal.

Status for Federal Approval of Spending Plan:

Pending approval from CMS. NYS sent requested clarification to CMS on September 3, 2021. NYS responded to CMS's request for more information relating to whether activities will target providers that are delivering any of the services that are listed in Appendix B or that could be listed in Appendix B.

Update on Needed Federal Authorities (SPA, Pre-print, etc. as indicated in the spending plan:

OMH is developing a Section 438.6(c) directed payment pre-print for submission to CMS in the near future.

Changes to the Amounts of Funding Projected to be Spent (if any):

No changes to the projected funding amounts for this proposal are anticipated at this time.

Lessons Learned/Best Practices (if any):

This program has not reached the implementation phase yet and therefore it is difficult to determine the impact of the proposal and/or to glean any lessons learned or best practices at this time. DOH and OMH will be able to offer additional insights in this area during future reporting periods.

Sustainability Update:

This investment will allow BH IPAs to forge or expand relationships with MMC plans and health systems to meaningfully participate in risk-sharing arrangements sought by alternative payment methodology and VBP mandates. This funding will create and enhance partnerships addressing populations disproportionately impacted by the COVID-19 pandemic and bring innovation to behavioral and physical health integration. BH IPAs are positioned to lead the Statewide response to increased mental health and substance use challenges resulting from the COVID-19 pandemic and preserve the BH safety-net system. These entities have been screening for and responding to identified social determinants of health needs and are well-positioned to serve populations historically underserved by the traditional health care system and in existing VBP arrangements.

E. Support for Adult Day Health Centers (ADHCs) and Social Adult Day Centers (SADCs) Reopening

New York state proposes to use directed payment template with MLTCs to fund ADHCs and SADCs based on utilization of services and to assist SADCs and ADHCs to reopen safely and institute effective infection control measures and provide SADCs and ADHCs workforce development funds for recruitment and retention of qualified staff.

Anticipated Implementation Date: 04/01/2022

Status Update Overall:

DOH is finalizing the programmatic design for this proposal. Guidance and programmatic detail will be developed and communicated to providers in the near future.

Status for Federal Approval of Spending Plan:

Pending approval from CMS. NYS sent requested clarification to CMS on September 3, 2021. NYS responded to CMS's request for the State to indicate whether this proposal would include capital investments.

Update on Needed Federal Authorities (SPA, Pre-print, etc. as indicated in the spending plan:

We do not anticipate the need for federal authority in order to execute this proposal.

Changes to the Amounts of Funding Projected to be Spent (if any):

No changes to the projected funding amounts for this proposal are anticipated at this time.

Lessons Learned/Best Practices (if any):

This program has not reached the implementation phase yet and therefore it is difficult to determine the impact of the proposal and/or to glean any lessons learned or best practices at this time. DOH will offer additional insights in this area during future reporting periods.

Sustainability Update:

Investments in the ADHCs and SADCs will have long lasting impacts on those organizations' ability to deliver care under a fully integrated care delivery model. Investments will support the reopening of ADHCs and SADCs as they adjust to service interruptions stemming from COVID-19 and they invest in improving their resiliency through the coming years.

F. Study to Develop new Consumer Directed Personal Assistance Program (CDPAP) Care Technology

New York will support the exploration and piloting of a private registry system to assist participants in CDPAP in finding individuals willing to serve as personal assistants in a small number of designated service areas to study whether this type of registry is useful to those participants who have someone in mind that may cover some, but not all, of their authorized hours, or who require a backup and do not have additional people to meet that need. In addition, this type of registry may also be helpful in reducing overtime for high hour cases where the participant may not be able to identify sufficient assistants to meet their needs. It may also allow personal assistants to serve multiple consumers and improve their ability to make this work a fulltime job.

Anticipated Implementation Date: 04/01/2022

Status Update Overall:

DOH is finalizing specifications for the referral registry pilot. Selection of a technology vendor capable of providing such a pilot is forthcoming and further

programmatic detail will be developed and communicated to providers in the near future.

Status for Federal Approval of Spending Plan:

Approved by CMS on August 25, 2021.

Update on Needed Federal Authorities (SPA, Pre-print, etc. as indicated in the spending plan:

We do not anticipate the need for federal authority in order to execute this proposal.

Changes to the Amounts of Funding Projected to be Spent (if any):

No changes to the projected funding amounts for this proposal are anticipated at this time.

Lessons Learned/Best Practices (if any):

This program has not reached the implementation phase yet and therefore it is difficult to determine the impact of the proposal and/or to glean any lessons learned or best practices at this time. DOH will offer additional insights in this area during future reporting periods.

Sustainability Update:

Investing in the exploration and piloting of a private registry system to assist participants in CDPAP will provide insights into future policy development for the CDPAP program within the state. Future policy development will seek to make sustainable improvements on both access to care for vulnerable populations in need of these services and on the quality of care that those members receive.

Appendix B: Copy of August 25, 2021 Letter from CMS to State of New York

Disabled and Elderly Health Programs Group

August 25, 2021

Brett R. Friedman
Medicaid Director
Office of Health Insurance Programs
NYS Department of Health
Empire State Plaza
Corning Tower, Room 1466
Albany, NY 12237

Dear Mr. Friedman:

We are pleased to inform you that New York initial state spending plan and spending narrative submitted on July 8, 2021, meet the requirements set forth in the May 13, 2021, Centers for Medicare & Medicaid Services (CMS), State Medicaid Director Letter (SMDL) [#21-003](#) and are receiving partial approval. New York qualifies for a temporary 10 percentage point increase to the federal medical assistance percentage (FMAP) for certain Medicaid expenditures for home and community-based services (HCBS) under section 9817 of the American Rescue Plan Act of 2021 (ARP). We have approved the temporary 10 percentage point increase to the state's FMAP for certain Medicaid HCBS listed in Appendix B of the SMDL. The increased FMAP is available for qualifying expenditures between April 1, 2021, and March 31, 2022. However, CMS needs additional information, as described beginning on the next page.

Full approval of the state spending plan and spending narrative is conditioned upon resolving the issues described below and upon the state's continued compliance with program requirements as stated in SMDL #21-003. These requirements are in effect as of April 1, 2021, and continue until March 31, 2024, or until the state has fully expended the funds attributable to the increased FMAP, whichever comes first.

It is important to note that CMS partial approval of the initial spending plan and spending narrative solely addresses the state's compliance with the applicable requirements set forth under section 9817 and fulfillment of the requirements as stated in SMDL # 21-003. This spending plan approval does not constitute approval for purposes of claiming federal financial participation (FFP). Approval of any activity in your state's spending plan does not provide approval to claim FFP for any expenditures that are not eligible for FFP. States must continue to comply with all existing federal requirements for allowable claims, including documenting expenditures and draws to ensure a clear audit trail for the use of federal funds reported on the Form CMS-37 Medicaid Program Budget Report and the Form CMS-64, Quarterly Medicaid Statement of Expenditures.

States should follow the applicable rules and processes for section 1915(c) waivers, other Medicaid HCBS authorities, including state plan amendments and section 1115 demonstrations,

and other managed care authorities (as applicable), if they are making changes to an HCBS program and intend to use state funds equivalent to the funds attributable to the increased FMAP to pay the state share of the costs associated with those changes. In particular, your state should be aware:

- An increase to the PACE Medicaid capitation rate can be implemented as part of the state’s regular annual rate update, or on a temporary basis as an interim rate increase, but must comply with existing submission, review, and approval requirements. States are not permitted to provide supplemental funding to PACE organizations outside of the PACE Medicaid capitation payment due to regulatory requirements.

CMS is available to provide continued technical assistance to states when implementing changes to HCBS programs under this provision.

Non-Approvable Activities or Uses of Funds

The following activities or uses of funds in your state’s initial spending plan and narrative are not approvable under ARP section 9817:

- Payment of room and board, including supplemental short-term rental assistance and housing subsidies, under the “Integrated Housing Pilot” activity.

Additional Information Requested

As your state further plans and develops the activities in its spending plan, CMS will need more information on the following:

1. Your state has indicated that the state anticipates “treating the enhanced FMAP funds as being spent once they have been remitted by the State, rather than when they are received by the ultimate downstream person or entity, when a proposal involves an intermediary entity (e.g., managed care organization, development fund) to administer a program or proposal.” Please indicate how the state will ensure that funds distributed to an intermediary are used for the activities and within the timeframe intended once the funds have been remitted by the state. In addition, please explain or define what a “development fund” is.
2. Clearly indicate whether the activity to “Expand Advanced Training Incentive (ATI) Program for HCBS Transitions from Nursing Homes” will target nursing homes with existing training programs, nursing homes that implement new training programs, or both. If the funds will be provided to nursing facilities with existing training programs, explain how this activity enhances, expands, or strengthens HCBS.
3. Clearly indicate whether the following activities will target providers that are delivering any of the services that are listed in Appendix B or that could be listed in Appendix B (e.g., behavioral health services that are covered under another benefit but could be covered under the rehabilitative services benefit):
 - Improve the OMH Workforce;
 - Improve the OASAS Workforce;
 - Enhance the Children’s Services Workforce;
 - Expand Training and Implementation Support for Evidence Based Practices (EBPs);
 - Expand Recruitment and Retention of Culturally Competent, Culturally Responsive and Diverse Personnel;
 - Expand Certified and Credentialed Peer Capacity;

- Adjust Residential Addiction Treatment Services Rate;
- Expand and Implement HCBS and Community Oriented Recovery and Empowerment (CORE) Services;
- Support the Transition to Article 29-I Health Facility Core Limited Health Related Services;
- Expansion of CSIDD under the activity to Expand Crisis Services for People with IDD;
- Invest in OASAS Outpatient Addiction Rehabilitation Treatment Services Adjustments;
- Invest in Personalized Recovery Oriented Services (PROS) Redesign;
- CFTSS Rate Adjustments;
- Invest in Assertive Community Treatment (ACT) Services;
- Implement Youth ACT Programs;
- Implement Young Adult ACT Teams;
- Advance Children’s Services IT Infrastructure; and
- Extend Short-Term Support for Behavioral Health Care Collaboratives.

If the providers are not delivering any of the services listed in Appendix B or that could be listed in Appendix B, explain how these activities will expand, enhance, or strengthen HCBS under Medicaid.

4. As discussed in SMDL # 21-003, states must use the state funds equivalent to the amount of federal funds attributable to the increased FMAP to implement or supplement the implementation of one or more activities to enhance, expand, or strengthen HCBS under the Medicaid program. Clearly indicate whether the “natural growth” that the state is proposing to pay for under the activity to “Support Program Growth in Personal Care Services and CDPAP to Ensure Capacity” includes only those additional HCBS expenditures that the state will incur as a result of its other activities to enhance, expand, or strengthen HCBS under ARP section 9817. If the state does not intend to limit this activity to the additional HCBS expenditures it will incur as a result of its other activities under ARP section 9817, explain how this activity enhances, expands, or strengthens HCBS under Medicaid. If the state intends to limit this activity to the additional HCBS expenditures it will incur as a result of its other activities under ARP section 9817, indicate how the state will calculate the amount of additional expenditures it will incur as a result of its other activities under ARP section 9817.
5. Clearly indicate whether your state plans to pay for capital investments as part of the “Invest in a Community Engagement Initiative – HCBS Day Services” and the “Support for Adult Day Health Centers and Social Adult Day Centers Reopening” activities. Capital investments are permissible uses of funds to expand, enhance, or strengthen HCBS under section 9817 of the ARP. However, states must demonstrate how capital investments would expand, enhance, or strengthen HCBS and ensure that capital investments will result in settings that are fully compliant with the home and community-based settings criteria. Further, approval of capital investments in ARP section 9817 spending plans and narratives does not authorize such activities for federal financial participation (FFP);
6. Clearly indicate that the enhanced rates for private duty nursing (PDN) will be limited to PDN provided in the home.

7. Provide more information on the types of activities that providers can implement through the activity to “Provide Incentives for the Development of More Integrated Residential Services.” In particular, clearly indicate if the funds will be used for:
 - Room and board, which are not permissible uses of funds under section 9817 of the ARP; or
 - Capital investments, which are permissible uses of funds to expand, enhance, or strengthen HCBS under section 9817 of the ARP. States must demonstrate how capital investments would expand, enhance, or strengthen HCBS and ensure that capital investments will result in settings that are fully compliant with the home and community-based settings criteria. Further, approval of capital investments in ARP section 9817 spending plans and narratives does not authorize such activities for federal financial participation (FFP).
8. Provide more information on the allowable uses of the grants for physical plan improvements under the “Personalized Recovery Oriented Services (PROS) Redesign” activity. Please note that capital investments are permissible uses of funds to expand, enhance, or strengthen HCBS under section 9817 of the ARP. However, states must demonstrate how capital investments would expand, enhance, or strengthen HCBS and ensure that capital investments will result in settings that are fully compliant with the home and community-based settings criteria. Further, approval of capital investments in ARP section 9817 spending plans and narratives does not authorize such activities for federal financial participation (FFP).
9. Provide more information on the types of activities that would be funded under the “Extend Short-Term Support for Behavioral Health Care Collaboratives” activity.

CMS will need additional information before it can determine whether these activities or uses of funds are approvable under ARP section 9817.

General Considerations

As part of this partial approval, CMS is noting the following:

- CMS expects your state to notify CMS as soon as possible if your state’s activities to expand, enhance, or strengthen HCBS under ARP section 9817:
 - Are focused on services other than those listed in Appendix B or that could be listed in Appendix B (e.g., behavioral health services that are covered under another benefit but could be covered under the rehabilitative services benefit). If any activities are not directly related to the services listed in Appendix B or services that could be listed in Appendix B, please explain how those activities expand, enhance, or strengthen HCBS under Medicaid;
 - Include room and board (which CMS would not find to be a permissible use of funds); and/or
 - Include activities other than those listed in Appendices C and D.
- CMS will need additional information before it can determine whether any of those activities or uses of funds are approvable under ARP section 9817.***
- HCBS provider pay increases funded through the 10 percent temporary increased FMAP will require an updated rate methodology. For section 1915(c) waiver programs, states are required to submit a waiver amendment for any rate methodology change. If retrospective approval will be required, the state should make the change in the Appendix K application.

- Consistent with regulations at 42 C.F.R. § 447.252(b), the state plan methodology must specify comprehensively the methods and standards used by the agency to set payment rates. The state plan methodology must be comprehensive enough to determine the required level of payment and the FFP to allow interested parties to understand the rate setting process and the items and services that are paid through these rates. Claims for federal matching funds cannot be based upon estimates or projections. The reimbursement methodology must be based upon actual historical utilization and actual trend factors.
- States providing HCBS through a managed care delivery system must comply with applicable federal requirements, including 42 C.F.R. part 438. States must also ensure that appropriate authority is granted for the services and activities to be covered as well as to deliver such services and activities through a managed care delivery system. Additionally, states will need to assess implications for its managed care plan contracts and actuarially sound capitation rates in order to operationalize any programmatic changes. States that seek to contractually require their managed care plans to increase HCBS provider payments must adhere to federal requirements for state directed payments in accordance with 42 C.F.R. § 438.6(c), including prior approval as required.
- If your state is reducing reliance on a specific type of facility-based or congregate service and increasing beneficiary access to services that are more integrated into the community, your state should be clear with stakeholders in your state’s stakeholder engagement activities, as well as in submissions to CMS of required ARP section 9817 spending plans and narratives and any resulting waiver or state plan amendments, about how these changes enhance the availability of integrated services in the specific waiver or state plan, and offset any reductions in previously covered services, in compliance with the home and community-based settings criteria or other efforts to increase community integration.

Additional Information Related to the Quarterly Spending Plan and Narrative

CMS is clarifying that New York’s next quarterly spending plan and narrative is due 75 days before the quarter beginning January 1, 2022. However, at New York’s option, the state can submit an updated quarterly spending plan and narrative 75 days before the quarter beginning October 1, 2021. Please refer to SMDL [#21-003](#) for information on the quarterly reporting process. Your state’s quarterly spending plans and spending narratives should:

- Describe how the state intends to sustain the activities it is implementing to enhance, expand, or strengthen HCBS under the Medicaid program including how the state intends to sustain its planned provider payment increases;
- Provide information on the amount or percentage of any rate increase or additional payment per provider and the specific Medicaid authorities under which the state will be making those rate changes or payments;
- Provide the additional information described above;
- Clearly indicate if your state has or will be requesting approval for a change to an HCBS program and be specific about which HCBS program, which authority it operates under, and when you plan to request the change;
- Provide projected and actual spending amounts for each of the state’s planned activities to expand, enhance, or strengthen HCBS. In those projections, clearly identify if the state intends to draw down additional FFP for any activities, as well as the amount of state and

federal share for any activities for which the state plans to claim additional FFP and whether those activities will be eligible for the HCBS increased FMAP under ARP section 9817;

- Clearly indicate whether your state plans to pay for capital investments or ongoing internet connectivity costs as part of any activity to enhance, expand, or strengthen HCBS. Capital investments and ongoing internet connectivity costs are permissible uses of funds to expand, enhance, or strengthen HCBS under section 9817 of the ARP. However, states must demonstrate how capital investments and ongoing internet connectivity costs would expand, enhance, or strengthen HCBS and ensure that capital investments will result in settings that are fully compliant with the home and community-based settings criteria. Further, approval of capital investments and ongoing internet connectivity costs in ARP section 9817 spending plans and narratives does not authorize such activities for FFP;
- Provide updated information (as appropriate) on the status and details of the state’s proposed activities to expand, enhance, or strengthen HCBS; and
- Make other revisions needed to: update the amount of funds attributable to the increase in FMAP that the state has claimed and/or anticipates claiming between April 1, 2021, and March 31, 2022; update anticipated and/or actual expenditures for the state’s activities to implement, to enhance, expand, or strengthen HCBS under the state Medicaid program between April 1, 2021, and March 31, 2024; update or modify the state’s planned activities to expand, enhance, or strengthen HCBS; and report on the state’s progress in implementing its planned activities to expand, enhance, or strengthen HCBS.

We extend our congratulations on this partial approval and look forward to working with you further throughout the implementation of ARP section 9817. Programmatic and financial questions and state HCBS quarterly spending plan and spending narrative questions for section 9817 of the ARP can be submitted to HCBSincreasedFMAP@cms.hhs.gov.

Sincerely,

Jennifer Bowdoin
Director, Division of Community Systems Transformation

cc: April Hamilton
Susan Montgomery
Selena Hajioani

Appendix C: Copy of September 3, 2021 Response Letter to CMS



**Department
of Health**

KATHY HOCHUL
Governor

HOWARD A. ZUCKER, M.D., J.D.
Commissioner

LISA PINO, M.A., J.D.
Executive Deputy Commissioner

September 3, 2021

BY E-MAIL

Ms. Jennifer Bowdoin
Director, Division of Community Systems Transformation
Department of Health & Human Services
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-26-12
Baltimore, Maryland 21244-1850

Re: Response to Partial Approval of Initial New York State Spending Plan:
Implementation of American Rescue Plan Act of 2021, Section 9817

Dear Ms. Bowdoin,

Thank you for your letter on August 25, 2021, in which the Centers for Medicare & Medicaid Services (CMS) granted partial approval of the New York initial state spending plan and spending narrative for the temporary 10 percentage point increase to the federal medical assistance percentage (FMAP) for certain Medicaid expenditures for home and community-based services (HCBS) under section 9817 of the American Rescue Plan Act of 2021 (ARP). This letter contains responses to the questions or requests for information contained in your letter, except for Item #4 related to the "Support Program Growth in Personal Care Services and CDPAP to Ensure Capacity" proposal. A response to that question will be provided in the near future following completion of the required data analysis. For ease of reference, we have inserted our responses after replicating the pertinent question or request.

We are available to discuss these responses in further detail in hopes of achieving CMS's full approval of New York's initial state spending plan and narrative. Please do not hesitate to contact Selena Hajjani or me with any questions.

Very truly yours,

Brett R. Friedman
Acting Medicaid Director
Office of Health Insurance Programs
New York State Department of Health

Enclosure

cc: April Hamilton, NYS DOH
Susan Montgomery, NYS DOH
Selena Hajjani, NYS DOH

Non-Approvable Activities or Uses of Funds: Payment of room and board, including supplemental short-term rental assistance and housing subsidies, under the “Integrated Housing Pilot” activity. (OPWDD)

State Response:

Based on this feedback, the State confirms that there will be no payment of room and board, including supplemental short-term rental assistance and housing subsidies, under the “Integrated Housing Pilot” activity. None of the State’s proposed activities include funds to support room and board, directly or indirectly.

Additional Information Requested

As your state further plans and develops the activities in its spending plan, CMS will need more information on the following:

1. Your state has indicated that the state anticipates “treating the enhanced FMAP funds as being spent once they have been remitted by the State, rather than when they are received by the ultimate downstream person or entity, when a proposal involves an intermediary entity (e.g., managed care organization, development fund) to administer a program or proposal.” Please indicate how the state will ensure that funds distributed to an intermediary are used for the activities and within the timeframe intended once the funds have been remitted by the state. In addition, please explain or define what a “development fund” is.

State Responses:

- The State will ensure that funding distributed to an intermediary will be used for allowable activities and within the timeframe intended via the contracting process, the development of clear contract deliverables, and ongoing contract management activities. These timeframes will be set forth in the authority under which the funds are expended. For example, through the directed payment approval process, New York will work with CMS to establish timeframes for when the enhanced payments are loaded into plan premium for Managed Care Organizations (MCOs) and when the MCOs are required to expend the funds to achieve the purposes of the spending initiative. In this instance, the MCOs will be required to report to the Department on how the funds were expended and measure any improvements in outcomes based on upon agreed-upon metrics, such as those around workforce recruitment and retention. The actions and obligations of the intermediary will be described in a contract with, and governed by, the State in accordance with the approved spending plan and corresponding timelines. In the case of directed payment arrangements, the MCO Model Contract will be updated for these obligations. Accordingly, the performance of the intermediary will be subject to review by the State, and downstream funding recipients must accept State oversight of spending and timing requirements attached to the funds.

- Development funds are historical tools used by the Department and approved by CMS through State Plan Amendments (SPAs), 1915(c) waivers, and State-Directed Payment Templates to support goals and objectives similar to those set forth in the spending plan and narrative under ARP. For example, as part of SPA #14-0016, CMS approved the creation of a “Health Home Development Fund” that constituted a rate add-on paid to qualifying providers, but that was required to be used for defined purposes, including workforce training and recruitment, health information technology and connectivity, and member engagement.¹ Similar to the creation of the Health Home Development Fund, the development funds contemplated by the State’s spending plan and narrative speak to the means of using a rate add-on or state directed payment through managed care to fund specific defined objectives consistent with the purposes of Section 9817 of ARP.

2. Clearly indicate whether the activity to “Expand Advanced Training Incentive (ATI) Program for HCBS Transitions from Nursing Homes” will target nursing homes with existing training programs, nursing homes that implement new training programs, or both. If the funds will be provided to nursing facilities with existing training programs, explain how this activity enhances, expands, or strengthens HCBS.

State Response:

The State proposes to use the enhanced FMAP for HCBS to offer new training programs for direct care workers to recognize signs of patient clinical improvement and the potential for HCBS programs and services to allow for community discharge and reintegration. This program will be offered to all eligible nursing home facilities and provide funding to those providers that have shown a commitment to giving direct care staff tools to help assist in appropriate discharge to community-based settings. This would be a training program that has not existed previously and thus would enhance, expand, and strengthen the ability of these providers to transition individuals to home and community-based settings.

3. Clearly indicate whether the following activities will target providers that are delivering any of the services that are listed in Appendix B or that could be listed in Appendix B (e.g., behavioral health services that are covered under another benefit but could be covered under the rehabilitative services benefit):

¹ A copy of this approved may accessed at the following link:
https://www.health.ny.gov/regulations/state_plans/status/non-inst/approved/docs/app_2015-03-10_spa_14-16.pdf.

State Responses:

- **Improve the OMH Workforce:** Providers of state plan rehabilitative services authorized pursuant to 42 CFR § 440.130(d), including Personalized Recovery Oriented Services (PROS) (SPA #16-0041), Assertive Community Treatment (ACT) (SPA #01-0001; pending #21-0015), Rehabilitation Services in Community Residences for adults and children (SPA #94-0027), Behavioral Health (BH) HCBS authorized pursuant to a section 1115(a) waiver, and Community Oriented Recovery and Empowerment (CORE) services proposed to be authorized in a recent amendment to a section 1115(a) waiver.
- **Improve the OASAS Workforce:** These are services authorized to be delivered consistent with 42 § CFR 440.130(d) and pursuant to SPA #16-0004.
- **Enhance the Children’s Services Workforce:** Providers will include:
 - 29-I providers licensed under Chapter 45, Article 29-I, Section 2999-GG of New York Public Health Law. Services provided by licensed 29-I providers are to be delivered consistent with 1905(a)(13) of the SSA, 42 CFR § 440.130(d) and SPA #21-0003;
 - Providers designated to provide Children’s HCBS under the 1915(c) Children’s Waiver NY.4125.R05.11 will provide services consistent with 1915(c)(4)(B) of the SSA; and
 - Providers designated to provide Children and Family Treatment and Support Services will provide rehabilitative services consistent with 1905(a)(13) of the SSA, 42 CFR § 440.130(d) and as outlined in SPA #20-0018.
- **Expand Training and Implementation Support for Evidence Based Practices (EBPs):** Providers of children's mental health services which are State Plan-authorized rehabilitative services pursuant to 42 CFR § 440.130(d), including Children's Rehabilitation Services in Community Residences (SPA #94-0027), Other Licensed Practitioner Services (SPA #19-0003), which are State Plan-authorized Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) services which could be authorized under 42 CFR § 440.130(d). Other funding associated with this proposal will be provided to educational institutions to enhance training in best practices for psychiatric rehabilitation for the behavioral health workforce. This workforce is critical to enhance and strengthen HCBS in Medicaid.
- **Expand Recruitment and Retention of Culturally Competent, Culturally Responsive and Diverse Personnel:** Providers of State Plan rehabilitative services authorized pursuant to 42 CFR § 440.130(d), including PROS (SPA #16-0041), ACT (SPA #01-0001; pending #21-0015), Rehabilitation Services in Community Residences for adults and children (SPA #94-0027), BH HCBS authorized pursuant to a section 1115(a) waiver, and CORE services proposed to be authorized in a recent amendment to a section 1115(a) waiver.

- **Expand Certified and Credentialed Peer Capacity:** Providers of State Plan rehabilitative services authorized pursuant to 42 CFR. § 440.130(d), including PROS ((SPA #16-0041), ACT (SPA #01-0001; pending #21-0015), Rehabilitation Services in Community Residences for adults and children; Family Peer Support Services; Youth Peer Support Services; BH HCBS authorized pursuant to a section 1115(a) waiver; CORE services, proposed to be authorized in a recent amendment to a section 1115(a) waiver; and other provider types, not currently receiving Medicaid funding for the provision of rehabilitative services, that utilize peers to engage individuals with mental health conditions in the mental health system and whose efforts will expand HCBS in Medicaid by promoting awareness about and engagement in HCBS.
- **Adjust Residential Addiction Treatment Services Rate:** These are services authorized to be delivered consistent with 42 CFR § 440.130(d) and pursuant to SPA #16-0004, with the exception of expansion of HCBS services through the addition of SPA residential addiction rehabilitation benefits which would assist individuals in reintegration to independent living.
- **Expand and Implement HCBS and Community Oriented Recovery and Empowerment (CORE) Services:** CORE services are proposed section 1115(a)-authorized rehabilitation services, which could be authorized pursuant to 42 CFR § 440.130(d). CMS action on NYS' Section 1115(a) waiver amendment for CORE is pending.
- **Support the Transition to Article 29-I Health Facility Core Limited Health Related Services:** Providers will include 29-I providers licensed under Chapter 45, Article 29-I, Section 2999-GG of New York Public Health Law. Services will be delivered consistent with 1905(a)(13) of the SSA, 42 CFR § 440.130(d) and Rehabilitative services authorized in SPA #21-0003.
- **Expansion of CSIDD under the activity to Expand Crisis Services for People with IDD:** CSIDD services are covered under the State Plan Rehabilitation benefit. The CSIDD SPA #19-0014, was approved on December 16, 2019, with an effective date of January 1, 2019. These are targeted services for individuals with intellectual and/or developmental disabilities who have significant behavioral or mental health needs. CSIDD are delivered by multi-disciplinary teams who provide personalized and intensive time-limited therapeutic clinical coordination of Medicaid services for individuals age six and older.
- **Invest in OASAS Outpatient Addiction Rehabilitation Treatment Services Adjustments:** These are services authorized to be delivered consistent with 42 CFR §440.130(d) and pursuant to SPA #16-0004.

- **Invest in Personalized Recovery Oriented Services (PROS) Redesign:** PROS are State Plan authorized rehabilitative services pursuant to 42 CFR § 440.130(d) and as outlined in SPA #16-0041.
- **CFTSS Rate Adjustments:** Funds are available to providers designated to provide Children and Family Treatment and Support Services, who will provide services consistent with 1905(a)(13) of the SSA, 42 CFR § 440.130(d) and as outlined in SPA #20-0018.
- **Invest in Assertive Community Treatment (ACT) Services:** ACT services are State Plan authorized rehabilitative services pursuant to 42 CFR § 440.130(d) and as outlined in SPA #01-0001 and pending SPA #21-0015.
- **Implement Youth ACT Programs:** ACT services are State Plan authorized rehabilitative services pursuant to 42 CFR § 440.130(d) and as outlined in SPA #01-0001 and pending SPA #21-0015.
- **Implement Young Adult ACT Teams:** ACT services are State Plan authorized rehabilitative services pursuant to 42 CFR § 440.130(d) as outlined in SPA #01-0001 and pending SPA #21-0015.
- **Advance Children’s Services IT Infrastructure:** Providers will include:
 - 29-I providers licensed under Chapter 45, Article 29-I, Section 2999-GG of New York Public Health Law. Services provided by licensed 29-I providers are to be delivered consistent with 1905(a)(13) of the SSA, 42 CFR § 440.130(d) and SPA #21-0003;
 - Providers designated to provide Children’s HCBS under the 1915(c) Children’s Waiver NY.4125.R05.11 will provide services consistent with 1915(c)(4)(B) of the SSA; and
 - Providers designated to provide Children and Family Treatment and Support Services will provide rehabilitative services consistent with 1905(a)(13) of the SSA, 42 CFR § 440.130(d) and as outlined in SPA #20-0018.
- **Extend Short-Term Support for Behavioral Health Care Collaboratives (BHCC):** BHCC network providers are licensed behavioral health providers under Article 31 and Article 32 of the New York Mental Hygiene Law, including mental health clinics, substance use disorder providers, PROS, ACT and related HCBS providers, and, in that capacity, are authorized to deliver Appendix B services, including State Plan rehabilitative services pursuant to 42 CFR § 440.130(d) and Adult BH HCBS, which are section 1115(a) authorized HCBS. Additionally, BHCCs expand, enhance, and strengthen HCBS in the Medicaid program by assisting HCBS providers become empaneled to provide services to more Medicaid Managed Care enrollees and engage with payors in beneficial value-based contracting arrangements.

4. As discussed in SMDL # 21-003, states must use the state funds equivalent to the amount of federal funds attributable to the increased FMAP to implement or supplement the implementation of one or more activities to enhance, expand, or strengthen HCBS under the Medicaid program. Clearly indicate whether the “natural growth” that the state is proposing to pay for under the activity to “Support Program Growth in Personal Care Services and CDPAP to Ensure Capacity” includes only those additional HCBS expenditures that the state will incur as a result of its other activities to enhance, expand, or strengthen HCBS under ARP section 9817. If the state does not intend to limit this activity to the additional HCBS expenditures it will incur as a result of its other activities under ARP section 9817, explain how this activity enhances, expands, or strengthens HCBS under Medicaid. If the state intends to limit this activity to the additional HCBS expenditures it will incur as a result of its other activities under ARP section 9817, indicate how the state will calculate the amount of additional expenditures it will incur as a result of its other activities under ARP section 9817.

State Response:

A response to this question is forthcoming shortly in a future correspondence.

5. Clearly indicate whether your state plans to pay for capital investments as part of the “Invest in a Community Engagement Initiative – HCBS Day Services” and the “Support for Adult Day Health Centers and Social Adult Day Centers Reopening” activities. Capital investments are permissible uses of funds to expand, enhance, or strengthen HCBS under section 9817 of the ARP. However, states must demonstrate how capital investments would expand, enhance, or strengthen HCBS and ensure that capital investments will result in settings that are fully compliant with the home and community-based settings criteria. Further, approval of capital investments in ARP section 9817 spending plans and narratives does not authorize such activities for federal financial participation (FFP).

State Response:

- **Invest in a Community Engagement Initiative – HCBS Day Services:** During the COVID-19 pandemic, site-based services were suspended to mitigate the spread of COVID-19; however, the ability of such providers to deliver services was curtailed. As we began to reopen, site-based services were and continue to be utilized at rates below pre-pandemic service levels. OPWDD is proposing to use the additional FMAP afforded under Section 9817 of ARP to support providers that develop and submit plans for new, innovative, and person-centered alternatives to traditional site-based day services. The funding will support the acquisition of technology, staff training, and, under limited circumstances, the payment of capital costs. The payment of capital costs may be allowed when the payment of such costs accelerates the development of alternate program models. These payments could be used to accelerate the repayment of approved, cost-verified property costs for sites that are no longer needed; however, no more than 10% of the grant award could be used for this

purpose. In this case, any profit that the provider gains from the sale of the property must be reinvested in a manner that expands and promotes the delivery of HCBS.

As a result, the biggest impediment to transitioning from site-based services – the carrying costs of the properties in which they are provided – would be eliminated, paving the way forward for more individualized alternatives that would enhance the lives of people with developmental disabilities in New York State.

- **Support for Adult Day Health Centers and Social Adult Day Centers Reopening:** This proposal does include possible capital investments. A provider pursuing any capital investments will be required to confirm that it results in a setting fully compliant with the HCBS settings criteria. The capital investments will strengthen, enhance, and expand the availability of these HCBS services, which were closed during the height of the COVID pandemic and are working to reopen and adapt their programs and sites to have new programming and necessary modifications for COVID safety.

6. Clearly indicate that the enhanced rates for private duty nursing (PDN) will be limited to PDN provided in the home.

State Response:

PDN under 42 CFR § 440.80 authorizes PDN in a home, hospital or SNF setting; but has not been updated since 1987 and the limitation is inconsistent with *Olmstead v. L.C.*, 527. U.S. 581 (1999), as well as the HCBS settings requirements in 42 CFR § 441.301. Consistent with those requirements and the updated standards in 42 CFR § 440.70 regarding home health services, PDN services funded under this proposal are only available in HCBS settings, rather than in a facility.

7. Provide more information on the types of activities that providers can implement through the activity to “Provide Incentives for the Development of More Integrated Residential Services.” In particular, clearly indicate if the funds will be used for: room and board, which are not permissible uses of funds under section 9817 of the ARP; or capital investments, which are permissible uses of funds to expand, enhance, or strengthen HCBS under section 9817 of the ARP. States must demonstrate how capital investments would expand, enhance, or strengthen HCBS and ensure that capital investments will result in settings that are fully compliant with the home and community-based settings criteria. Further, approval of capital investments in ARP section 9817 spending plans and narratives does not authorize such activities for federal financial participation (FFP).

State Response:

Room and Board costs will not be funded through the activity to “Provide Incentives for the Development of More Integrated Residential Services.” The funding will be issued to eligible providers based on an approved program narrative and spending plan. Providers that receive awards will be subject to reporting on program milestones and oversight by the state. The following types of expenditures can be funded under this proposed activity:

- Acquiring new tools and technologies to maximize available direct support professional (DSP) staffing that will contribute to housing support sustainability for the growing and aging IDD population in New York. Examples of tools and technology include ‘smart home’, remote monitoring, and ‘on-call’ 24-hour access to DSP staff for individuals.
- Investments in capital and start-up costs associated with staffing “hubs” to support individuals living in supportive certified settings – not associated with participants’ room and board costs associated with those locations.
- Consultant costs for planning and development of service delivery options that increase access to supportive residential services.
- Development of protocols to train, hire, and identify paid neighbor, live-in staffing and other staffing models that support DSPs and address staffing shortages.

With this investment, the State will provide grants that further individuals’ ability to access more supportive (certified) housing options in keeping with the intent of the NYS HCBS Settings Transition Plan. Most individuals with IDD who receive residential habilitation services through the OPWDD Comprehensive Waiver live in supervised settings where staff are always present. The objective of this investment is that individuals who currently live in or are newly seeking placement in more staff-intensive, supervised residences will have increased access to supportive opportunities. Supportive residences offer individuals more independence and promote the opportunity to live meaningful lives in the most integrated and community inclusive setting appropriate to their needs.

The resources are available for start-up funding and other initial investments that the successful applicant will be able to leverage in order to continue to provide on-going services after the grant period using existing funding and service models. There will be no draw down of additional FFP for these activities

8. Provide more information on the allowable uses of the grants for physical plan improvements under the “Personalized Recovery Oriented Services (PROS) Redesign” activity. Please note that capital investments are permissible uses of funds to expand, enhance, or strengthen HCBS under section 9817 of the ARP. However, states must demonstrate how capital investments would expand, enhance, or strengthen HCBS and ensure that capital investments will result in settings that are fully compliant with the home and community-based settings criteria. Further, approval of capital investments in

ARP section 9817 spending plans and narratives does not authorize such activities for federal financial participation (FFP).

State Response:

Physical plant improvements would not be directly funded by this proposal; rather, the State is providing 10% rate enhancements for existing State Plan services, which providers may use to cover operational, workforce, and other costs required to preserve access.

9. Provide more information on the types of activities that would be funded under the “Extend Short-Term Support for Behavioral Health Care Collaboratives” activity.

State Response:

This funding will continue to prepare the provider types delineated in response to Item #3, which include many types of behavioral health providers, to participate in networks that enable these providers to enter into value-based reimbursement through supporting fiscal and clinical integration that is the foundation of BHCCs. Funds may be used to: enhance data platforms and quality assurance processes; measure quality and continuity of care across the provider network and through the larger system of care; and support engagement with payers for alternative payment models or value-based reimbursement arrangements with a focus on rehabilitation and recovery service.