Operating since 1997, New York State’s Section 1115 Partnership Plan waiver program has allowed the State to improve its health care system for the poorest and most at risk. The waiver allows the State to operate a mandatory Medicaid managed care program designed to improve the health of recipients by providing comprehensive and coordinated health care; offer comprehensive health coverage to low-income uninsured adults who have income and/or assets above Medicaid eligibility standards (Family Health Plus Program) and provide family planning services to women losing Medicaid eligibility at the conclusion of their postpartum period and certain other adults of child bearing age (Family Planning Expansion Program).

The initial term of New York’s 1115 waiver expired on March 31, 2003 and subsequent approvals extended the waiver through September 30, 2009. With Centers for Medicare and Medicaid (CMS) approval, the State intends to continue and expand on the successes already achieved by extending the waiver for an additional three years. An application for extending the waiver through September 30, 2012, must be submitted to CMS no later than March 31, 2009.

Project Status:
During its 11 years of operation, the Partnership Plan has been extraordinarily successful in achieving the waiver’s primary objectives - increasing access, improving quality and, through waiver savings, expanding coverage to low-income New Yorkers. Medicaid managed care enrollment has grown statewide to 2.3 million in January 2009, making it one of the largest and most successful Medicaid managed care programs in the nation. An additional 500,000 low-income, previously uninsured individuals now have comprehensive health coverage as a result of the Family Health Plus (FHPlus) program. Quality of care is the cornerstone of the Partnership Plan and data show continuous improvement in the quality of care provided by Medicaid managed care plans. And, at the same time that access to care has been expanded and quality of care has improved, the Partnership Plan has also been successful at generating significant levels of savings.

Details on the performance of the Partnership Plan and how the State has successfully improved access to and quality of care for the Medicaid population and expanded health care coverage to low-income individuals who otherwise would lack health coverage will be included in the State’s waiver application.

Extension Request:
The State’s waiver extension application will propose to continue operation of the Partnership Plan as described in the Special Terms and Conditions. In addition, the State will request new waiver authority to advance the Partnership for Coverage, a current State initiative for moving New York toward universal health coverage.
Partnership for Coverage:
There are 2.7 million uninsured New Yorkers. Most of these uninsured residents work but can not afford to purchase health insurance; half are eligible for, but not enrolled in, public health insurance programs. Lack of health insurance coverage seriously affects the health of the uninsured and their families. The uninsured are less likely to receive needed care, tend to be more severely ill when diagnosed, and receive fewer preventive services. Approximately 20% of the uninsured, as compared with three percent of those with health insurance, report that their usual source of care is the emergency room. Moreover, the uninsured are 30% to 50% more likely to be hospitalized for an avoidable condition. Additionally, research shows that children whose parents are enrolled in public programs are much more likely to be enrolled than eligible children whose parents are not enrolled.

To address the large number of uninsured residents, the Governor’s office called for the development of a building-block reform initiative to “ensure access to affordable, high quality medical care for every single New Yorker.” Moving forward as the “Partnership for Coverage,” the Departments of Health and Insurance were charged with developing, evaluating and recommending proposals for achieving high quality, affordable health insurance for all New Yorkers.

Over the past two years, New York State has implemented a multi-pronged strategy to achieve universal coverage and important progress has been made. Most important, an expansion of CHPlus eligibility from 250 percent FPL to 400 percent FPL effective September 1, 2008 made affordable coverage available to every child in New York State. Complementing this expansion are efforts to streamline the eligibility rules for public health insurance programs to make it easier for people to get and keep coverage. In addition, the State has implemented a number of new programs that subsidize employee premium and co-payments for workers eligible for public programs, expand consumer protections under managed care, rationalize the Medicaid payment system and promote primary and preventive care.

In a report to the Governor in the spring of 2009, the Departments will present findings on their analysis of a number of health reform proposals and provide recommendations on the steps the State might take to make affordable coverage available to all New Yorkers. Any coverage expansions resulting from Partnership for Coverage recommendations may result in the Department requesting amendments to the Terms and Conditions of the Partnership Plan.

Expanded Eligibility for Family Health Plus:
In the meantime, the State strives to continue its progress toward expanding coverage to all New Yorkers and expansion of FHPlus is recognized as a critical building block towards achieving that goal. Governor Paterson’s 2009-10 Executive Budget proposes an expansion of FHPlus to 200% of the FPL for adults both with and without children. Currently, the FHPlus program covers adults with children up to 150% of the FPL and single adults and childless couples up to 100% FPL. New York’s extension request will
seek new authority to expand and fund FHPlus to 200% of the FPL. Approval of this request will make more than 400,000 additional New Yorkers eligible for FHPlus.

Streamlining the Eligibility Process for Medicaid and FHPlus:
Governor Paterson’s 2009-10 Executive Budget includes proposals that would align coverage for parents and children, use gross rather than net income to determine eligibility and eliminate administrative barriers to enrollment. Under the Governor’s proposal, all children, teens and young adults over age 1 and under age 21, and their parents, would be eligible for Medicaid or FHPlus at 160% of FPL based on gross income. Medicaid eligibility for 19 and 20 year olds would be set at 100% of FPL based on gross income, and their FHPlus eligibility would be at 160% of FPL regardless of whether or not they live at home. Taken together, these proposals move New York another step forward in rationalizing Medicaid eligibility and make it easier for families to stay insured. New York’s waiver request will request conforming amendments to the Special Terms and Conditions to reflect these changes.

Allow government employees to enroll in Family Health Plus Premium Assistance Program:
Under current state law, Federal, State, county, municipal or school district employees are not eligible for Family Health Plus or the Family Health Plus Premium Assistance Program. While most Federal and State employees pay a minimal portion of their health insurance premiums and their income does not fall below the FHPlus levels, many county, municipal, and school district employees have lower incomes and are required to pay a more substantial share of the cost of their health insurance premiums, forcing them to choose between participating in their employer’s health insurance program and basic living necessities. The Governor’s 2009-10 Budget proposes to allow government employees with cost effective health insurance to enroll in the FHPlus Premium Assistance Program. This will help ensure that more working New Yorkers and their families will continue to be covered by health insurance and further the goal of health insurance for all New Yorkers.

New Mandatory Counties:
Over the course of the waiver extension, New York anticipates expanding mandatory managed care into additional counties of the State consistent with the requirements of Section 1932(a)(3) of the Social Security Act. The State’s current Special Terms and Conditions specify the counties that are included in the Partnership Plan waiver and it would appear that a formal waiver amendment is needed to add additional counties. New York’s waiver application will request that language be added to the Special Terms and Conditions to clarify that the State may implement mandatory programs in additional counties that meet the choice criteria established in federal law without the need for an amendment.

Covered Benefits:
As part of the reform of Medicaid’s ambulatory care policies, the State’s 2009-10 enacted Budget provided funding to expand the services covered by Medicaid to include diabetes
and asthma educators, social worker counseling and smoking cessation counseling. The Governor’s proposed 2009-10 Budget proposes funding for coverage of additional services including: cardiac rehabilitation services patients with coronary or valvular heart disease; Screening, Brief Intervention and Referral to Treatment (SBIRT), a program sponsored by the Substance Abuse and Mental Health Services Administration (SAMSHA) which screens and identifies individuals with or at risk for substance abuse related problems; and further expansion of smoking cessation counseling to post partum women and children and adolescents 10-19 years of age. New York’s application will request to amend Attachment A and B of the Special Terms and Conditions to reflect coverage of these additional benefits.