

NEW YORK STATE MEDICAID REDESIGN TEAM (MRT) WAIVER

1115 Research and Demonstration Waiver
#11-W-00114/2

Medicaid Buy-In Program for Working People with Disabilities (MBI-WPD) Demonstration Program and Career Pathways Training (CPT) Program Amendment

New York State Department of Health Office of Health Insurance Programs

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Department of Health
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Introduction

The New York State Department of Health (State or DOH) is seeking approval to implement a new demonstration program for its Medicaid Buy-In Program for Working People with Disabilities (MBI-WPD) consistent with state statutory changes enacted by New York's Legislature that became effective January 1, 2025. The State is requesting approval for this demonstration program from the Centers for Medicare & Medicaid Services (CMS) through an amendment to its 1115 Waiver described herein. The amendment would authorize an 1115 demonstration program that will become the State's new MBI-WPD program to help more working individuals with disabilities qualify for Medicaid, with the goal of helping to ensure that these individuals are able to pursue employment opportunities without fear of losing or not qualifying for Medicaid coverage.

With this amendment, the State is also requesting a change to the Special Terms and Conditions (STC) language governing the maximum number of allowable days for backfill payments in the Career Pathways Training (CPT) Program. The State is requesting an increase from the current limit of two days per week to up to five days per week.

On March 23, 2022, the State received approval from CMS to renew the 1115 Demonstration for an additional five years. The current 1115 Demonstration is effective through March 31, 2027.

Program Description, Goals and Objectives

Medicaid Buy-in Program for Working People with Disabilities Demonstration Program:

The State has an existing MBI-WPD program which was developed based on the Balanced Budget Act of 1997, which allows states to establish Medicaid Buy-In programs for working individuals with disabilities. Additionally, the Federal Ticket to Work and Work Incentives Improvement Act (TWWIIA) of 1999 expanded legislation to allow states to establish two new optional Medicaid eligibility groups. The State opted to establish both the Ticket to Work Basic Group (SSA §1902(a)(10)(A)(ii)(XV)) and the Ticket to Work Medical Improvement Group (SSA § 1902(a)(10)(A)(ii)(XVI)). The goal of the MBI-WPD program is to allow working individuals with disabilities the opportunity to maintain financial independence through employment while retaining their Medicaid coverage, despite earnings that may result in income in excess of regular Medicaid limits.

The COVID-19 pandemic resulted in soaring unemployment rates for people with disabilities, rates that have not decreased post-pandemic as quickly in New York as they have across the nation: the national share of working people with disabilities reached a new high in 2022, while the share in New York continued to decline from pre-pandemic levels.¹ More specifically:

According to data from the U.S. Census Bureau's Current Population Survey, there were 827,200 people with disabilities between the ages of 16 and 64 living in New York in 2022, representing 6.7 percent of the working-age population. Nationally, about 7.9 percent of the working-age population has a disability. Between 2020 and 2022, the number of working-age people with disabilities grew 14.4 percent in New York and 10.9 percent nationally.

¹ Office of the New York State Comptroller, *Employment Recovery Is Slow for New Yorkers with Disabilities*, April 2023. Available at: <https://www.osc.ny.gov/reports/employment-recovery-slow-new-yorkers-disabilities>

...[T]he national employment-to-population ratio for working-age people with a disability declined by 1.8 percentage points in 2020 to 29.1 percent. Since then, it has increased steadily to 34.7 percent in 2022, the highest rate on record dating back to 2009. In contrast, the ratio declined by only 0.5 percentage points in New York in 2020 and has continued to decline to 26.1 percent in 2022. New York's ratio was 8.6 percentage points lower than the nation's in 2022, the largest difference recorded in the past 13 years. Unemployment rates for people with disabilities similarly show slower recovery in New York than the nation. ...[I]n 2019, the unemployment rate for working-age people with a disability was 8.0 percent nationally and 8.8 percent in New York. Unemployment rates for people with disabilities soared in 2020, reaching 13.4 nationally and 13.9 percent in New York. The national unemployment rate for people with a disability decreased by 5.2 percentage points between 2020 and 2022, dropping to 8.2 percent.

In New York, however, the unemployment rate continued to increase in 2021 before declining to 11.9 percent in 2022, a rate 3.7 percentage points above the national average. The unemployment rate for New Yorkers with a disability was 7.6 percentage points higher than for those who do not have a disability in 2022, a disparity that is also greater than the 4.7 percentage point gap nationwide.²

Additionally, for working people with disabilities or those with disabilities seeking employment, Medicaid coverage is often pivotal to maintaining independence since private insurance, such as employer-sponsored insurance, typically does not cover all of the services and supports needed to live and work independently in the community.³ Medicaid is the primary payer of long term services and supports (LTSS), which older adults and individuals with disabilities are often in need of as a result of physical, cognitive, or behavioral health conditions.⁴ LTSS encompass a comprehensive group of health, health-related, and social services for individuals who due to advanced age, disability, chronic illness, cognitive impairment, or other conditions need ongoing assistance caring for themselves.⁵ With Medicaid's coverage of fundamental health services and LTSS, such as case management, transportation, specialty medical equipment and home and community based services - including personal care assistant services and home modifications - millions of older adults and individuals with disabilities receive the support they need to help them live in their homes and communities with more independence.⁶ Without Medicaid coverage, the median annual out-of-pocket cost of a home health aide is estimated at more than \$61,000 per year.⁷ Expanding the opportunity for Medicaid coverage to more working people with disabilities, and those who want to work but need critical health care services to do so, by modifying eligibility criteria such as increasing the Medicaid income and resource levels for MBI-WPD enrollees, deeming income and resources of legally responsible relatives as

² Id.

³ MaryBeth Musumeci, Molly O'Malley Watts, Meghana Ammula and Alice Burns, *Medicaid Financial Eligibility Pathways Based on Old Age or Disability in 2022: Findings from a 50-State Survey*, July 11, 2022. Available at: [Medicaid Financial Eligibility in Pathways Based on Old Age or Disability in 2022: Findings from a 50-State Survey - Appendix - 9965 | KFF](https://www.kff.org/report-section/medicaid-financial-eligibility-in-pathways-based-on-old-age-or-disability-in-2022-findings-from-a-50-state-survey-appendix/#endnote_link_558973-7)
https://www.kff.org/report-section/medicaid-financial-eligibility-in-pathways-based-on-old-age-or-disability-in-2022-findings-from-a-50-state-survey-appendix/#endnote_link_558973-7

⁴ Bipartisan Policy Center, *Next Steps: Improving the Medicaid Buy-in for Workers with Disabilities*, December 2022. Available at: https://bipartisanpolicy.org/download/?file=/wp-content/uploads/2022/12/BPC_Health-MBI-Report_RV4.pdf

⁵ Id.

⁶ Id.

⁷ Priya Chidambaram and Alice Burns, *10 Things About Long-Term Services and Supports (LTSS)*, September 15, 2022. Available at: [10 Things About Long-Term Services and Supports \(LTSS\) | KFF](https://www.kff.org/medicaid/issue-brief/10-things-about-long-term-services-and-supports-ltss/)
<https://www.kff.org/medicaid/issue-brief/10-things-about-long-term-services-and-supports-ltss/>

unavailable and including those working past the age of 64 helps confront the likelihood that working people with disabilities will incur expenses in order to live in the community and also helps them try to build personal savings to confront future expenses that may not be covered by Medicaid or other insurance.⁸ Improving access to the State's MBI-WPD program by modifying income and asset limits and removing the age restriction can also help promote employment opportunities and reduce barriers to employment that individuals with disabilities all too often face.⁹ Individuals with disabilities want and deserve the ability to work, including past the age of 64, and the opportunity to advance professionally, and accrue savings for home purchases, retirement and other needs without fear or risk of losing critical access to health care services and supports.¹⁰ Therefore, the State is seeking to implement a new MBI-WPD demonstration program that will establish enhanced eligibility rules, giving more New Yorkers with disabilities the opportunity to find and maintain employment while obtaining critical services needed to live and work independently in the community.

The State's current MBI-WPD program enrollees will be redetermined under the new rules at renewal so that current enrollees benefit from the enhanced eligibility. The State will maintain its State Plan authority for its current MBI-WPD State Plan Amendment (SPA) groups. Once the new demonstration program is implemented, all individuals (current and new) will be enrolled utilizing the new 1115 demonstration program and will not remain, or be enrolled in, the SPA groups.

New York's Current MBI-WPD Eligibility Rules

Under the State's current MBI-WPD eligibility rules, the income limit is 250% of the Federal Poverty Level (FPL) and resource limits are \$31,175 for a household of one and \$42,312 for a household of two based on 2024 FPLs. (Resource limits change annually based on FPL changes). In determining Medicaid eligibility for the State's MBI-WPD program, all funds held in retirement funds or retirement accounts are disregarded. Income and resources of legally responsible relatives are included when determining MBI-WPD eligibility. The following premiums are permitted: when an MBI-WPD program participant's income is at or above 150% of the FPL but does not exceed 250% of FPL, the premium is 3% of net earned income plus 7.5% of net unearned income (premiums are not currently collected). Individuals with net income below 150% of the FPL are not subject to a premium requirement. Current CMS guidance permits the premium to be a maximum of 7.5% of the MBI-WPD individual's income, when the income is less than 450% FPL. There is no enrollment cap currently for the State's MBI-WPD program, and current enrollment stands at approximately 12,500 individuals. The State's MBI-WPD program participants must meet a minimum age requirement of 16 years of age and must be less than 65 years of age.

Demonstration Description, Goals and Objectives

Through this amendment, the State is seeking to implement a demonstration program that will become the State's new MBI-WPD demonstration program to help more working individuals

⁸ MaryBeth Musumeci, Molly O'Malley Watts, Meghana Ammula and Alice Burns, *Medicaid Financial Eligibility Pathways Based on Old Age or Disability in 2022: Findings from a 50-State Survey*, July 11, 2022. Available at: https://www.kff.org/report-section/medicaid-financial-eligibility-in-pathways-based-on-old-age-or-disability-in-2022-findings-from-a-50-state-survey-appendix/#endnote_link_558973-7

⁹ Bipartisan Policy Center, *Next Steps: Improving the Medicaid Buy-in for Workers with Disabilities*, December 2022. Available at: https://bipartisanpolicy.org/download/?file=/wp-content/uploads/2022/12/BPC_Health-MBI-Report_RV4.pdf

¹⁰ Id.

with disabilities qualify for Medicaid with the goal of helping to ensure that these individuals are able to pursue employment opportunities without fear of losing or not qualifying for Medicaid coverage.

Description of Current or New Beneficiaries Who Will be Impacted by the Demonstration

Current MBI-WPD program enrollees and future new enrollees, such as the working individuals with disabilities not yet enrolled in the State's MBI-WPD program or other Medicaid programs, will benefit from this demonstration program. The State will transition its approximately 12,500 current MBI-WPD program enrollees into the new MBI-WPD demonstration program once CMS approval is obtained. The State's current TWWIIA Basic Group and TWWIIA Medical Improvement Group enrollees, the MBI-WPD State Plan Amendment (SPA) groups, will be redetermined under the new 1115 demonstration program rules at renewal so that current enrollees benefit from the enhanced eligibility rules. The State will maintain its State Plan authority for its current MBI-WPD SPA groups. Once the new demonstration program is implemented, all individuals (current and new) will be enrolled utilizing the new 1115 demonstration program and will not remain, or be enrolled in, the SPA groups.

As compared to the State's current MBI-WPD program, the new MBI-WPD demonstration program, as further described below in *Eligibility, Benefits and Cost Sharing Requirements*, will increase income and resource levels, deem the income and resources of legally responsible relatives as unavailable, continue to disregard all funds held in retirement funds or retirement accounts and continue use of other more liberal methods of treating resources under New York's State Plan, implement a new premium structure for cost sharing with a premium not to exceed 8.5% of monthly income, cap program enrollment at 30,000 participants, and eliminate the upper age limit of 65 years of age. The State estimates that this demonstration program will result in an additional enrollment of approximately 2,195 members annually. Current average annual 1115 enrollment is estimated to be 4.8 million. This amendment is expected to increase the average annual demonstration cost of \$67.3 billion by \$57 million.

Career Pathways Training Program Amendment:

With this amendment, the State is also requesting a change to language in STC 12.6.d concerning the number of days per week that the State may use CPT funding to pay employers for backfill costs for CPT program participants who are absent from work while fulfilling training requirements. Current STC language allows for no more than two days per week:

12.6. Allowable Use of CPT Funds. The state has authority for CPT expenditures within the limits specified in STC 12.7 for implementation of the CPT initiative. The CPT funds may only be used for the following:

- d) Backfill for participants in the Health System Career Advancement Pipeline. To avoid reduced access to care when a participant is in training during participant working hours and recognizing the absence requires a temporary or covering worker to perform duties, the state may use funds to pay the health system employer to backfill the participant. Backfill costs must not exceed the following rates and no more than 2 days per week for participants in the following programs:
 - i. \$175 per day for licensed practical nurse, associate registered nurse, credentialed alcohol and substance abuse counselor, certified pharmacy technician, respiratory therapist, certified medical assistant, community health worker, and patient care manager/coordinator.
 - ii. \$259 per day for nurse practitioners, physician's assistants, Master of Social Work, and licensed mental health counselor.

- iii. \$300 per day for Registered Nurse to Bachelor of Science in Nursing.

While implementing the CPT program, it has come to light that the two-day limit is not sufficient to cover absences required by the more intensive programs associated with certain titles under the program. Some academic and training programs have more rigid schedules that will require participants to be absent from work for up to five days per week for certain portions of their educational program. This could have a negative impact on access to care in cases where providers are unable to absorb the cost of extended absences. The intent of the CPT program is to expand access and improve quality of services. To address this issue, the State is seeking to amend the STC language to allow for backfill payments to employers for up to five days per week to allow for these more intensive educational programs. Five days will be the maximum allowable number of days for backfill payments. The full five days will not be required for all thirteen professional titles authorized under the CPT program.

Due to the varying backfill needs across different programs, the current approved funding is sufficient to cover the additional days requested and no further adjustments to the STCs or funding amounts will be necessary to implement this change.

Eligibility, Benefits and Cost Sharing Requirements

Medicaid Buy-in Program for Working People with Disabilities Demonstration Program

The State is seeking approval from CMS through this Section 1115 waiver to implement state statutory changes creating a new MBI-WPD demonstration program. For the Ticket to Work Medical Improvement Group (SSA § 1902(a)(10)(A)(ii)(XVI), the State will continue to use the statutory definition of “employed” (earning at least the federally required minimum wage and working at least 40 hours per month). Following are the other MBI-WPD demonstration program eligibility requirements the State seeks (with corresponding authority requiring Section 1115 waiver, or current approved State Plan disregard noted, if applicable):

- Establish an MBI-WPD program income standard of 2,250% of the Federal Poverty Level (FPL);
- Establish an MBI-WPD program resource standard of \$300,000;
- Disregard all funds held in retirement funds or retirement accounts and continued use of other more liberal methods of treating resources under New York’s State Plan, as previously approved by CMS pursuant to SSA §1902(r)(2) for the State’s current MBI-WPD program. Refer to Appendix A for the text of the approved State Plan Amendment;
- Income and resources of legally responsible relatives will be deemed unavailable to the MBI-WPD applicant/recipient. This would waive the SSI-related budgeting methodology requirement that the income and resources of legally responsible relatives be deemed available to a Medicaid applicant. SSA §1612 (b)(4)(A)- (C); SSA §1613; SSA §1902(a)(10)(A)(ii)(XV), (XVI), SSA §1902(r)(2);
- Implementation of a new MBI-WPD premium structure, as outlined in the chart below. For incomes less than 400% FPL, the proposed premium structure does not exceed 6% of the individual’s income;
- A cap of the MBI-WPD premium, not to exceed 8.5% of the MBI-WPD individual’s income, for those with income of 400% to 450% FPL. The Ticket to Work and Work Incentives Improvement Act of 1999 (TWWIIA) provides that the premium the individual must pay when income is 450% FPL or less must not exceed 7.5% of the individual’s income. SSA §1916 (g)(1)(B);
- An MBI-WPD demonstration program enrollment cap of 30,000. Enrollment caps require CMS permission, and this enrollment cap would be applicable to the State’s new MBI-WPD demonstration program SSA § 1902(a)(8); and

- Elimination of the age 65 limit (i.e., there will be no upper age limit imposed for MBI-WPD individuals). The Federal TWWIIA statute limits participation to those under the age of 65. SSA § 1902(a)(10)(A)(ii)(XV)-(XVI).

The State requests the following premium structure:

Income*	Monthly Premium
Less than 250% FPL	N/A
250% FPL or more but less than 300% FPL	the lesser of: \$347 or 4% of monthly income
300% FPL or more but less than 400% FPL	the lesser of: \$518 or 6% of monthly income
400% FPL or more but less than 500% FPL	the lesser of: \$779 or 8.5% of monthly income
500% FPL or more but less than or equal to 2,250% FPL	the lesser of: \$1,033 or 8.5% of monthly income

*SSI-related budgeting is used to determine net monthly income.

Benefits provided under this waiver amendment request will not change from those already provided under the State's Medicaid program.

The following chart shows the impact of the proposed MBI-WPD demonstration program on the State's current Ticket to Work Basic Group and Ticket to Work Medical Improvement Group participants:

Requirement	Current Requirement	Proposed Requirement
Income Limit	250% of FPL	2,250% of FPL
Resource Limit	2025 Resource Limits: <ul style="list-style-type: none"> • \$32,396 (household of one) • \$43,781 (household of two) 	\$300,000
Retirement Funds Other Liberal Resource Treatment	Disregard all funds held in retirement funds or retirement accounts; more liberal treatment of other resources under New York's State Plan pursuant to SSA §1902(r)(2)	(No change)
Legally Responsible Relative	Income and resources are counted	Criteria waived; income and resources not counted
Premiums	Applies when income is between 150% - 250% FPL; Premiums are 3% of net earned income plus 7.5% of unearned income	Applies when income is greater than or equal to 250% FPL; 4-tier structure depending on income
Enrollment Cap	No limit on the number of eligible participants	Limit of 30,000 participants in the program
Age Limit	Recipients must be at least 16 years old, but less than 65 years old	Recipients must be at least 16 years; upper age limit removed

The income, resource, legally responsible relative, and age limit changes proposed through this waiver amendment would be beneficial to program enrollees, as each of these changes is either more generous or remains unchanged compared to current requirements. The premium structure is new, as is imposition of an enrollment cap.

The proposed enrollment cap of 30,000 participants would permit an MBI-WPD program size in New York of more than twice the current enrollment. Capping enrollment will ensure there are sufficient funds to provide the critical health and support services many individuals with disabilities need to live and work independently in the community. The State's current Ticket to Work Basic Group and Ticket to Work Medical Improvement Group participants will be redetermined under new 1115 demonstration program rules and eligible individuals will be included in the 30,000-enrollment cap count.

Career Pathways Training Program Amendment:

There are no additional eligibility, benefits, or cost-sharing changes associated with the CPT program adjustment in this amendment.

Delivery System Implications

The proposed MBI-WPD demonstration program and adjustment to CPT program requested through this waiver amendment are not expected to affect the healthcare delivery system currently in place. The State is not seeking any changes to the existing Medicaid delivery systems. These delivery systems include both managed care and fee-for-service.

Implementation Timeline

Medicaid Buy-in Program for Working People with Disabilities Demonstration Program:

The statutory authority for the demonstration program is effective January 1, 2025. The State is seeking to implement the new MBI-WPD demonstration program upon receipt of required CMS approvals and necessary system changes, which are estimated for completion by approximately late Spring 2026.

Career Pathways Training Program Amendment:

The State is seeking to implement the proposed CPT program adjustment after September 2025, to ensure access to care resulting from participation in the CPT program is not impacted.

Waiver and Expenditure Authorities

Medicaid Buy-in Program for Working People with Disabilities Demonstration Program:

The State's new MBI-WPD demonstration program will result in additional expenditures for healthcare related costs for the target population.

Waiver Authority: In addition to the waiver authorities already granted in the 1115 waiver, the State is requesting the following waiver authority necessary to implement the new MBI-WPD demonstration program:

Waiver Authority		
#	Authority	Waived
1	Disregard all funds held in retirement funds or retirement accounts and continued use of other more liberal methods of treating resources under New York's State Plan, as previously approved by CMS pursuant to SSA §1902(r)(2) for the State's current MBI-WPD program.	SSA §1902(r)(2)
2	Deem income and resources of legally responsible relatives unavailable to the MBI-WPD applicant/recipient.	SSA §1612 (b)(4)(A)-(C) SSA §1613 SSA §1902(a)(10)(A)(ii)(XV),(XVI) SSA §1902(r)(2)
3	Impose a premium of 8.5% of monthly income for enrollees with income between 400-450% FPL.	SSA §1916 (g)(1)(B)
4	Implement an MBI-WPD demonstration program enrollment cap of 30,000 enrollees.	SSA §1902(a)(8)
5	Waive the age limit of 65 years of age.	SSA §1902(a)(10)(A)(ii)(XV), (XVI)

The State has concluded that the following remaining components of the proposed MBI-WPD demonstration program do not require a waiver of authority because they are permitted in accordance with federal statute at §1902(a)(10)(A)(ii)(XV)-(XVI) and corresponding CMS TWWIIA guidance but provides them here for clarity:

- (i) establish both the Ticket to Work Basic Group (SSA §1902(a)(10)(A)(ii)(XV)) and the Ticket to Work Medical Improvement Group (SSA § 1902(a)(10)(A)(ii)(XVI));
- (ii) set resource and income limits as the State determines to establish, and as are specified above in Eligibility, Benefits and Cost Sharing Requirements;
- (iii) establish a premium structure for the MBI-WPD demonstration program as specified above in Eligibility, Benefits and Cost Sharing Requirements for:
 - (a) income between 250%-400% of the FPL that does not exceed 6% of monthly income;
 - (b) income between 500%-2,250% of the FPL that does not exceed 8.5% of monthly income.

Expenditure Authority:

Expenditure Authority	
Program	Authority
Medicaid Buy-In Program for Working People with Disabilities (MBI-WPD)	Expenditures to allow federal financial participation for the creation of an MBI-WPD demonstration program comprised of the Ticket to Work Basic Group (SSA §1902(a)(10)(A)(ii)(XV)) and the Ticket to Work Medical Improvement Group (SSA § 1902(a)(10)(A)(ii)(XVI)) that establishes: <ul style="list-style-type: none"> (i) an income limit of 2,250% of the FPL; (ii) a resource limit of \$300,000; (iii) a disregard of all funds held in retirement funds or retirement accounts and continued use of other more liberal methods of treating

	resources under New York's State Plan, as previously approved by CMS for the State's current MBI-WPD program; (iv) income and resources of legally responsible relatives are deemed unavailable to the MBI-WPD applicant/recipient; (v) an income-based premium structure based on FPL, including a cap of the MBI-WPD premium not to exceed 8.5% of the MBI-WPD individual's income for those with income of between 400%-450% FPL; (vi) a program enrollment cap of 30,000; and (vii) elimination of the age 65 limit.
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Career Pathways Training Program Amendment:

There are no changes necessary to waiver or expenditure authorities to implement the proposed adjustment to the CPT program.

Budget Neutrality

Medicaid Buy-in Program for Working People with Disabilities Demonstration Program:

The addition of the MBI-WPD demonstration program to the State's 1115 waiver is estimated to result in an additional enrollment of approximately 2,195 members annually. This number reflects individuals who are net-new to Medicaid and not currently receiving services, and who do not meet the current criteria for the MBI-WPD program which has an income limit of 250% of FPL, members between ages 16-65, and members exceeding the 2025 resource limits of \$32,396 for a household of one and \$43,781 for a household of two. These new members may have income of greater than 250% of FPL and up to 2,250% of FPL, a resource standard of \$300,000, and may be older than 65 with the elimination of the age 65 limit. Current average annual 1115 enrollment is estimated to be 4.8 million.

This amendment is expected to increase the average annual demonstration cost of \$67.3 billion by \$32 million for the group described above.

More detailed enrollment and cost breakdowns by demonstration year are included in the tables below.

1115 Waiver Amendment Projected Enrollment

Proposal	DY24	DY25	DY26	DY27	DY28
Projected Enrollment	4,709,605	4,723,377	4,735,030	4,746,899	4,758,993
Enrollment- Medicaid Buy-In	-	-	-	549	2,195
Total Projected Enrollment:	4,709,605	4,723,377	4,735,030	4,747,484	4,761,188

1115 Waiver Amendment Estimated Funding Schedule (\$ in Millions)

Proposal	DY24	DY25	DY26	DY27	DY28	Total
Estimated Cost	\$69,132	\$61,593	\$64,997	\$68,601	\$72,416	\$336,739
Estimated Cost- Medicaid Buy-In	-	-	-	\$31	\$131	\$162
Total Estimated Cost:	\$69,132	\$61,593	\$64,997	\$68,632	\$72,546	\$337,901

Career Pathways Training Program Amendment:

There is no change to projected enrollment or overall waiver cost associated with the adjustment to the CPT program.

Demonstration Evaluation and Hypotheses

The State will evaluate this waiver amendment in alignment with all CMS requirements. The State will amend its existing Evaluation Design to evaluate the hypothesis identified below and will include the methodology, measures, and data sources that will be used to assess the impact of the amendment. This Evaluation Design will be incorporated into the larger 1115 Evaluation Design. Additionally, the State will work with CMS to ensure that 1115 monitoring reports required by the STCs for the State's 1115 Demonstration are updated to incorporate monitoring and reporting for this amendment, as necessary and appropriate.

Medicaid Buy-in Program for Working People with Disabilities Demonstration Program:

Demonstration Evaluation and Hypothesis				
Goal: Expand coverage to eligible New Yorkers				
Hypothesis: More individuals in the targeted populations will be enrolled in Medicaid				
Research Question: Was there an increase in the percentage of working individuals with disabilities, including those over age 65, enrolled in the New York State Medicaid program?	Example Measure (Not Final): Enrollment	Population: Working individuals with disabilities enrolled in the MBI-WPD program	Data Source: Administrative data	Analytic Methods: Descriptive Statistics
Goal: Improve Access to Health Care for Medicaid Members				
Hypothesis: Improved access to appropriate care setting				
Research Question: Is there a reduced rate of Emergency Department visits, especially for high- risk populations (persons with physical, intellectual and developmental disabilities)?	Example Measure (Not Final): Emergency Department visits; Emergency Department visits for Behavioral Health conditions	Population: Working individuals with disabilities enrolled in the MBI-WPD program.	Data Source: Administrative data	Analytic Methods: Descriptive Statistics; Interrupted time series

Career Pathways Training Program Amendment:

Demonstration Evaluation and Hypothesis				
Hypothesis: The amendment will advance health equity.				
Research Question: Increased workforce adequacy and diversity	Measure: Individuals trained, placed, and who receive loan repayment or Career Pathways Training program	Population: Participants in the loan repayment or Career Pathways Training program	Data Source: Administrative data	Analytic Methods: Trend over time; descriptive statistics; Interrupted time series

Public Notice Compliance and Documentation

In compliance with 42 CFR § 431.408(a), the State conducted a 30-day public comment period from November 6, 2024- December 14, 2024. While all comments have been considered, no edits were made to the amendment request.

In compliance with 42 CFR § 431.408(a)(3), the State conducted two virtual hearings on November 25, 2024, and December 4, 2024. While all comments have been considered, no edits were made to the amendment request.

Public Comments and State Responses

The State received 21 written comments and questions regarding the amendment application, as well as an additional 13 comments received verbally at the virtual hearings for the MBI-WPD demonstration program. The State received two written comments, and no verbal comments, for the CPT Program component of the amendment. Commenters included individuals, advocacy groups, providers, and other stakeholders.

The State appreciates the comments and feedback shared by stakeholders regarding this 1115 waiver amendment application. These comments help inform the 1115 waiver amendment and will continue to help shape the State's review of future program initiatives and will be taken under advisement as the State works to implement this amendment once approved. A summary of the comments submitted and the State's responses to those comments are provided below.

Summary of Comments

After review and due consideration of all public comments received, the State has made no changes to the proposed amendment. Some changes recommended in the public comment period will be monitored post-implementation and considered for possible future implementation. Other changes recommended in the public comment period would require additional, significant study and/or statutory authority, including assessment of and authorization for additional fiscal expenditures. The public comments received are summarized below by theme with the State's responses.

Public Comment Themes and State Responses

Medicaid Buy-in Program for Working People with Disabilities (MBI-WPD) Demonstration Program

General Comments of Support

Commenters repeatedly expressed overwhelming support for the State's desire to establish a new MBI-WPD demonstration program with enhanced eligibility rules, expanding the opportunity for Medicaid coverage to more working people with disabilities and those who want to work but need critical health care services to do so. Several commenters underscored that many disabled individuals need Medicaid-funded home care services to live and work safely and successfully in the community and feel that the proposed enhanced eligibility rules will help more disabled individuals do that while pursuing better careers and remaining in the workforce until age 65 and beyond. The State appreciates the support and looks forward to working with stakeholders to implement this 1115 waiver amendment.

Enhanced Income and Resource Rules

Commenters expressed support for increasing the MBI-WPD program income and resource limit. Several commenters also urged the State to eliminate the resource test for the MBI-WPD program or eliminate the Medicaid program resource test altogether. Several commenters requested that the MBI-WPD demonstration program income limit factor in the number of people in the individual's household to enable an MBI-WPD applicant parent to qualify at a Federal Poverty Level (FPL) income level based on family size. Commenters state this change could help disabled working parents support their dependent children.

The State appreciates the comments of support. The State's waiver amendment application represents significant income and resource level increases for the MBI-WPD program. The State will keep resource test recommendations in mind for future initiatives. The State acknowledges the request to increase the income limit further by using the FPL for the full family size of the MBI-WPD applicant in the income calculation. However, this would increase the income limit substantially, and beyond the approved SSI-related budgeting methodology for this program. The MBI-WPD program is based on an SSI-related budgeting methodology and either a household of one (single individual) or two (married couple).

Legally Responsible Relative

Commenters repeatedly expressed support for waiving the SSI-related budgeting methodology requirement that the income and resources of legally responsible relatives be deemed available to the MBI-WPD program applicant/recipient. Some commenters referred to the legally responsible relative requirement as a "marriage penalty" applied to people with disabilities.

The State appreciates the comments of support for its request in the amendment to deem the income and resources of legally responsible relatives as unavailable to the MBI-WPD applicant/recipient. Legally responsible relative means a person who is legally responsible for the support and care of one or more relatives. For Medicaid purposes, a legally responsible relative is not only a spouse of a Medicaid applicant or recipient, but also a parent of a child under the age of 21, with the exception of a certified blind or certified disabled child expected to be living out of the household for at least 30 days. The State understands the Medicaid budgeting outcome the legally responsible relative requirement may have on some individuals

or couples applying for Medicaid but clarifies that Medicaid program rules require adherence to this SSI-related budgeting methodology requirement.

Elimination of the Upper Age Limit of 65 Years of Age

Multiple commenters expressed support for eliminating the program's upper age limit, which is currently set at 65. Commenters who are about to age out or have already aged out of the MBI-WPD program expressed how the program has allowed them to sustain quality of life, health and safety, and that removal of the age limit is crucial so that they can continue to receive this needed support as they plan on working well past the age of 65. Commenters who have aged out also shared the negative impact that losing access to the program had on their lives.

The State appreciates the comments of support for its request in the amendment to eliminate the upper age limit of 65 years of age and the compelling personal stories regarding the impact of the current age limit. Former participants who aged out of the program would be allowed to apply to the new MBI-WPD demonstration program. The State plans to conduct outreach to this population.

Several commenters requested clarification as to whether everyone age 65 or over would be assigned to the Medical Improvement Group, given an individual age 65 or over may not be able to be certified as disabled under the Social Security Act and therefore it may be incorrectly assumed they have had medical improvement.

Under the proposed MBI-WPD demonstration program, individuals age 65 and over may apply to the program, and if found eligible, will be enrolled in the Basic Group. Similarly, individuals enrolled in the Basic Group who subsequently turn age 65 may remain in the Basic Group. Individuals age 65 and older will be given the opportunity for a disability review by the State Disability Review Unit. Participants in the MBI-WPD Basic Group who are determined at the time of a continuing disability review to no longer be disabled but continue to have a severe medically determinable impairment may be eligible for continued coverage under the MBI-WPD Medical Improvement Group, including those who are age 65 and older. Individuals enrolled in the Medical Improvement Group turning age 65 may remain in the Medical Improvement Group. The State would also include this information in implementation guidance.

Premium Structure

Multiple comments were received regarding the proposed premium structure. One commenter acknowledged that the new premium structure should help with costs of increased participation in the new demonstration program. Several commenters recommended that the premium for individuals with income between 400%-450% FPL be capped at 7.5% rather than 8.5%, to be consistent with the Ticket to Work and Work Incentives Improvement Act of 1999 (TWWIIA).

The State appreciates the comments received regarding the proposed premium structure. The State intends to maintain the proposed premium structure but will keep these comments in mind as it monitors the premium structure in the course of administering the demonstration program.

One commenter noted that MBI-WPD program enrollees with income at or above 1,500% FPL would pay the specified dollar amount of \$1,033 for the monthly premium, which is less than 6% of income and is a lower percentage of net monthly income as compared to individuals with lower incomes of between 250%-399% FPL. Commenters also expressed

concerns that premiums would be unaffordable for individuals with income between 250%-300% FPL, and also offered several different suggestions for changing the premium structure to reduce premiums.

The State appreciates these comments and recommendations. The State intends to maintain the proposed premium structure at this time but will monitor the premium structure in the course of administering the new demonstration program and will keep these recommendations in mind as the demonstration program is assessed and monitored in the future.

Several commenters asked for clarification on whether the monthly premium obligation would be determined using gross or net income and whether all income, earned and unearned, is counted for purposes of the premium calculation.

The premium is based on net monthly income. Income includes both earned and unearned income. Net monthly income is determined based on the SSI-related budgeting methodology, which calculates gross countable monthly income and applies allowable income disregards.

Several commenters requested clarification regarding prior statutory language citing MBI-WPD program premiums of \$25 (individual) and \$50 (couple) for income between 150%-250% FPL.

The MBI-WPD program premiums of \$25 (individual) and \$50 (couple) for income between 150%-250% FPL, cited in Social Services Law § 367-a (12), were not federally approved for implementation and are obsolete. They are not applicable in the current MBI-WPD program, nor will they be applied in the new demonstration program.

Enrollment Cap

Multiple commenters opposed the proposed 30,000 enrollment cap and felt it was counterproductive to the State's goal of increasing program access for the working disabled. Several commenters expressed concern that the current program is not promoted enough and encouraged targeted outreach to this population, and that program enrollment should be closely monitored to determine if the enrollment cap should be raised in the future. Commenters recommended the proposed enrollment cap not include individuals who are currently enrolled in the program.

The State appreciates these comments and recommendations. The State believes the proposed 30,000-enrollment cap both sustains current enrollment and permits program growth of more than double the current enrollment. The State will work to promote the program and will closely monitor program enrollment and may seek authority to adjust the cap if necessary. The State will not exclude current Ticket to Work Basic Group and Ticket to Work Medical Improvement Group participants (the current "State Plan" groups) from the enrollment cap count. Rather these individuals will be redetermined under the new MBI-WPD demonstration program rules and, if eligible, will be included in the enrollment cap count. Once the current State Plan groups are determined under the new demonstration program, the State Plan groups, which were established pursuant to Social Services Law section 366(1)(c)(5),(6), will no longer be utilized – they will be replaced by the new demonstration program.

Continued Disregard of Funds Held in Retirement Funds or Accounts, and Other More Liberal Treatment of Resources

Commenters expressed support for the continued disregard of all funds held in retirement funds or retirement accounts, and the continued use of other more liberal methods of treating resources under New York’s State Plan.

The State appreciates the comments of support for its request in the amendment to continue to disregard all funds held in retirement funds or retirement accounts, and for the continued use of other more liberal methods of treating resources as approved under New York’s State Plan.

Career Pathways Training Program Amendment:

General comments of support

Commenters expressed strong support for the State’s proposal to amend the current STC language for the CPT Program to allow for backfill payments to employers for up to five days per week for select titles. In particular, comments emphasized that this proposal would help alleviate providers’ concerns around supporting current staffing resources. It was also noted that an increase in the number of allowable backfill days would support broad participation in the program and improve continued access to care for patients.

Future recommendations

One organization also provided recommendations for the State to consider in updating the CPT program’s eligibility. This included requesting that the State expand the list of eligible titles to include long-term care workers. Additionally, the organization recommended expanding program eligibility to allow individuals who are already matriculated in eligible academic programs to enroll in the CPT program to help overcome existing barriers that might impact completion rates.

The State is currently implementing the first year of the CPT program and will take these recommendations into consideration when evaluating potential updates to the program.

Tribal Notification

In accordance with 42 CFR § 431.408(b), the State conducted a 30-day tribal comment period from November 6, 2024-December 13, 2024. No comments were received during the tribal comment period.