



**Department
of Health**

2022-23 Enacted Medicaid Budget Briefing and Questions & Answers

**New York State Department of Health
Office of Health Insurance Programs**

April 2022

Today's Presenters

- **Amir Bassiri**, Acting Medicaid Director
- **Danielle Holahan**, Executive Director for the NY State of Health (NYSoH)
- **Michael Ogborn**, Medicaid Chief Financial Officer
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- **Sue Montgomery**, Director, Division of Long-Term Care
- **Jonathan Bick**, Director, Division of Health Plan Contracting and Oversight
- **Kathleen Johnson**, Deputy Director, Division of Eligibility and Marketplace Integration
- **Gabrielle Armenia**, Director, Child Health Plus Program
- **Trisha Schell-Guy**, Director, Division of Program Development and Management
- **April Hamilton**, Executive Deputy Director, Division of Program Development and Management
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Agenda

- FY 2023 Enacted Budget Medicaid Scorecard
- FY 2023 Enacted Medicaid Legislation
- Enacted Medicaid Budget Proposals
 - Accepted *without Material* Modifications
 - Accepted *with Material* Modifications
 - New/Added Budget Proposals
- Questions and Answers

FY 2023 Enacted Budget Medicaid Scorecard

(State Share \$ millions)	Effective Date	Art. VII/Admin	FY 2023	FY 2024
Global Cap Forecast with Legislation (Surplus)/Deficit			(\$437.04)	\$344.57
Global Cap Index Inflation - CMS Office of the Actuary Medicaid Projection (5-Year Rolling Average)	4/1/22	Article VII	(\$366.00)	(\$899.38)
Health Care Bonus - State Total	4/1/22	Article VII	\$922.75	\$0.00
Financial Plan Support for Health Care Bonuses	4/1/22	Article VII	(\$922.75)	\$0.00
Global Cap (Surplus)/Deficit			(\$803.04)	(\$554.81)
Budget Actions			\$844.25	\$627.01
Hospital Actions			\$350.00	\$350.00
Distressed Hospital Pool	4/1/22	Admin	\$100.00	\$100.00
Distressed Provider Account Investment (inc. \$100M of Financial Plan Resources)	10/1/21	Admin	\$250.00	\$250.00
Long Term Care Actions			\$48.80	(\$15.30)
<u>Nursing Home Reforms</u>			<u>\$161.50</u>	<u>\$161.50</u>
Nursing Home Support for Compliance with Staffing Regulations	4/1/22	Admin	\$61.50	\$61.50
Increase Nursing Home Vital Access Provider (VAP) Funding	4/1/22	Article VII	\$100.00	\$100.00
<u>LTC--Medicaid Diversion</u>			<u>(\$110.56)</u>	<u>(\$150.56)</u>
Expansion of Licensed Home Care Service Agencies (LHCSA) Marketplace	4/1/22	Admin	\$0.00	(\$40.00)
Long Term Service and Support (LTSS) Coverage in Essential Plan	1/1/23	Article VII	(\$110.56)	(\$110.56)
<u>LTC Other Reforms</u>			<u>(\$2.13)</u>	<u>(\$26.23)</u>
LHCSA Request for Offer (RFO) Re-estimate	5/1/22	Admin	\$0.00	(\$25.00)
LTSS Services Authorization Guidelines	7/1/22	Article VII	\$0.00	(\$5.00)
Increasing Private Duty Nursing (PDN) Reimbursement for Nurses Servicing Adult Members	4/1/22	Article VII	\$19.45	\$25.60
Use of Federal HCBS funding to support PDN Reimbursement	4/1/22	Admin	(\$19.45)	\$0.00
Alzheimer's Program under Medicaid	4/1/22	Admin	\$1.37	\$1.37
Fully Implement the Duals Integration Roadmap	4/1/22	Admin	(\$3.50)	(\$23.20)
Managed Care Actions			(\$34.43)	(\$264.68)
Postpartum Women in Essential Plan	1/1/23	Article VII	\$0.00	(\$165.00)
Moving Integrated Plans to Middle of the Rate Range	4/1/22	Admin	\$20.00	\$20.00
Restore MMC/MLTC Quality Pools (1-Year Restoration)	4/1/22	Admin	\$77.25	\$0.00
Utilize Child Health Plus (CHP) to Access Federal Funding for Enhanced Pregnancy Coverage	3/1/23	Admin	(\$183.00)	(\$171.00)
Applied Behavior Analysis (ABA) Rates to Incentivize Providers in Managed Care	4/1/22	Admin	\$36.61	\$36.61
Adjust HIV SNP Rates to Reflect High Needs Model	4/1/22	Admin	\$14.72	\$14.72
Pharmacy Actions			\$0.00	\$5.00
Establishing Parity and Uniform Clinical Standards across both Medical and Retail Pharmacy Benefits in FFS	10/1/23	Admin	\$0.00	\$5.00

https://www.health.ny.gov/health_care/medicaid/redesign/mrt_budget.htm

FY 2023 Enacted Budget Medicaid Scorecard (Continued)

(State Share \$ millions)	Effective Date	Art. VII/Admin	FY 2023	FY 2024
Other Actions			\$462.35	\$498.37
Increase Medicaid Trend Factor by 1% to Recognize Provider Cost Increases	4/1/22	Article VII	\$318.31	\$318.31
Restoration of 1.5% Across the Board (ATB)	4/1/22	Admin	\$140.76	\$140.76
Investment in Children's Behavioral Health Services	4/1/22	Admin	\$37.26	\$42.83
Use of Federal HCBS funding to support Children's Behavioral Health Services	4/1/22	Admin	(\$37.26)	\$0.00
Increase Top 20 Orthotics and Prosthetics Codes to Medicare Rates	4/1/22	Admin	\$3.75	\$3.75
Establish Unique Identifier for All Unenrolled Provider Types	4/1/22	Admin	(\$5.00)	(\$5.00)
Promote Access to Primary Care	4/1/22	Admin	\$4.93	\$6.60
Eliminate Unnecessary Requirements from the Utilization Threshold (UT) Program	4/1/22	Article VII	(\$0.23)	(\$0.23)
Enhanced Durable Medical Equipment (DME) Management	7/1/22	Admin	(\$0.17)	(\$8.65)
Maternal Health Actions			\$4.34	\$26.76
Improve and Expand Access to Prenatal and Postnatal Care	6/1/22	Article VII	\$6.34	\$18.76
Advancing Comprehensive Maternal Care in Managed Care	10/1/22	Admin	\$15.00	\$25.00
Maternal Health Investments - Avoided Costs	4/1/22	Admin	(\$17.00)	(\$17.00)
Other State of the State Actions			\$13.19	\$26.86
Create an Center of Medicaid Innovation to Lower Costs and Improve Care	4/1/22	Admin	\$1.20	\$1.20
Promote Health Equity and Continuity of Coverage for Vulnerable Seniors	1/1/23	Article VII	\$5.00	\$20.00
Patient Access and Developer Portals	4/1/22	Admin	\$4.06	\$2.73
Health Care Bonus Enforcement	4/1/22	Admin	\$2.93	\$2.93
Adds			\$904.83	\$408.63
Additional Hospital Funding	4/1/22	Admin	\$800.00	\$100.00
Maternal Health for Postpartum Coverage for Undocumented	3/1/23	Article VII	\$2.33	\$53.88
Medicaid Coverage for Undocumented Age 65+	1/1/23	Article VII	\$56.45	\$229.25
Additional QIVAPP Support	4/1/22	Admin	\$37.40	\$0.00
Medicare Savings Program Expansion	1/1/23	Article VII	\$5.20	\$20.90
Medicaid Ambulance Billing	7/1/22	Article VII	\$3.45	\$4.60
Avails			(\$946.04)	(\$480.83)
Other Revisions and Timing of Payments Across Fiscal Years	4/1/22	Admin	(\$342.34)	(\$336.93)
Mainstream Managed Care Non-Federal Share Assumption	4/1/22	Admin	(\$486.00)	\$0.00
Temporary Support for One-time COVID-related Hospital Expenses	4/1/22	Admin	(\$84.00)	(\$84.00)
CDPAP Request for Offer (RFO) Re-estimate	4/1/22	Article VII	(\$25.00)	(\$25.00)
Elderly Pharmaceutical Insurance Coverage (EPIC) Savings Offset related to MSP Expansion	1/1/23	Article VII	(\$8.70)	(\$34.90)
Total Global Cap (Surplus)/Deficit			\$0.00	\$0.00
Home Care Minimum Wage Increase	10/1/22	Article VII	\$362.58	\$964.91
Lost MOE Savings associated with the use of Federal HCBS funding in FY 2024	4/1/23	Admin	\$0.00	\$289.00
Use of Federal HCBS funding to support Home Care Minimum Wage Increase	10/1/22	Admin	(\$362.58)	(\$702.42)
Home Care Minimum Wage Increase Supported Outside the Global Cap			\$0.00	\$551.48
Financial Plan Support of Home Care Minimum Wage Increase	4/1/23	Admin	\$0.00	(\$262.48)
Financial Plan Support of Lost MOE Savings	4/1/23	Admin	\$0.00	(\$289.00)
Total Financial Plan Support For Min Wage Increase in FY 2024			\$0.00	(\$551.48)

FY 2023 Enacted Medicaid Legislation

Health and Mental Hygiene (HMH)

- **Part D:** Health Care Workforce Bonuses. – Moved to ELFA bill part ZZ
- **Part H:** Global Cap Metric Update
- **Part I:** 1% ATB Increase.
- **Part J:** Hospital Rebasing
- **Part M:** NH Reforms
- **Part N:** Health Equity and Continuity of Coverage for Vulnerable Seniors – Moved to ELFA bill Part AAA
- **Part O:** LTC Program Reforms
- **Part P:** Managed Care Reforms
- **Part Q:** Marketplace Waiver and Essential Plan Expansion – Moved to ELFA bill Part BBB
- **Part S:** Maternal Health Actions – Moved to ELFA bill Part CCC
- **Part U:** Child Health Plus Program Expansion – Moved to ELFA bill Part DDD
- **Part V:** Telehealth Parity
- **Part W:** Utilization Threshold Program
- **Part BB:** Pharmacy – Discontinues Prescriber Prevalence **VO**
- **Part PP (Senate Part XX):** CDPAP/FI.
- **Part QQ (Senate Part TT):** Competitive Bidding Requirements.
- **Part RR (Assembly Part UU):** Distressed Provider Assistance Account

Education, Labor, Family Assistance (ELFA)

- **Part XX (Senate HMH Part RR/Assembly HMH Part TT):** Minimum Wage for Home Care Workers.
- **Part ZZ:** Health Care Workforce Bonuses
- **Part AAA:** Health Equity and Continuity of Coverage for Vulnerable Seniors
- **Part BBB:** Marketplace Waiver and Essential Plan Expansion
- **Part CCC:** Maternal Health Actions
- **Part DDD:** Child Health Plus Program Expansion

Public Protection & General Government (PPGG)

- **Part KK (Senate PPGG Part II):** Fees and Charges for Emergency Medical Services

Executive Proposals Accepted *without* *Material* Modifications

February 2022

Global Cap

Article VII (HMH – Part H)

- The SFY 2022-23 Enacted Budget includes the modification of the Global Cap metric moving from the ten-year rolling average of the medical component of the CPI to the five-year rolling average of Medicaid spending annual growth rate within the National Health Expenditure Accounts produced by Office of the Actuary in the Centers for Medicare & Medicaid Services (CMS).

<u>Global Cap Variance</u>				
Current Global Cap Growth				
(\$ millions)	FY2022	FY2023	FY2024	FY2025
DOH Global Cap	\$20,572	\$21,172	\$21,749	\$22,333
Year to Year Change	2.9%	2.9%	2.7%	2.7%
CMS Office of the Actuary Medicaid Projections - 5-Year Rolling Average				
(\$ millions)	FY2022	FY2023	FY2024	FY2025
DOH Global Cap	\$20,572	\$21,538	\$22,649	\$23,875
Year to Year Change	2.9%	4.7%	5.2%	5.4%
Current Global Cap to CMS Variance				
(\$ millions)	FY2022	FY2023	FY2024	FY2025
DOH Global Cap - Variance	\$0	\$366	\$899	\$1,542
Year to Year Change - Variance	0.0%	1.8%	2.4%	2.7%

- This new inflation metric will more accurately reflect the higher costs of providing Medicaid services because it considers utilization, enrollment growth, and service cost, and would increase the allowable growth of state Medicaid spending significantly (>\$3 billion) over the next three years.

Managed Care

Adjust HIV-Special Needs Plans (HIV SNP) Plan Rates – Administrative

- Increases all three HIV SNPs to higher points in the actuarial rate range to reflect the high needs of this population.

Moving Integrated Plans to Middle of the Rate Range – Administrative

- Invests \$40M gross (\$20M State share) to increase Medicaid Advantage Plus (MAP) plan premiums to the mid-point of the actuarial rate range, providing an accelerated and smoother transition to integrated care.

National Cancer Institute (NCI) Designated Cancer Care – Article VII (HMH Part P)

- Requires health plans offering Medicaid, Essential Plan and Qualified Health Plan to contract with willing national cancer institute-designated cancer centers.

Long Term Care (LTC)

Long-Term Supports and Services (LTSS) Services Authorization Guidelines – Article VII (HMH Part O)

- This proposal modifies the MRT II proposal from requiring the implementation of a single uniform tasking tool to a requirement that tasking tools used by plans and LDSS meet specific service authorization guidelines and standards. These standards will be developed by the Department, in consultation with subject matter experts.

Increasing Private Duty Nursing (PDN) Services Reimbursement for Adults – Article VII (HMH Part O)

- DOH will increase the fee-for-service (FFS) reimbursement for adult PDN cases to achieve reimbursement parity between pediatric and adult PDN cases.

Licensed Home Care Services Agency (LHCSA) Request for Offer (RFO) Refinement – Administrative

- This proposal incorporates an administrative efficiency component into the selection process for the LHCSA RFO that was authorized as part of the FY 2020 Enacted budget (MRT II Reforms).

Nursing Home Reforms

Nursing Home Support for Compliance with Staffing Regulations – Administrative

- Modifies the definition of revenue to exclude provider assessment revenue; the capital per diem portion of reimbursement rates for nursing homes with an overall 4 or 5 star rating (however, the exclusion does not apply to any amount of the capital portion attributable to a transaction with a common or familial ownership to the operator or the facility) and federal grants related to reimbursement for COVID-19 pandemic related expenses, including but not limited to FEMA funds; and, for 2022, provides authorization for a pro rata methodology to calculate excess funds when nursing homes fail to meet the minimum spending standards for resident-facing staffing or direct resident care.

Nursing Home Quality Pool – Article VII (HMH Part M)

- Expands on the funding methods of the Nursing Home Quality Pool (NHQP) by funding through state appropriations, either fully or in addition to the current funding through rate adjustments to eligible nursing homes.

Funding for Distressed Nursing Homes – Article VII (HMH Part M)

- Includes financially distressed nursing homes, Independent Practice Associations (IPAs), and Accountable Care Organizations (ACOs) as eligible providers of Vital Access Provider Assurance Program (VAPAP) funds; authorizes VAPAP funds to be made pursuant to an applicable evaluation process and transformation plan; and requires DOH to publish on its website the criteria, evaluation process and guidance for transformation plans and notification of any award recipients.

Maternal Health

Improve and Expand Access to Prenatal and Postnatal Care – Administrative

In alignment with evidence-based guidelines and best practices, access to comprehensive maternal health services will be expanded through new or expanded Medicaid reimbursement, to include:

- Reimbursement for Registered Dietitians for Nutrition Services provided to pregnant and postpartum populations
- Reimbursement for Community Health Workers (CHWs) and Patient Family Navigators (PFNs) for care coordination and peer support services provided to pregnant and postpartum populations
- Coverage of Bluetooth-enabled devices in reimbursement for telehealth/remote patient monitoring services
- Alignment of billing and reimbursement policy to support a two-generational integrated approach to the delivery of primary prevention services for young children and their caregivers (dyadic services)
- Increase in reimbursement rate for Midwifery services
- Expanded coverage of non-invasive prenatal trisomy screening (NIPS) to include pregnant people of any age

Advance Comprehensive Maternal Care in Managed Care – Administrative

- Invest in two quality incentive funding pools, one for community perinatal care providers and one for labor and delivery hospitals, to be distributed through a state-directed Value-Based Payment arranged through Medicaid Managed Care
- Payments to providers may be earned based on reporting and performing across state-selected measures of clinical quality and maternal health outcomes.

Investing in Behavioral Health Services for Children

Administrative Actions

HCBS, CFTSS and 29-I Rate Increases: Increasing reimbursement rates for Children’s Home and Community Based Services (HCBS), Child and Family Treatment and Support Services (CFTSS), and 29-I Health Facility services to assist providers in building service capacity.

Program	Previous Adjustments	4/1/21-3/31/22	4/1/22- 9/30/22	10/1/2022 and beyond
HCBS	N/A	+ 25%	+ 25%	Updated Base Rates
CFTSS	+11% ⁽¹⁾	+ 14%	+ 25%	Updated Base Rates
29-I Health Facility	N/A	+ 25% ⁽²⁾	+ 25%	Base Rates

(1) Effective 4/1/20-3/1/22; (2) Effective 7/1/21

Provide Reimbursement for HCBS Assessments for Health Homes Serving Children: To ensure that children are promptly assessed for waiver eligibility and to ensure children/youth are connected to needed services.

Provide Reimbursement under the Children’s Waiver for Transitional Services: To ensure access to necessary HCBS for children and youth being discharged from an institutional level of care.

Support Child Welfare Step-Down Programs: Support child welfare agencies to restructure their care delivery systems to reduce the number of children and lengths of stay of children in Qualified Residential Treatment Programs (QRTP).

Expand School Supportive Health Services Program (SSHSP): Expand access to qualifying services to additional Medicaid-enrolled students ages 3 years through 21 by eliminating requirement for inclusion of the qualifying services in an Individual Education Plan (IEP).

Enhance funding for Evidence-Based Practices: In the delivery of Children’s Behavioral Health Services.

Essential Plan (EP)

- **Waiver Authority – Article VII (ELFA Part BBB).** Gives the Commissioner the authority to apply for Federal waivers of provisions of the Affordable Care Act to make quality coverage more affordable for New Yorkers. This authority is needed to proceed with the EP eligibility expansions:
- **Eligibility Expansion – Article VII (ELFA Part BBB).** Expands EP eligibility from 200% to 250% of FPL for individuals who are currently Qualified Health Plan eligible. Reduces the uninsured by an estimated 14,000 and makes coverage more affordable for over 90,000 individuals who struggle to afford the current premium.
- **Pregnancy/Postpartum – Administrative.** Gives individuals enrolled in EP the option to remain enrolled in EP when they become pregnant instead of moving to Medicaid; provides pregnant individuals in EP 12-months postpartum coverage following their pregnancy with no cost sharing; and deems infants born to EP enrollees up to 223% of FPL to be eligible for Medicaid for one year. Impacts an estimated 18,000 pregnant individuals.

Essential Plan (EP), continued

Community Based Long Term Services and Supports – Article VII (ELFA Part BBB).

- Adds Community-Based Long-Term Services and Supports to the EP benefit package with no cost sharing. Impacts:
 - 3,400 individuals with household income from 0 to 138% of FPL and are not eligible for Federal Medicaid due to immigration status (Aliessa population) starting January 1, 2023; and
 - All 6,700 eligible Essential Plan enrollees starting January 1, 2025.

Undocumented Immigrants – Administrative.

- DOH will seek a federal waiver to expand EP to cover undocumented immigrants ages 19-64.

Telehealth Parity

Article VII – HMH Part V

- Requires payers to reimburse health care services delivered by telehealth “on the same basis, at the same rate, and to the same extent” as services delivered in person.
- Certain fees (e.g., facilities fees, APGs) are excluded from this requirement when such costs are not incurred (when patient and provider are both off-site). OPWDD, OMH, and OASAS Commissioners may establish policy for services licensed, certified, or otherwise authorized by OPWDD, OMH, and OASAS pursuant to Article 16, 31, and 32 providers, respectively.
- Consistent with Medicaid policy pre-Public Health Emergency but represents a change for commercial insurers.
- Effective April 1, 2022. Medicaid intends to continue reimbursing facility fees for off-site services throughout the PHE.
- Insurance Law now requires plans to ensure networks are adequate to meet the telehealth needs of insured individuals.
- Directs the superintendent of financial services and the Commissioner of Health to publish a report that contains information regarding the use of telehealth services by April 1, 2023.
- This act will expire and be deemed repealed on April 1, 2024.

April 2022

Other Actions (ATBs)

Increase Medicaid Trend Factor by 1% to Recognize Provider Cost Increases – Article VII (HMH Part I)

- The State is making a multi-year investment in Medicaid providers by increasing Medicaid operating rates across the board by an additional 1% to respond to market needs and compete in the labor market to attract qualified workers.

Restoration of the 1.5% Across the Board (ATB) – Administrative

- DOH implemented a 1% ATB payment reduction effective January 1, 2020 – April 1, 2020, which increased to a 1.5% ATB reduction effective April 2, 2020, and each Fiscal Year (FY) thereafter which has been restored effective April 1, 2022 in the Enacted Budget.

Service Area Impacts from Restoration of the 1.5% ATB Reduction and 1% Medicaid Rate Increase

Category	Restoration of 1.5% ATB Reduction *	1% Rate Increase
Inpatient Services	<ul style="list-style-type: none"> Hospital Inpatient Reimbursement (inc. capital & FFS GME); Indigent Care Pool (ICP) payments; GME payments for MMC patients; DSH payments and ICA’s made to governmental hospitals operated by the State or SUNY; and Supplemental Medicaid payments and DSH payments made to voluntary hospitals. 	<ul style="list-style-type: none"> Operating Costs for Hospital Inpatient Reimbursement (inc. FFS GME); and GME payments for MMC patients;
Nursing Homes	<ul style="list-style-type: none"> In State Nursing Homes (inc. capital); and Out of State Nursing Homes (inc. capital). 	<ul style="list-style-type: none"> Operating Costs for In State Nursing Homes; and Operating Costs for Out of State Nursing Homes.
Non-Institutional Long-Term Care Services	<ul style="list-style-type: none"> Assisted Living programs; Home Health; and Personal Care. 	<ul style="list-style-type: none"> Assisted Living programs; Home Health; Personal Care; NHTD/TBI Waiver
Managed Care**	<ul style="list-style-type: none"> Managed Long-Term Care; and Managed Care (including HIV SNP). 	<ul style="list-style-type: none"> Managed Long-Term Care; and Managed Care (including HIV SNP).
Other Services	<ul style="list-style-type: none"> Article 28 Freestanding Clinics and Ambulatory Surgery Centers (inc. capital); Article 28 Hospital Based Outpatient (inc. capital); Pharmacy; Physicians both office-based and other places of service; Dental, Eye, X-ray, etc.; and Supplemental Payments. 	<ul style="list-style-type: none"> Operating Costs for Article 28 Freestanding Clinics and Ambulatory Surgery Centers; Operating Costs for Article 28 Hospital Based Outpatient; Physicians both office-based and other places of service; Dental, Eye, X-ray, etc.; Residential Hospice Services; Early Intervention; Children’s HCBS; Children’s Health Home services; and Operating Costs for FQHCs and Rural Health Clinics.

* The 1.5% ATB Reduction was applied to the entire plan/provider payment, and therefore, was not a traditional rate increase like the 1% ATB proposal.

** Managed Care Plans are still at the lower bound of the actuarial range consistent with prior year proposals, therefore, the restoration of the 1.5% ATB Reduction is superseded. However, the 1% ATB Rate Increase will be added to plans rates on top of the lower bound.



Other Actions (continued)

Hospital Rebasing Delay – Article VII (HMH Part J)

- Extends the statutory requirement to rebase and reweight acute hospital rates from July 1, 2022, to no earlier than January 1, 2024.

Hospital Investments – Administrative

- Includes \$350 million base payments for distressed hospital investments.

Establishing Parity and Uniform Clinical Standards across both Medical and Retail Pharmacy Benefits in FFS – Administrative

- Leverages existing tools under the pharmacy benefit to establish utilization management tools for drugs dispensed under the medical benefit through real time upfront processes that provides drug coverage transparency and reduces administrative burdens.

Promote Access to Primary Care – Administrative

- Invests in primary care by benchmarking Medicaid fee-for-service physician reimbursement rates for Evaluation & Management and Medicine codes to 70% of current Medicare reimbursement rates. Effective July 1, 2022.

Applied Behavior Analysis (ABA) Rate Increase – Administrative

- This proposal will increase the Medicaid reimbursement rate to \$76.31 per hour to align Medicaid reimbursement with Child Health Plus and other commercial payors.

Increase Reimbursement for the Top 20 Orthotics and Prosthetics (O&P) Codes to 80% of Medicare – Administrative

- Establishes higher reimbursement for the top 20 O&P Codes. Fee structure will be comparable to Medicare and other third-party insurers.

Patient Access and Developer Portals – Administrative

- Create an access point that can be used by mHealth developers to enable consumers to access their own Medicaid claims and provider data through mHealth (smartphone) Applications.

Utilization Threshold Program – Article VII (Part W)

- Revises the process for monitoring Medicaid FFS utilization (e.g., physician, lab, dental clinic services) from a prospective to a retrospective function by removing the requirement for providers to submit requests for increases in benefit limits.



Executive and One-House Budget Proposals Enacted *with Material* Modifications

Health Care Workforce Bonuses

Article VII – ELFA Part ZZ

- Funds one-time bonus payments for front line health care workers employed by Medicaid enrolled providers, who:
 - *Have a base salary of less than \$125,000.*
 - *Work (or have worked) for six months straight for one employer during the “vesting” period (this includes contract/per-diem work who meet hourly requirements with same agency).*
 - *The “Vesting” period is any time beginning October 1, 2021 through March 31, 2024.*
 - *Employees who work at least 35 hours per week can get a full bonus of \$1,500/per vesting period (sliding scale for part-time employees) with a maximum total payout of \$3000 per employee (i.e., two full bonus payments).*
- Bonus payments will be tiered, based on the average number of hours the employee worked over the course of a vesting period with a maximum total payout of \$3000 per employee. DOH is directed to seek Medicaid federal matching assistance to support the bonuses for certain employer types that support the Medicaid program.
- Requires employers to report the number of hours that employees work during the vesting period and submit claims for reimbursement of the bonus payments; employers have 30 days after the bonus is paid to them to make the payment to the employee.
- Provides that bonuses shall not be subject to state or local income tax and excludes bonuses from being considered income for purposes of public benefits or other public assistance.
- Requires DOH to request a waiver from CMS to exempt worker bonus payments from the calculation of federal disproportionate share payments, or in the calculation of the upper payment limit (DSH/UPL), for applicable employers.

Health Care Workforce Bonuses (continued)

Article VII – ELFA Part ZZ

- **Eligible Worker Titles are listed directly in Statute (ELFA Part ZZ)**
 - Examples include but are not limited to: Physician assistants, dental hygienists, dental assistants, psychiatric aides, pharmacists, pharmacy technicians, physical therapists, physical therapy assistants, physical therapy aides, occupational therapists, occupational therapy assistants, occupational therapy aides, speech-language pathologists, respiratory therapists, exercise physiologists, recreational therapists, all other therapists, orthoptists, prosthetists, clinical laboratory technologists and technicians, certified first responders, emergency medical technicians, advanced emergency medical technicians, paramedics, surgical technologists and all other health technologists and technicians, orderlies, medical assistants, phlebotomists and all other healthcare support workers, nurse anesthetists, nurse midwives, nurse practitioners, registered nurses, nursing assistants and licensed practical and licensed vocational nurses, as well as various mental hygiene workers.
- **Home care aides are not an eligible title, and so employees of Art. 36 entities that fall under such titles (e.g. Home health Aide, Personal Care assistant, home maker, etc.) are not eligible.** However, certain Art. 36 entities, such as Certified Home Health Agencies (CHHAs) and Licensed Home Care Services Agencies (LHCSAs), employ eligible titles (e.g. Nurses, PT/OT Therapists, Speech Pathologists, etc.) that provide hands on services, and would be eligible for the bonus.

Managed Care Reforms

Managed Care Organizations (MCOs) Procurement Study – Article VII (HMH Part P)

- Requires DOH to review and make recommendations on the status of services offered by MCOs contracting with the state to manage services provided under the Medicaid program; the purpose of such study is to inform the development of a plan to reform the delivery of services offered by MCOs in the Medicaid program (report due to Governor and the Legislature by October 31, 2022).

Restore the MMC/MLTC Quality Pools (Modified to one year restoration) – Administrative

- Restores FY 2023 dollars associated with Quality Incentive (QI) Pool payment funding that was cut as part of the FY 2021 Enacted Budget for both Mainstream Managed Care (MMC) and Managed Long-Term Care (MLTC) -- restoring \$60M (State Share) for the MMC Quality Pool and \$17.25M (State Share) for the MLTC Quality Pool.

Raising the income level for seniors and individuals with disabilities to 138% FPL

Article VII – ELFA Part AAA

- Consistent with Part N of the Executive Budget, this provision change raises the income level for Aged, Blind, and Disabled (Non-MAGI), Low-Income Families and other Medically Needy adults to 138% of the FPL. (Effective 1/1/23)
- While this provision change does not fully eliminate the spend-down program, it raises the income level so that very low-income enrollees between 87% and 138% of the FPL can maintain their eligibility as they transition from the adult eligibility category to over 65 or disabled eligibility category.
- The Enacted Budget modifies Part N of the Executive Budget by maintaining the statutory structure for resources resulting in a limited increase in the resource level as the resource cap is tied to 150% of the income limit. Currently the annual resource cap is \$16,800 for a household of 1. Raising the income limit to 138% FPL increases the resource cap to \$28,133.

Medicare Savings Program (MSP) Eligibility Level Increases

Article VII – ELFA Part AAA

- Increased MSP levels will help vulnerable seniors and individuals with disabilities access Medicare.
- By increasing QMB to 138% of the FPL to align with the new threshold for non-MAGI eligibility above and QI to 186% of the FPL, this modified enacted budget proposal improves access to Medicare for more than 100,000 New Yorkers.

MSP Benefit Levels	Current Eligibility	New Eligibility	Coverage	Funding
Qualified Medicare Beneficiaries (QMB)	<=100% FPL	<=138% FPL	Medicare Part A premium (hospital) as well as the Part B premium (outpatient services), deductibles and coinsurances.	State/Fed (50%/50%)
Specified Low-Income Beneficiaries (SLMB)	>100-<120% FPL	ELIMINATED	Medicare Part B premium	State/Fed (50%/50%)
Qualified Individuals (QI)	≥120-≤135% FPL	138-186% FPL		Fed (100%)

- Enrollment in any MSP also automatically enrolls a Medicare beneficiary into the Part D Low-Income Subsidy (“LIS”), or Extra Help program, which helps pay prescription drug costs -- 66,000 seniors in the EPIC program will now qualify for Low-Income Subsidy (LIS) Extra Help because MSP is being expanded to 186% FPL. This would reduce the state support with Part D premiums/claims for these Seniors in the EPIC program as they would automatically qualify for LIS under this expansion.

Child Health Plus Program (CHPlus)

Elimination of \$9/month Premium (Effective October 1, 2022) – Article VII (ELFA Part DDD)

- Eliminates the \$9 per month family premium contribution for children with household income between 160 and 222% of the federal poverty level (children in households with income between \$27,876 and \$38,676 for a household of two and between \$42,408 and \$58,836 for a household of four). Impacts approximately 146,000 children, many who are frequently cancelled for non-payment, sometimes multiple times in a year.

Expands covered health care services, including Mental Health benefits (Effective January 1, 2023) – Article VII (ELFA Part DDD)

- Expands the CHPlus benefit package to include critical mental health services including Children and Family Treatment and Support Services (Crisis Intervention, Community Psychiatric Support and Treatment, Psychosocial Rehabilitation, Youth Peer Support and Training and Family Peer Support), Children's HCBS, Assertive Community Treatment (ACT) and Residential Rehabilitation for Youth (RRSY). Services will be reimbursed at a government rate.
- Several other benefits are being expanded including coverage of additional medical supplies, orthodontia coverage consistent with Medicaid, medical transportation (air-ambulance and transportation between hospitals and health services covered at an Article 29-I Facility/Voluntary Foster Care Agency).

CHPlus Rate Setting (Effective 1/1/24) – Article VII (ELFA Part DDD)

- Moves CHPlus rate setting authority from DFS to DOH

Postpartum Coverage (Effective 3/1/23) – Article VII (ELFA Part DDD)

- Expands postpartum coverage from 60 days to 12 months for individuals under CHPlus, aligning with Medicaid expansion

New/Added Proposals Included in Enacted Budget

April 2022

Minimum Wage Increase for Home Care Workers

Article VII – ELFA Part XX

- Increases the statutory minimum wage by \$3.00 per hour which will be phased in over the next 18 months
- Beginning October 1, 2022 the minimum wage will be increased by \$2.00 per hour and beginning October 1, 2023 an additional \$1.00 per hour will be added for full phase in.
- Consistent with the statute, rates will be adjusted to ensure workers in various regions receive the increase(s) in addition to the current statutory base wage amounts effective as of December 31, 2021:
 - New York City/Long Island/Westchester - \$15 per hour
 - Rest of State - \$13.20 per hour

Region	10/1/22	10/1/23
NYC/LI/West.	\$17.00	\$18.00
Rest of State	\$15.20	\$16.90

- The Department will begin working with CMS and the state actuary to effectuate rate adjustments to account for this minimum wage increase, which for managed care plans will be calculated in an actuarially sound manner and include guidance on the Department's expectations regarding how amounts should be paid from plans to providers.

2022-23 State Impact	2023-24 State Impact
\$362.58M	\$964.91M
<i>HCBS eFMAP is anticipated (pending CMS approval) to fully fund home care wage increases in FY23 and partially in FY24.</i>	

Expansion of Post-Partum Coverage

Article VII – ELFA Part CCC

- Expands Post-Partum Coverage from 60 days to 12 months for all individuals eligible for Medicaid (regardless of their immigration status)
- Extends postpartum coverage to approximately 9,000 undocumented individuals who would be otherwise uninsured with state only funding
- Implementation Date: 3/1/23

Medicaid Coverage for Undocumented Age 65+

Article VII – ELFA Part AAA

- Provides Comprehensive health coverage to undocumented individuals ages 65 plus with State only funding (effective 1/1/23 however enrollment not expected until 3/1/23)
- The benefits and services will be equivalent to the Mainstream Managed Care benefit (as of 1/1/23) which provides coverage to nearly 6 million New Yorkers today
- Estimated to provide comprehensive health coverage to approximately 25,000 New Yorkers ages 65 and older who would be otherwise uninsured

Fiscal Intermediary Contracting

Article VII – HMH Part PP

- The FY 2023 Enacted Budget revised Social Services Law Section 365-f with a material modification of the approach underlying the fiscal intermediary Request for Offers (RFO) issued in December 2019 and the Survey of Qualified Offerors issued in June 2021.
- The new legislative provisions now require DOH to offer contracts to the 68 awardees from February 2021 and all other qualified offerors from the initial RFO if such other qualified offerors affirmatively attest that they served at least 200 consumers in NYC, or 50 consumers in other areas of the state, at any point during the first calendar quarter of 2020.
- DOH is currently working on developing the attestation and contracting process to effectuate the new provisions and will provide all qualified offerors with more information as it becomes available. OMIG will audit attestations.
- MLTC Policy 21.01 outlining the transition policies for non-contracted fiscal intermediaries remains in effect. Please note, DOH has not announced a “contract notification date” and therefore all fiscal intermediaries can continue to operate at this time.

Competitive Bidding Requirements

Article VII – HMH Part QQ

- Provides an end date of 8/19/26 for the NYSOH Enrollment Center contract and an end date of 9/30/25 for the Enrollment Broker/CFEEC/Independent Assessor contract, which were previously authorized without the need to conduct a competitive bid.
- DOH will conduct a competitive procurement for continuation of these services following the contract expiration dates.

Other Actions

Additional QIVAPP Support (\$37.4M in FY23) – Administrative

- Provides one year of additional support for the QIVAPP program to improve the quality of both home and personal care services.

Additional Hospital Funding (\$800M in FY23; \$100M in FY24) – Administrative

- Provides additional support for financially distressed hospitals to sustain critical health care services and promote transformation.

Medicaid Ambulance Billing (\$3.45M in FY23; \$4.60M in FY24) – Article VII (PPGG Part KK)

- Allows Fire Districts to bill Medicaid for Emergency Transportation Services.

Resources



Website:

https://www.health.ny.gov/health_care/medicaid/redesign/mrt_budget.htm
MRT Budget Information.



Email: mrtupdates@health.ny.gov



DOH Medicaid Update:

https://www.health.ny.gov/health_care/medicaid/program/update/main.htm



MRT LISTSERV:

https://health.ny.gov/health_care/medicaid/redesign/listserv.htm

Questions?

*Please submit your question to
All Panelists using the Q&A feature of
the WebEx Event meeting.*

