



JUL 29 2015

Administrator
Washington, DC 20201

Mr. Jason Helgeson
Director
Office of Health Insurance Programs
New York State Department of Health
Empire State Plaza
Corning Tower (OCP – 1211)
Albany, NY 12237

Dear Mr. Helgeson:

The Centers for Medicare & Medicaid Services (CMS) is approving New York's request to amend its Medicaid demonstration, entitled New York Partnership Plan, Project Number 11-W-00114/2, originally approved by CMS on July 15, 1997.

This amendment provides a waiver of section 1902(a)(10)(B) of the Social Security Act (the Act) for New York to establish Health and Recovery Plans (HARPs) and provide an option for coordinated care and additional home and community based services (HCBS) for populations diagnosed with severe mental illness and substance use disorders. Effective August 1, 2015, and once fee for service rates for the HARPs HCBS services are approved, New York will be permitted to commence enrollment into HARPs. Current enrollees in New York's Mainstream Medicaid Managed Care program will be reviewed for HARPs eligibility, and if eligible, will be passively enrolled. Individuals may opt out within 90 days of passive enrollment. New enrollees, upon being determined eligible for Medicaid, will be given an assessment for severe mental illness or substance use disorder. When individuals are no longer eligible, they will be offered a choice of Mainstream Medicaid Managed Care plan to continue receiving Medicaid benefits.

With this amendment, CMS is also revising current waivers of 1902(a)(1) and 1902(a)(23)(A) of the Act. These revised authorities will permit New York to geographically phase in HARPs enrollment and restrict choice of provider to those who furnish services under HARPs plans.

CMS is also approving new expenditure authorities to effectuate eligibility flexibilities for the Adult Group. New York is permitted to implement the following features:

- Seamless enrollment of adults who receive Temporary Assistance for Needy Families (TANF) into Medicaid,
- Extension of continuous eligibility for members of the Adult Group who turn 65 during their coverage period and
- Extension of temporary coverage for members of the Adult Group who experience a coverage gap before entering the health insurance Marketplace.

Also, CMS is granting the state's request to extend its expenditure authority for its Advance Premium Tax Credit program that provides support to individuals who have transitioned from Medicaid under the demonstration to the health insurance Marketplace.

At this time, CMS is not approving a waiver of section 1902(a)(27) and 1902(a)(32) to allow individuals to self-direct their HCBS expenditures to providers who do not have a provider agreement with the state Medicaid agency. CMS will continue to work with New York on its pilot proposal that necessitates these new waiver authorities and may approve under a subsequent amendment to the 1115 demonstration.

CMS' approval of this amendment is conditioned upon compliance with the enclosed list of waiver and expenditure authorities and Special Terms and Conditions (STCs) defining the nature, character and extent of anticipated federal involvement in the project. The award is subject to our receiving your written acknowledgement of the award and acceptance of these STCs within 30 days of the date of this letter.

Your project officer for this demonstration is Ms. Jessica Woodard. She is available to answer any questions concerning your section 1115 demonstration. Ms. Woodard's contact information is as follows:

Centers for Medicare & Medicaid Services
Center for Medicaid & CHIP Services
Mail Stop: S2-01-16
7500 Security Boulevard
Baltimore, MD 21244-1850
Telephone: (410) 786-9249
Facsimile: (410) 786-8534
Email: Jessica.Woodard@cms.hhs.gov

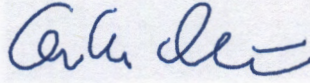
Official communications regarding program matters should be sent simultaneously to Ms. Woodard and to Mr. Michael Melendez, Associate Regional Administrator for the Division of Medicaid and Children's Health Operations. Mr. Melendez's contact information is as follows:

Mr. Michael Melendez
Associate Regional Administrator
Division of Medicaid and Children's Health Operations
26 Federal Plaza
New York, NY 10278
Telephone: (212) 616-2430
Email: Michael.Melendez@cms.hhs.gov

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If you have questions regarding this approval, please contact Mr. Eliot Fishman, Director, State Demonstrations Group, Center for Medicaid & CHIP Services, at (410) 786-5647.

Sincerely,

A handwritten signature in blue ink, appearing to read "Andrew M. Slavitt", is centered on the page. The signature is written in a cursive style with a horizontal line at the end.

Andrew M. Slavitt
Acting Administrator

Enclosures

cc: Michael Melendez, Associate Regional Administrator, CMS New York