



Department  
of Health

Office of  
Mental Health

Office of Alcoholism and  
Substance Abuse Services

March 9, 2015

The New York and Presbyterian Hospital  
PRESBYTERIAN HSP CITY OF NY  
Ms. Phyllis Lantos, Executive VP  
177 Ft. Washington Avenue MHB1-HS 212  
New York, NY 10032

Dear Ms. Lantos:

The Department of Health (DOH), the Office of Mental Health (OMH), the Office of Alcoholism and Substance Abuse Services (OASAS) are pleased to respond to the request for waivers from certain regulatory requirements submitted under the Delivery System Reform Incentive Payment (DSRIP) Program. This letter responds to the request submitted by Presbyterian Hospital in its capacity as lead for The New York and Presbyterian Hospital Performing Provider System under the Delivery System Reform Incentive Payment (DSRIP) Program.

Pursuant to Public Health Law (PHL) § 2807(20)(e) and (21)(e) and in connection with DSRIP Project Plans and projects under the Capital Restructuring Financing Program which are associated with DSRIP projects, DOH, OMH, and OASAS may waive regulations for the purpose of allowing applicants to avoid duplication of requirements and to allow the efficient implementation of the proposed projects. However, the agencies may not waive regulations pertaining to patient safety nor waive regulations if such waiver would risk patient safety. Further, any waivers approved under this authority may not exceed the life of the project or such shorter time periods as the authorizing commissioner may determine.

Accordingly, any regulatory waivers approved herein are for projects and activities as described in the Project Plan application and any implementation activities reasonably associated therewith. Such regulatory waivers may no longer apply should there be any changes in the nature of a project. It is the responsibility of the PPS and the providers that have received waivers to notify the relevant agency when they become aware of any material change in the specified project that goes beyond the scope of which the waiver was granted. Further, any regulatory waivers approved are only for the duration of the projects for which they were requested.

The approval of regulatory waivers are contingent upon the satisfaction of certain conditions. In all cases, providers must be in good standing with the relevant agency or agencies. Other conditions may be applicable as set forth in greater detail below. The failure to satisfy any such conditions may result in the withdrawal of the approval, meaning that the providers will be required to maintain compliance with the regulatory requirements at issue and could be subject to enforcement absent such compliance.

Specific requests for regulatory waivers included in the New York and Presbyterian Hospitals PPS Project Plan application are addressed below.

**39.01 NYP 2.b.i, 3.a.i Title 10 of the Official Compilation of Codes, Rules and Regulations of the State of New York, Section 86-8 (10 NYCRR 8.6-8)**

Background and justification provided in your request: "Waiver is requested to the extent that discounting, packaging, combining or other reduction or denial of payment is required for multiple procedures and/or medical services provided to patients on the same date of service. The current DOH policy as stated in the NYS Medicaid Update (Mar 2014, Vol 30, No 3) is "...providers that submit multiple fee-for-service claims on the same date of service (DOS) or within the same visit/episode of care will no longer be paid for the second claim."

Project 2.b.i – Ambulatory ICU. This project targets adults with at least two comorbid chronic conditions and children with complex medical conditions that require co-management by multiple subspecialists and primary care. One goal is to employ a multi-disciplinary care team to treat a patient for multiple medical and/or behavioral conditions during a single visit to the project site. This request is made so that claims for multiple services provided to a patient on the same day will be paid at the full fee-for-service amount. Given the severely compromised health condition of the targeted patient population, the intensity of the necessary care and the need for care coordination, the project needs adequate funding to achieve financial sustainability.

Without full payment for services provided, this project is not likely to be financially feasible.

Project 3.a.i—Behavioral Health Integration with Primary Care. This project targets patients with a primary psychiatric diagnosis of chronic mental illness and comorbid medical illness. The goal is to employ a multi-disciplinary team of providers to treat a patient for mental illness and medical conditions during a single visit to a provider site. This request is made so that each claim for multiple services provided to a patient on the same day will be paid at the full fee-for-service amount. Given the severely compromised mental and physical health condition of the targeted patient population, the intensity of the necessary care and the need for care coordination, the project needs adequate funding to achieve financial sustainability. The PPS believes that the services provided will deliver better care and decrease ED utilization. But without full payment for services provided, this project is not likely to be financially feasible. Both Projects -The PPS believes that full payment for each service provided is the preferable alternative for secure funding of this much needed care.

Response to Waiver Request:

**Integrated services.** Approved solely with respect to 14 NYCRR 599.4(r) and (ab), which will be waived contingent upon following the DSRIP Project 3.a.i Licensure Threshold Model outlined in Appendix A to this letter. DOH, OMH and OASAS have determined that no additional waivers are needed if providers are integrating services under such model. As noted in Appendix A, the use of this model is contingent upon:

- submission of an application by the PPS with the identification all providers involved in such model;
- the verification of the good standing of such providers by DOH, OMH and OASAS, as appropriate;
- satisfaction of the physical plant standards as delineated in Appendix A.

If a PPS later identifies the need for a waiver, a request can be made at that time.

### 39.02 NYP 3.b.i

Background and justification provided in your request: While there are technically no waivers needed, other than the above, there are regulatory relief needs and guidance required. See Challenges section of Project 3.b.i.

Response to waiver request:

**Integrated services.** Approved solely with respect to 14 NYCRR 599.4(r) and (ab), which will be waived contingent upon following the DSRIP Project 3.a.i Licensure Threshold Model outlined in Appendix A to this letter. DOH, OMH and OASAS have determined that no additional waivers are needed if providers are integrating services under such model. As noted in Appendix A, the use of this model is contingent upon:

- submission of an application by the PPS with the identification all providers involved in such model;
- the verification of the good standing of such providers by DOH, OMH and OASAS, as appropriate;
- satisfaction of the physical plant standards as delineated in Appendix A.

If a PPS later identifies the need for a waiver, a request can be made at that time.

### 39.03 NYP 3.b.ii

Background and justification provided in your request: While there are technically no waivers needed, other than the above, there are regulatory relief needs and guidance required. See Challenges section of Project 3.b.ii.

Response to waiver request:

**Integrated services.** Approved solely with respect to 14 NYCRR 599.4(r) and (ab), which will be waived contingent upon following the DSRIP Project 3.a.i Licensure Threshold Model outlined in Appendix A to this letter. DOH, OMH and OASAS have determined that no additional waivers are needed if providers are integrating services under such model. As noted in Appendix A, the use of this model is contingent upon:

- submission of an application by the PPS with the identification all providers involved in such model;
- the verification of the good standing of such providers by DOH, OMH and OASAS, as appropriate;
- satisfaction of the physical plant standards as delineated in Appendix A.

If a PPS later identifies the need for a waiver, a request can be made at that time.

In cases where waivers are approved, the agencies will send letters directed to the providers which otherwise would be responsible for complying with the regulatory provisions at issue. Providers further will be advised that agency staff who conduct surveillance activities will be notified that these regulatory waivers have been approved; however, they should maintain a copy of their waiver letters at any site subject to surveillance.

Please note that the Department of Health will publish on its website a list of regulatory waivers that have been approved to assist PPSs in determining whether additional waivers may be appropriate for the activities within a PPS. Additional requests for waivers, as well as any

questions regarding the foregoing, may be sent by email to [DSRIP@health.ny.gov](mailto:DSRIP@health.ny.gov) with Regulatory Waiver in the subject line.

Thank you for your cooperation with this initiative. We look forward to working with you to transform New York's delivery system.

Sincerely,



Howard A. Zucker, M.D., J.D.  
Acting Commissioner  
New York State Department of Health



Ann Marie T. Sullivan, M.D.  
Commissioner  
New York State Office of Mental Health



Arlene González-Sánchez  
Commissioner  
New York State Office of Alcoholism  
And Substance Abuse Services