



Making the Most of New York's New Medicaid Waiver

Implementing the Social Care Practice Model

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Jason Helgerson

About Me

- Founder and CEO of [Helgerson Solutions Group \(HSG\)](#)
- HSG is a global consultancy focused on the move to value in health and social care.
- Prior to founding the firm, Jason was the Medicaid Director in New York and Wisconsin (combined 11.5 years)
- Co-host of [Health2049](#)



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The Waiver Basics

Total New Federal Funds = \$6 billion

The main components of the waiver program are:

- Health related social needs services and activities
- Medicaid Hospital Global Budget Initiative
- Workforce investments
- Establishment of a Health Equity Regional Organization (HERO)
- SUD Federal Funding and targeted rate increases



The Waiver Basics (cont.)

The stated goals that CMS and New York State are agreeing to accomplish are:

- Investments in HRSN via greater integration between primary care providers and community-based organizations (CBOs) with a goal of improved quality and health outcomes
- Improve quality and outcomes of enrollees in geographic areas that have a longstanding history of health disparities and disengagement from the health system, including through an incentive program for safety net providers with exceptional exposure to enrollees with historically worse health outcomes and HRSN challenges
- Focus on integrated primary care, behavioral health (BH), and HRSN with a goal to improve population health and health equity outcomes for high-risk enrollees including kids/youth, pregnant and postpartum individuals, the chronically homeless, and individuals with SUD
- Workforce investments with a goal of equitable and sustainable access to care in Medicaid
- Develop regionally focused approaches, including new VBP programs, with a goal of statewide accountability for improving health, outcomes, and equity.



What's Being Prioritized in this Waiver?

Nearly half (47%) of the budget is allocated towards the provision of health related social need services, with 33% of the budget going towards the Medicaid Global Hospital Budget Initiative. Rounding out third with 10%+ of spending is the workforce development activities, followed by investments in the health related social needs infrastructure building, and lastly 2% towards the creation of a statewide HERO.

Waiver Budget: Total Computable Expenditures

	1/9/24 - 3/31/24 [DY 25]	4/1/24-3/31/25 [DY 26]	4/1/25-3/31/26 [DY 27]	4/1/26-3/31/27 [DY 28]	Total	Percent of total four year investment
HRSN Services	CMS is authorizing up to \$3.173 billion for the provision of increased coverage of certain services that address HRSN, as evidence indicates that these benefits are critical drivers of an individual's access to health services that keep them well. (p. 3, 1/9/24 approval letter)				\$3,173M	47.4%
HRSN Infrastructure (STCs, p 57)	\$0	\$260M	\$190M	\$50M	\$500M	7.5%
Medicaid Hospital Global Budget Initiative (STCs, p. 84)	\$550M	\$550M	\$550M	\$550M	\$2,200M	32.9%
Student Loan Repayment for Qualified Providers (STCs, p 100)	\$0	\$12.08M	\$24.15M	\$12.08M	\$48.30M	.7%
Career Pathways Training (STCs, p 100)	\$0	\$175.77M	\$310.48M	\$159.50M	\$645.75M	9.6%
HERO Funding (p 102)	\$0	\$50M	\$40M	\$35M	\$125M	1.9%
Totals (for check)	\$550M	\$1,047.85M	\$1,114.63M	\$806.58M	\$6,692.05M*	100%

* includes four year total of \$3,173M in HRSN funding which is not included in the column totals.



5 High Level Waiver Takeaways



#1 - This new program isn't DSRIP 2.0

DSRIP (New York's Last 1115 Waiver Program)

- About accountability and pay-for-performance
- Ensured that the state and associated participating organizations wanted to access federal funding made available through the waiver, it had to earn it through measurable improvement in patient outcomes.

2024 New York 1115 Waiver

- None of the federal funding in this program is tied directly to performance and there is no statewide report card
- This new effort is more about covering additional services, funding struggling hospitals, and implementing some additional smaller, stand-alone programs.

The biggest opportunity in the waiver is to expand the Medicaid program to formally include payment for health-related social needs services that are vital to addressing the social care needs of Medicaid members.



#2 - HRSN - Major Step Forward in SDOH!

- As much as \$3.5 billion will be available for Health Related Social Needs Services.
- Biggest advance in efforts to address the social determinants of health in state history.
- Covered Services
 - Level 1:
 - Screening
 - Level 1 Case Management (limited to navigation assistance to other federal, state and local government programs and HRSN providing CBOs for non-funded help)
 - Level 2:
 - Case Management
 - Housing Assistance
 - Nutritional Assistance
 - Transportation
- Level 2 Target Population - Medicaid High Utilizers, SUD/SMI, Health Home, I/DD, Pregnant (up to 12 most postpartum), Juvenile Justice, Kids <6, Out-of-Home Foster Care, Kids <18 with Chronic Condition.



#3 - The program commits NY to AHEAD and Hospital Global Budgets

As much as \$2.2 billion will be available for non-profit, financially distressed hospitals in Brooklyn, Queens, Bronx, and Westchester Counties-but the price of those funds will be participation in hospital global budgets.

Hospital global budgets are controversial because they lock savings generated by efforts to reduce avoidable hospital use into the four walls of hospitals and prevent those funds from being reinvested in primary care or community-based behavioral health services. That said, global budgets could make it easier for hospitals to restructure and allow them to be more sustainable long-term.



#4 - NYS is looking for a HERO



The waiver includes modest funding for the establishment of a single, statewide Health Equity Regional Organization (HERO)

This organization:

- will be tasked with population health improvement efforts with a special focus on identifying and addressing health disparities.
- will also help advise the state as it looks to further value based payment efforts across the state

The state's original proposal envisioned multiple regional HEROs, but ultimately CMS was willing to fund a single, statewide entity.



#5 - Significant workforce investment

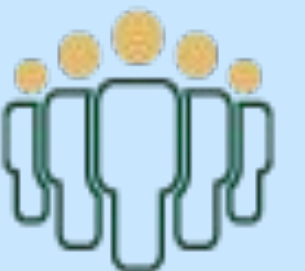
More than \$690 million will be invested in the state's health care workforce and efforts to bring sustainability to the workforce challenges.

Specifically, the waiver creates two programs designed to expand and enhance the state's healthcare workforce.

WIOs were created under the last 1115 waiver and will once again play a key role in workforce initiatives funded by a Medicaid waiver.

Workforce Investment Organizations (WIOs) will have a major new responsibility under this program because they will take the lead in implementing the Career Pathways Training (CPT) program.

CPT will target workforce shortages in healthcare staffing, support the delivery of HRSN services, and increase access to culturally appropriate services.



Making the Most Out of the Waiver Opportunity

Pursuing A Social Care Practice Model



What the Waiver Isn't...

- Before we discuss the opportunities created by the waiver it's essential to be clear what the waiver isn't from the perspective of The Alliance for Rights and Recovery members.
- What the waiver doesn't do:
 - Consider peer support a HRSN service
 - Provide grant funds to agencies to advance funding, quality of lives, excellence in the delivery of recovery focused rehabilitation and peer support services with a very strong focus on promoting human rights and justice.
 - Create a single billing code for peer support services or other "wholistic," community-based care models that meet the needs of Medicaid members with SMI/SUD.
 - Increase accountability on plans and providers relative to how they care for individuals with SUD/SMI.
- The waiver shouldn't be viewed as an "end" but rather as a "means to an end" with much left to Social Care Networks, plans and providers to make the most of opportunities presented by the funds and new programs.



Making the Most of the Opportunity - New Approaches and Thinking Will Be Required

- HRSN services are a new and exciting “tool” for addressing the social needs of individuals struggling with SUD/SMI.
- Housing supports, nutritional assistance, case management are all services that can help individuals on the path to recovery if deployed in an effective manner.
- Alliance members are also well suited to provide these services since most are culturally competent, non-profit organizations who are serving the population every day.
- You could decide that it's simply enough to help the state with screening for HRSN services and with the provision of some services if you can make the economics work.
- Such an “incremental approach” would help the people you serve but could mean a major missed opportunity.
- New approaches and thinking could mean changing how you see your organization and its role in the community.
- Could you pursue a social care practice model - similar to how primary care providers operate - and develop a “clinical” practice that is funded by the provision of Medicaid funded services?



Social Care Practice Model - Defined

- Social Care Practice Model (an HSG innovation) is an approach to providing social care services that is both effective and financially sustainable.
- The model can be implemented by a wide range of organizations, but is well suited for agencies and providers with deep experience in serving individuals with SUD/SMI.
- The model will vary by geographic location and will reflect both difference in member needs as well as what services are reimbursed.
- Model is based on how primary care offices work under FFS reimbursement - bill standard codes for covered services and provide a model of care that is both effective for patients and financial sustainable.



Social Care Practice Model - Defined (cont.)

New York Medicaid Model Specifics:

- Agency develops a model of care that both meets the needs of Medicaid members and is reimbursable
- Leverages the new HRSN services as well as other Medicaid covered services to generate enough revenue to cover costs.
- Additional, non-reimbursable services are provided to ensure the model is effective but must be provided within the cost constraint.
- Agencies seek PMPM supplemental payments from managed care organizations to expand services and build strong partnerships with plans
- Over time the model expands to include performance payments from the plan or even shared savings/risk to reward the agency for providing exceptional services.



Social Care Practice Model - Peer Support Application

Peer support agency or group of agencies (perhaps as an IPA) establish a social care practice model.

The agencies bill Social Care Networks for HRSN covered services.

If necessary, the agencies seek a PMPM payment from Medicaid MCOs to cover any unreimbursed costs to ensure that the practice is sustainable.

Foundations could also be helpful by funding technical assistance as the social care practice model is being developed and implemented.

The agencies provide eligible members, individuals with SMI or SUD diagnosis, with a mix of covered and non-covered services which in aggregate constitutes evidence-based peer support and helps meet individual HRSNs.

The agencies bill Medicaid MCOs for any other Medicaid services they provide.

Government grants, such as HRSN infrastructure awards, help fund the build-out of the services as well as the practice model itself.

The IPA could allow certain administrative functions to be shared which would lower the cost of providing services and increase the likelihood of breaking even.



Key Question - Can the reimbursable services cross-subsidize the other, non-reimbursable services, that are required to operate a comprehensive and effective Peer Support model?

Big Questions Remain

- Is the Social Care Practice model viable in New York State?
- HSG suspects the answer is Yes but more information is needed to confirm it:
 - Specifics on HRSN services
 - Rates for HRSN services
 - Level of plan interest in HRSN partnerships
 - Community Health Worker - specifics and rates
- Timeline for getting answers:
 - April 16th - SCN Applications Due - DONE
 - June 1st - SCN Awards Announced
 - August 1st - SCN Contracts Signed
 - February 1, 2025 - SCN Contracts in Place with MCOs and funds start to flow
- HSG anticipates more detail on the services and rates being available after June 1st.



MUCH MORE TO COME!!!!



Questions?



For More Information and All Things Waiver

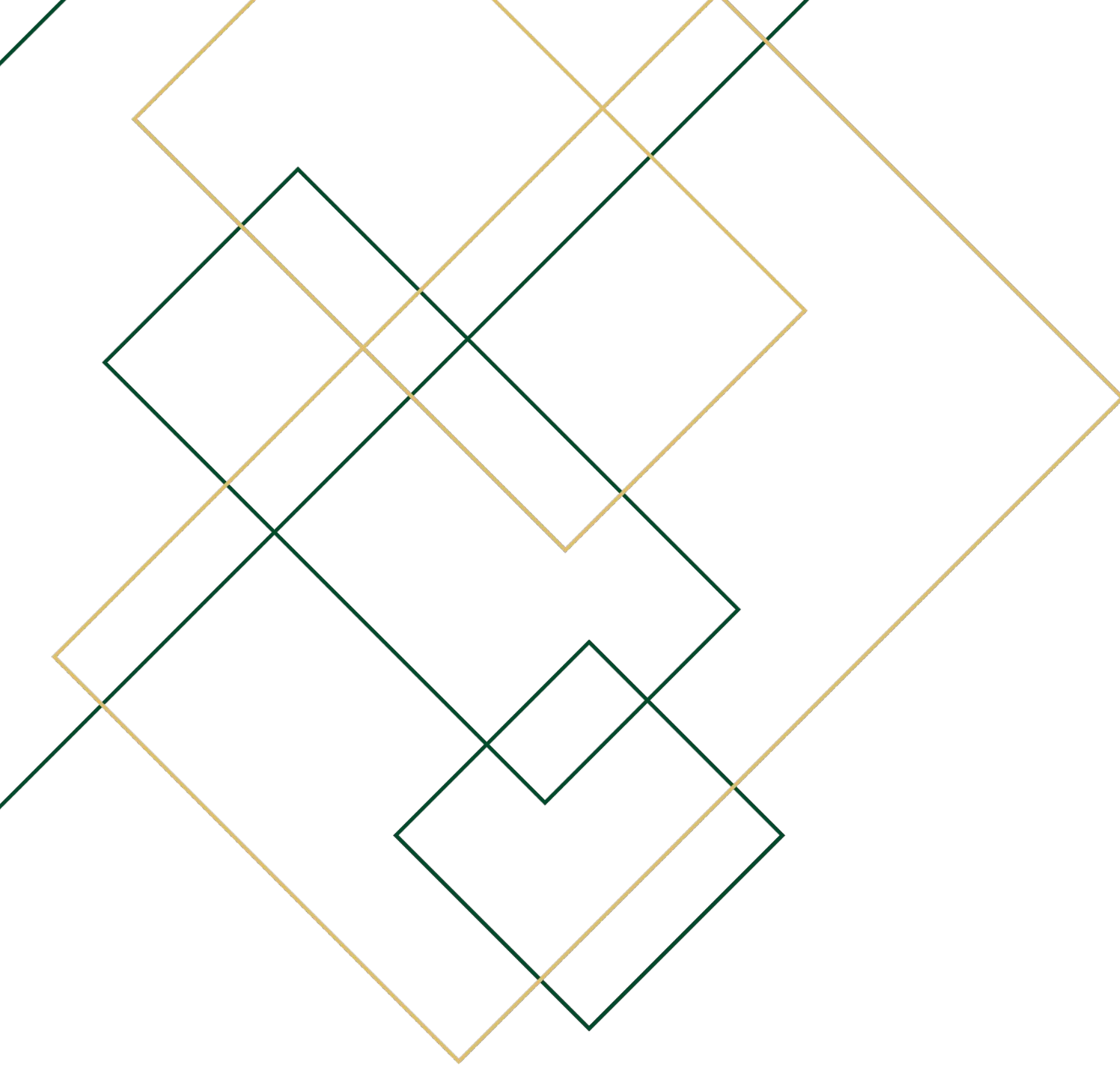
Want to understand how to participate in the various programs contained within this new initiative?

Interested in understanding how the effort will impact your organization?

Seeking to help other organizations who will directly participate make the most of the opportunity to improve outcomes and lower costs?

Check out <https://www.hsg.global/1115-waiver>





Thank



You!