

### III. Other Medicaid Redesign Purposes

Given the MRT Waiver's focus on DSRIP, it is easy to lose sight of other important features of the MRT Waiver that are featured less prominently, but provide critical funding to ongoing MRT health reform initiatives. These features include (1) a rate add-on for Health Homes and (2) funding for managed care activities to expand coverage for individuals with behavioral or mental health diagnoses.

#### A. Health Home Rate Add-On

The DSRIP component of the MRT Waiver emphasizes the importance of Health Homes through its definitions of "safety net" and "vital access" providers, which make Health Homes a preferred vehicle for DSRIP project participation. The MRT Waiver also commits additional funding to Health Homes, likely in response to the perceived insufficiency of the current Health Homes rates to meet the costs of care coordination and related support activities. To help Health Homes cover costs and to support their financial sustainability, \$190.6 million of the MRT Waiver is dedicated to this financial relief, which will be paid through an increase to the PMPM fee for each beneficiary assigned to the Health Home.

#### B. Managed Care Programming

The MRT Waiver provides a total of \$890.9 million in funding for certain types of "managed care programming" activities. This funding is divided into two components:

- **Behavioral Health Services:** Support for the key MRT initiative to move certain fee-for-service populations and services into managed care as part of New York State's goal of having virtually all Medicaid beneficiaries served in care management by April 2018. As part of this initiative, referred to as "Care Management for All," New York State plans to transition populations with mental health and substance abuse diagnoses into specialized Medicaid managed care plans called Health and Recovery Plans ("HARPs"), which will be responsible for furnishing a benefit package inclusive of both general Medicaid State Plan services and Home and Community Based services, such as rehabilitation, habilitation, crisis intervention, employment support and other services. While implementation of HARPs will be pursuant to a separate 1115 waiver submitted by New York State to CMS on December 31, 2013, the MRT Waiver provides a "down payment" of \$645.9 million to managed care plans seeking to achieve HARP-readiness.
- **Long-Term Care Workforce Strategy:** The more than 40 Managed Long-Term Care plans ("MLTCs"), which serve chronically ill or disabled Medicaid beneficiaries, will receive \$245 million in Long-Term Care Workforce Strategy funds. MLTCs must use these funds to invest in programs that attract, recruit and retrain long-term care professionals. MLTCs also need to develop strategies that place long-term care workers in underserved communities and train workers to care for individuals who will seek coverage under the Affordable Care Act. To receive funds, each MLTC must submit a retraining, recruitment and retention plan annually for state approval, and then achieve its stated workforce strategy.