



Department of Health

ANDREW M. CUOMO
Governor

HOWARD A. ZUCKER, M.D., J.D.
Commissioner

SALLY DRESLIN, M.S., R.N.
Executive Deputy Commissioner

April 10, 2017

Hon. Richard N. Gottfried
Chair, Assembly Health Committee
New York State Assembly
Legislative Office Building, Room 822
Albany, New York 12248

Dear Assembly Member Gottfried:

The purpose of this letter is to confirm (as part of the budget dialogue) that the Office of Health Insurance Programs at the New York State Department of Health (“Department”) is committed to providing the following items:

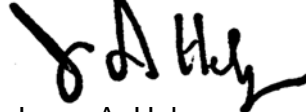
- **Separate Rate Cells or Risk Adjustments for Specific Populations:** The Executive commits to exploring separate rate cells or risk adjustments for the nursing home, high cost / high need home and personal care, and Health and Recovery Plan (HARP) populations. The Department will re-engage the Centers for Medicare and Medicaid Services (CMS) regarding this reimbursement methodology with the assistance of health care industry stakeholders impacted by these changes (e.g. advocates, providers and managed care organizations).
- **Quarterly Meetings on Medicaid Managed Care Rates:** The Executive commits to providing quarterly updates to the Legislature regarding Medicaid Managed Care rates. In the spirit of transparency, the Department, in conjunction with the Division of the Budget (DOB), will hold quarterly meetings with the chairpersons of the Senate and Assembly Health Committees, the Senate Finance Committee and the Assembly Ways and Means Committee. Staff from the offices of the chairpersons are welcome to participate in these monthly meetings in lieu of the elected official. The Department will also provide the actuarial memorandum which, pursuant to statute, is provided to managed care organizations 30 days in advance of submission to CMS. This document contains information regarding components of the premium (e.g. base amounts, trend percentages, category of service splits, etc.), add-on adjustments, quality pool amounts and various other Medicaid Managed Care rate development information. Finally, the Department will continue to provide the Legislature with all presentation materials disseminated at monthly managed care plan meetings.
- **Monthly Meetings on the Medicaid Global Cap:** The Executive commits to monthly meetings with the Legislature during the third Wednesday of every month to provide an update on actual spending to-date and potential changes to projections for the remainder of the State Fiscal Year (May 17, June 21, July 19, August 16, September 20, October 18, November 15, December 20, January 17, February 21 and March 21). The agenda for such meetings shall be agreed upon by the Department and the Legislature. In addition, the Global Cap report will be expanded to include information on all non-Medicaid expenditures made out of Global Cap resources or any material changes on the program in the last month.

- **UAS:** The Executive commits to analyzing and formulating recommendations regarding the Universal Assessment Tool (UAS) with the health care community. The Department will work with the Legislature to identify stakeholder groups to provide input. We will commit to regular meetings with members of the Legislature, stakeholders, Department representatives from both program and the UAS team, as well as representatives from the Department's Office of Quality and Patient Safety who analyze data retrieved from the UAS. From these meetings, we will generate proposed improvements to the UAS tool. Upon request, the Department can provide the Legislature with updates on scheduled enhancements to the UAS tool.
- **Nursing Home Transition Diversion/ Traumatic Brain Injury (NHTD/TBI):** The Executive agrees to continue the NHTD/TBI Medicaid Managed Care carve-out until January 1, 2019.
- **School Based Health Centers (SBHC):** The Executive agrees to continue the SBHC Medicaid Managed Care carve-out until July 1, 2018.
- **Essential Plan Cost Sharing:** The Executive agrees to maintain the current level of Essential Plan cost sharing requirements from enrollees for State Fiscal Year 2018 that were applicable the previous year.
- **Generic Drugs Consumer Price Index (CPI):** The Department will ensure the generic CPI penalty adjustment policy is implemented effectively and addresses the concerns of manufacturers who may be inappropriately impacted.
- **Adult Day Health Care (ADHC) Transportation:** The Executive will refrain from taking administrative actions intended to carve out the provision of Medicaid transportation from the ADHC programs reimbursed to manage their own transportation to Fee For Service under the administration of the State's transportation manager during State Fiscal Year 2018.
- **Women's Health and Prenatal Care Pilot:** In the event that federal financial participation is not available pursuant to paragraph (ee) of subdivision 2 of section 365-a of the social services law, the Department of Health will establish a Women's Health and Prenatal Care Pilot program, utilizing such appropriated funds. Within appropriated amounts, the Department will make available funds necessary for the Pilot Program to provide medical assistance to women for certain infertility services and shall include the coverage of a set of services to ensure improved outcomes of women who are in the process of treatment with ovulation enhancing drugs, limited to the provision of such treatment, office visits, hysterosalpingogram services, pelvic ultrasounds, and blood testing; services will be limited to those necessary to monitor such treatment. The Department shall fund the Pilot Program within as many of the 50 zip codes in this State that have the highest incidence of multiples births in the preceding five years, as funds may permit. The Department shall make funds available for such Pilot Program as necessary to implement the program or up to \$5 million dollars annually, whichever is less. The Pilot program shall commence in the event that the federal financial participation for such services in the Medicaid program is not available.

- **Emergency Department rate reductions.** The Department will not reduce Medicaid payment rates for certain conditions being treated in a hospital emergency room, as had been proposed by the Executive. The negotiated budget provides Medicaid funding for this purpose.

The Department is committed to ensuring that legislative leaders have full access to vital information, and commitments provided in this letter build off previous efforts to ensure Medicaid program transparency. We look forward to working with you and your staff to make the Medicaid program more cost effective in the months and years to come.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Helgerson".

Jason A. Helgerson
Medicaid Director
Office of Health Insurance Premiums

cc: Howard A. Zucker, M.D., J.D.
Elizabeth Misa
OHIP Division Directors
Amy Nickson