

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-01-16
Baltimore, Maryland 21244-1850



Children and Adults Health Programs Group

FEB 24 2015

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

Dear Mr. Helgeson:

This letter is to inform you that the Centers for Medicare & Medicaid Services (CMS) has completed its review of vital access provider (VAP) exceptions under New York's delivery system reform incentive payment (DSRIP) program. CMS is making final safety net provider determinations for providers who submitted exceptions applications. Safety net designations are approved taking into account the state's recommendations, including the state's Pass/Fail methodology and also feedback received from public engagement.

The following providers are approved to participate in DSRIP as safety net providers within their designated Performing Provider Systems (PPS):

Licensed Home Care Services Agencies (LHCSA)

- Aftercare Nursing Services, Inc.
- Family Services of Westchester, Inc.
- Independent Health Care Services

CMS is also approving safety net designations for Harm Reduction Providers, Home and Community Based Services (HCBS) 1915(i) Providers and State Designated Health Homes that are identified in New York's pending lists, copies of which are enclosed.

Harm reduction providers provide a significant amount of HCBS services and substance use disorder services that support the goal of New York's DSRIP to reduce preventable hospitalizations.

HCBS 1915(i) providers qualify as safety net providers because their services to Medicaid and uninsured individuals represent more than 35 percent of their total volume of Medicaid reimbursable services. These providers are approved to be selected by the state as safety net providers upon

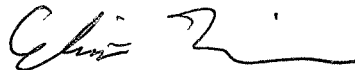
implementation of programs that allow Medicaid reimbursement of 1915(i) services under the state plan and the 1115 demonstration.

State designated health homes are approved for safety net designation based on the state's criteria of providers that billed \$10,000 or more of health home and care management services to Medicaid annually. Health homes approved as part of the CMS VAP exception are not approved for safety net designation as any provider type other than as a health home.

Providers not approved under CMS' VAP exceptions process may still participate in DSRIP under their respective PPS' as a non-qualified provider. This includes non-qualified health homes within a network that has approved safety net providers. Non-qualified providers, as a group, cannot receive more than 5 percent of the project's total value.

Questions related to New York's 1115 demonstration should be directed to the project officer, Jessica Woodard. Ms. Woodard can be reached at (410) 786-9249 or Jessica.Woodard@cms.hhs.gov. We look forward to continuing to work with you and your staff on the implementation of New York's DSRIP.

Sincerely,

A handwritten signature in black ink, appearing to read "Eliot Fishman", with a long horizontal flourish extending to the right.

Eliot Fishman
Director

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

Enclosure