

**ABBREVIATED PUBLIC NOTICE**  
Department of Health  
IMD Transformation Demonstration Program

In compliance with 42 CFR 431.408(a)(1), the New York State Department of Health is pleased to announce that it will conduct two virtual public hearings, to provide an overview of the State's proposed 1115 waiver amendment request, *IMD Transformation Demonstration Program*, during which the public may provide oral comments. This notice further serves to open the 30-day public comment period which will close on November 4, 2022. During this 30-day comment period, the public will be afforded the opportunity to provide written comments. Any updates related to the public hearings will be sent via the New York State Office of Mental Health and the Office of Addiction Services and Supports listservs.

New York State (NYS) is requesting approval from the Centers for Medicare and Medicaid Services (CMS) for an amendment to its Medicaid Redesign 1115 Demonstration to authorize federal Medicaid matching funds for reimbursement to Institutions for Mental Diseases (IMD) for inpatient, residential, and other services provided to Medicaid enrolled individuals with behavioral health diagnoses including serious mental illness (SMI), serious emotional disturbance (SED), and substance use disorder (SUD). This demonstration will allow the state to promote improved access to community-based behavioral health services and aid in the state's efforts to continue to transform the behavioral health service system.

As a continuation of the transition of Medicaid Behavioral Health Services from primarily fee-for-service to a managed care environment this demonstration will: transform the role of some state psychiatric inpatient facilities and substance use disorder residential treatment facilities; improve care transitions and access to community-based treatment and support services; and improve health and behavioral health outcomes in individuals with chronic and/or serious mental illnesses by transforming some selected (pilot site) state-run psychiatric hospitals, facilities, and campuses from long-term care institutions to community-based enhanced service delivery systems. The IMD demonstration project will include the use of crisis services, respite, step down and short-term residential services, intensive community support services, crisis diversion centers, coordinated specialty care for first episode psychosis, a full continuum of care for individuals with substance use disorder, and integrated community participation with a time-limited inpatient service capacity focused on expert intermediate care treatment.

The primary goals will be transformation with a focus on:

- Reduction of inpatient and transitional residential lengths of stays.
- Community integration and maintenance with a focus on recovery.
- Overall reduced costs of care.

The waiver eligible cohort will include individuals from all State-operated adult, non-forensic facilities or residing in residential addiction treatment programs, discharged within 30 days on average. Principles, interventions, techniques, and tools, as described throughout the proposal, offer the potential to impact length of stay for adults age 21 and older.

New York State aspires to grow the waiver population during the waiver period. As inpatient assessment, stabilization, and treatment are optimized, NYS will be able to increase the total number of individuals discharged within 30 days or less.

NYS plans to make system changes allowing for waiver-eligible patients to remain covered by Medicaid during their inpatient stay, preventing coverage gaps. Also as part of this demonstration, NYS is requesting authorization of Medicaid coverage for a targeted set of in-reach services up to 30 days prior to discharge including care management, clinical consultations, peer services, and pharmaceutical management. These in-reach services would be made available to individuals who do not fall into the 30-day average length of stay cohort outlined in this waiver.

The two virtual public hearing/public forum meetings will be held on the following dates: October 26<sup>th</sup> and 31<sup>st</sup>.

The full public notice and draft of the proposed *IMD Transformation Demonstration* amendment request is available for review under the “MRT 1115 Waiver Amendments” tab at: [https://www.health.ny.gov/health\\_care/medicaid/redesign/medicaid\\_waiver\\_1115.htm](https://www.health.ny.gov/health_care/medicaid/redesign/medicaid_waiver_1115.htm). For individuals with limited online access and require special accommodation to access paper copies, please call 518-473-5569.

Prior to finalizing the proposed amendment application, the Department of Health will consider all written and verbal comments received. These comments will be summarized in the final submitted version. The Department will post a transcript of the public hearings on the following website: [https://www.health.ny.gov/health\\_care/medicaid/redesign/medicaid\\_waiver\\_1115.htm](https://www.health.ny.gov/health_care/medicaid/redesign/medicaid_waiver_1115.htm).

Please direct all questions to [1115waivers@health.ny.gov](mailto:1115waivers@health.ny.gov).

Written comments will be accepted by email at [1115waivers@health.ny.gov](mailto:1115waivers@health.ny.gov) or by mail at:

Department of Health  
Office of Health Insurance Programs  
Waiver Management Unit  
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12th fl. Suite 1208  
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**All comments must be postmarked or emailed by 30 days of the date of this notice.**