



March 19, 2026

Amir Bassiri, Medicaid Director
New York State Department of Health
Office of health Insurance Programs
Empire State Plaza
Corning Tower, Room 1466
Albany, NY 12237

RE: Approval of New York State (NYS) Department of Health (DOH) Children's Waiver Amendment, NY.4125.R06.03 and 1915(b)(4) Waiver Amendment, NY.0015.R00.01

Dear State Medicaid Director Bassiri:

The Centers for Medicare & Medicaid Services (CMS) approves the state's request to amend the NYS-DOH 1915(c) Children's Waiver. This Home and Community-Based Services (HCBS) waiver, which provides services to children and adolescents who meet nursing facility, hospital and Intermediate Care Facility for Individuals with Intellectual Disabilities (ICF/IDD) levels of care, has been assigned CMS control number NY.4125.R06.03. This control number should be referenced on all future correspondences relating to this waiver amendment.

With this amendment, the state removes the C-YES/Independent Entity and allows participants to have a choice of comprehensive Health Home care management. For individuals/families who opt-out of Health Homes, a basic care coordination option is available and will be delivered by the state/embedded contract, a Single Point of Access (SPOA) or a managed-care organization (MCO) respectively. The action adds Transitional Care Coordination and Transitional Services as new waiver services and transitions Day Habilitation to a service that can be provided under Community Habilitation with less restrictions. The amendment also makes technical changes and updates to other waiver services, clarifies outdated waiver language and removes references to Teaching Family Homes, which no longer exist in the state. The effective date of the amendment is April 1, 2026

CMS reminds the state that the state must have an approved spending plan in order to use the money realized from section 9817 of the American Rescue Plan (ARP). Approval of this action does not constitute approval of the state's spending plan.

The 1915(c) waiver continues to be cost-neutral. The average per capita cost of waiver services estimates (Appendix J.1) have been approved. The approval is subject to your agreement to serve no more individuals than the total number of unduplicated participants indicated in Appendix J.2

of the waiver. If the state wishes to serve more individuals or make any other alterations to this waiver, an amendment must be submitted for approval.

In accordance with 42 CFR 423.910, states submit Medicare Modernization Act (MMA) files to CMS to, among other things, ensure that dually eligible individuals have the correct cost sharing amounts for the Medicare Part D prescription drug coverage. Participants in 1915(c) waivers qualify for \$0 copays for Medicare Part D drugs. To ensure cost sharing is accurate, it is imperative that the state apply the “H” indicator on MMA file submissions for all Medicare-eligible participants in this waiver. This indicator is what initiates \$0 copays for Medicare Part D drugs. More information is in chapter 6 of the [MAPD State User Guide](#).

Concurrently, CMS is approving New York’s request to amend the section 1915(b)(4) FFS Selective Contracting Waiver under CMS control number NY.0015.R00.01, titled Children’s Waiver Financial Management Services (FMS) Selective Contracting. The waiver allows the state to selectively contract and limit the number of FMS providers. The amendment adds Transitional Services as an additional service under the FMS. The concurrent action also increases the rate for the FMS provider for Environmental Modifications (E-Mods), Vehicle Modifications (V-Mods), and Adaptive and Assistive Technology (AAT).

Our decision is based on the evidence submitted to CMS demonstrating that the state's proposal is consistent with the purposes of the Medicaid program, will meet all of the statutory and regulatory requirements for assuring beneficiaries' access to and quality of services, and will be a cost-effective means of providing services to enrollees under this waiver.

This amendment to the section 1915(b) waiver has an effective date of April 1, 2026, through February 28, 2029. The state may request renewal of this authority by providing evidence and documentation of satisfactory performance and oversight. New York’s request for renewal should be submitted to CMS no later than November 30, 2028.

It is important to note that CMS’ approval of this waiver amendment solely addresses the state’s compliance with the applicable Medicaid authorities. CMS’ approval does not address the state’s independent and separate obligations under federal laws including, but not limited to, the Americans with Disabilities Act, Section 504 of the Rehabilitation Act, or the Supreme Court’s Olmstead decision. Guidance from the Department of Justice concerning compliance with the Americans with Disabilities Act and the Olmstead decision is available at http://www.ada.gov/olmstead/q&a_olmstead.htm.

Thank you for the cooperation and effort provided by you and your staff during the review of the waiver actions. For questions concerning the 1915(c) waiver program, please contact Christopher Semidey at (212) 616-2328 or via email at Christopher.Semidey@cms.hhs.gov. If you have any questions related to the 1915(b) waiver program please contact Chandni Patel at (410) 786-4970 or via email at Chandni.Patel@cms.hhs.gov.

Sincerely,



George P. Failla, Jr., Director
Division of HCBS Operations and Oversight



Division of Managed Care Operations

cc: Christopher Semidey, CMS
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Application for

Section 1915(b) (4) Waiver

Fee-for-Service

Selective Contracting Program

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Application for Section 1915(b) (4) Waiver Fee-for-Service (FFS) Selective Contracting Program

Fact-Sheet

The State of New York (the State) requests a waiver/amendment under the authority of section 1915(b)4 of the Social Security Act. The Medicaid agency will directly operate the waiver.

The **name of the waiver program is** Children's Waiver FMS Selective Contracting.
(List each program name if the waiver authorizes more than one program.).

Type of request. This is:

- an initial request for new waiver.**
- a request to amend an existing waiver, which modifies Section/Part A and B
- a renewal request
- Section A is:
- replaced in full
 - carried over with no changes
 - changes noted in **BOLD**.
- Section B is:
- replaced in full
 - changes noted in **BOLD**.

Effective Dates: This waiver/renewal/**amendment** is requested for a period of 2 years and 11 months beginning 4/1/2026 and ending 2/28/2029

State Contact: The State contact person for this waiver is Colette V. Poulin, MSSA, Health Program Director, Children's Health Home, Division of Program Development and Management and she can be reached by telephone at 518.486.4052, or e-mail at Colette.Poulin@HEALTH.ny.gov. (List for each program)

Section A – Waiver Program Description

Part I: Program Overview

Tribal Consultation:

Describe the efforts the State has made to ensure that Federally recognized tribes in the State are aware of and have had the opportunity to comment on this waiver proposal (if additional space is needed, please supplement your answer with a Word attachment).

Response:

A Tribal Notification was sent out on September 28, 2022 and updated on July 5, 2023 with the new effective date, informing the Tribes of the submission of a new 1915(b)(4) waiver application to allow selective contracting for Financial Management Services (FMS) for the Children's Waiver.

Amendment

A Tribal Notification was sent out on July 10, 2025, informing the Tribe of the submission of the 1915(b)(4) waiver amendment to modify selective contracting for FMS for the Children's Waiver to:

- Include the new Children's Waiver service "Transitional Services" (TS) as an additional service under the FMS.
 - **Note: TS does not include Vehicle Modifications nor Assisted and Adaptive Technology**
- Increase the rate for the FMS provider for Environmental Modifications (E-Mods), Vehicle Modifications (V-Mods), and Adaptive and Assistive Technology (AAT).

Program Description:

Provide a brief description of the proposed selective contracting program or, if this is a request to amend an existing selective contracting waiver, the history of and changes requested to the existing program. Please include the estimated number of enrollees served throughout the waiver (if additional space is needed, please supplement your answer with a Word attachment).

Response:

New York (the State) requests a waiver to selectively contract for Financial Management Services (FMS) providers to assist an individual eligible under the Children's Waiver with the purchase of Adaptive and Assistive Technology (AAT), Environmental Modifications (E-Mods) and Vehicle Modifications (V-Mods), and Transitional Services (TS) under the waiver. This waiver request includes all individuals enrolled in the Children's Waiver for whom the service is on their HCBS plan of care. This application requests a five-year waiver approval for selective contracting for FMS providers who will purchase the services and serve as the provider of record on the HCBS plan of care. The estimated number of enrollees, at a given time, projected to be served through the FMS service is no greater than 379 individuals by year 5. An alternative payment structure will be utilized for FMS based on a 2016 study conducted by the State on the average cost incurred by FMS providers purchasing goods for less than \$60,000. The payments are based upon the expected monthly utilization of the AAT, E-Mods, and V-Mods, and TS under the waiver. All payments to the FMS provider are paid through eMedNY, the State's Medicaid Management Information System (MMIS).

Health Homes are providers of Health Home Care Management (HHCM) under the State Plan and must comply with 1945 of the Social Security Act. FMS is a new service under the Children's HCBS waiver. The Health Homes will act as FIs and establish written agreements with AAT/E-Mod/V-Mod/TS contractors. Under a written agreement between the Health Homes and the State Medicaid agency, Health Homes will bill and be reimbursed for the AAT/E-Mod/V-Mod/TS services they are managing and will be responsible for payment to the AAT/E-Mod/V-Mod/TS contractors. When FMS are furnished as a waiver service, the number of providers may not be limited without a 1915(b)(4). This 1915(b)(4) waiver will permit the State to selectively contract with Health Homes to be the Organized Health Care Delivery System (OHCD) provider of

record for AAT/E-Mods/V-Mods/TS for FFS members. It is not anticipated that there will be other providers of record for AAT/E-Mods/V-Mods/TS. Under the administrative contract with Health Homes, the Health Homes are held to the same contractual requirements for ensuring provider qualifications of purchased services including AAT/E-Mods/V-Mods/TS. Health Homes are monitored to ensure that they contract with vendors meeting applicable requirements. Entities which furnish FMS undergo a readiness review as part of the determination that such entities are qualified to furnish these services. Financial accountability is assured because Health Homes are required to bill eMedNY only for the amount of the AAT/E-Mods/V-Mods/TS under the rate codes for each of those services and under a separate rate code for the FMS.

Waiver Services:

Please list all existing State Plan services the State will provide through this selective contracting waiver (if additional space is needed, please supplement your answer with a Word attachment).

Response:

This waiver will allow selective contracting of:

- FMS for AAT/E-Mods/V-Mods/TS under the waiver.

A. Statutory Authority

1. **Waiver Authority.** The State is seeking authority under the following subsection of 1915(b):

 X **1915(b) (4) - FFS Selective Contracting program**

2. **Sections Waived.** The State requests a waiver of these sections of 1902 of the Social Security Act:

- a. _____ Section 1902(a) (1) – Statewideness
- b. _____ Section 1902(a) (10) (B) - Comparability of Services
- c. X **Section 1902(a) (23) - Freedom of Choice**
- d. _____ Other Sections of 1902 – (please specify)

B. Delivery Systems

1. **Reimbursement.** Payment for the selective contracting program is:

 X **The same as stipulated in the State Plan and HCBS waiver**
_____ Is different than stipulated in the State Plan (please describe)

2. **Procurement.** The State will select the contractor in the following manner:

- _____ Competitive Procurement
- _____ Open cooperative procurement
- _____ Sole source procurement
- X **Other (please describe)**

The Health Home Serving Children's (HHSC) program was launched in December 2016, with 16 Health Homes designated to serve children based on a rigorous application and multi-state-agency review process. HHSC are subject to quality reviews and designated and redesignated to serve Medicaid children for up to five years through a formal process. In 2023 (2025/26) there are 12 (11) Health Homes and any HHSC may provide this service so long as the entity agrees to a contract amendment holding the Health Home to federal and state FMS requirements.

C. Restriction of Freedom of Choice

1. Provider Limitations.

 X **Beneficiaries will be limited to a single provider in their service area.**
 Beneficiaries will be given a choice of providers in their service area.

(NOTE: Please indicate the area(s) of the State where the waiver program will be implemented.

The FMS services are provided statewide. All beneficiaries will be permitted a choice of AAT/E-Mod/V-Mod/TS contractors. There will be one Health Home acting as the FMS throughout the state. Members will receive FMS through the HH, but they will have a choice of E-Mod/V-Mod/AAT/TS contractors from among those contractors that are available in their region. DOH will add additional FMS providers, remove FMS providers, or shift regions at any time based upon the evaluation of access and quality under the waiver in order to meet the needs of the members served.

City/County/Region	Type of Program (PCCM, MCO, PIHP, or PAHP)	Name of Entity (for MCO, PIHP, PAHP)
Statewide	Selected contracting Health Homes	Children's Health Home of Upstate New York, LLC (CHHUNY)

Initially, based upon inquiry, one HHSC was chosen to provide FMS throughout the State and met the readiness review.

2. State Standards.

Detail any difference between the state standards that will be applied under this waiver and those detailed in the State Plan coverage or reimbursement documents (if additional space is needed, please supplement your answer with a Word attachment).

Response:

Following are the requirements for FMS for the 1915(b)(4) Waiver service:

- Enroll as a Health Home with New York Medicaid and agree to all Centers for Medicare & Medicaid Services (CMS) required FMS protections in their administrative contract;
 - Develop a person-centered plan to support each individual with the technology and modifications needed to remain in, or return to, their home;
 - Demonstrate cost-effectiveness and include a realistic and comprehensive budget for each AAT/E-Mod/V-Mod/TS,
 - Provide services and supports to help individuals manage health and behavioral health conditions, address other disabling conditions or life challenges that become barriers to independence and increase quality of life;
 - Facilitate access to health services and improve the health status and quality of life experiences of individuals who are enrolled in Medicaid;
 - Ensure that any individual eligible for HCBS waiver services may receive AAT/E-Mod/V-Mod/TS where the provider of record is a qualified Health Home acting as an FMS. An individual must choose a FMS if AAT/E-Mod/V-Mod/TS is included in their service plan.
 - Develop and facilitate a network of vendors, contractors, and evaluators within the FMS service area;
 - Support the individual by identifying qualified vendors, contractors, and evaluators and ensuring cost effectiveness, facilitating payment of approved AAT/E-Mod/V-Mod/TS fiscal accounting and reporting, ensuring Medicaid and corporate compliance, and general administrative supports.
- Note: The 1915(c) waiver authority does not permit making payments for services directly to a waiver individual, either to reimburse the individual for expenses incurred or to enable the individual to directly pay a service provider. Instead, payments must be made through an intermediary organization that performs financial transactions (paying for AAT/E-Mod/V-Mod/TS included in the individual's service plan) on behalf of the individual. The provision of FMS ensures payments for AAT/E-Mod/V-Mod/TS included in the individual's service plan are made appropriately and in a timely manner.*
- Ensure that any individual eligible for HCBS waiver services receives AAT/E-Mod/V-Mod/TS in a timely manner according to the DOH outlined requirements. The FMS will work with members, families, contractors, and vendors to promote timely service delivery.
 - Function as an OHCDs (i.e., the State will include the purchase of AAT/E-Mod/V-Mod/TS when it is covered as service in the waiver) in its provider agreement with such entities. The FMS may then purchase AAT/E-Mod/V-Mod/TS authorized in the service plan on the individual's behalf and bill the costs of such AAT/E-Mod/V-Mod/TS to the State. An agreement with a vendor is not required but there must be documentation to verify the purchase of the AAT/E-Mod/V-Mod/TS and the AAT/E-Mod/V-Mod/TS must meet the standards specified in the waiver.
 - Meet all current and future requirements, procedures and terms outlined in the approved 1915c Children's Waiver and 1915b4 Waiver authorizing and outlining the provision of these services upon approval by CMS;
 - Comply with current and future policies, standards and procedures, regulations, and operational policies implemented by DOH and the Centers for Medicare and Medicaid Services (CMS) for Health Homes generally and specifically with respect to Health

- Homes designated to serve children;
- Participate in related case reviews and other oversight processes conducted by DOH;
- Establish a process to bill and be reimbursed for the AAT/E-Mod/V-Mod/TS services managed by your HH and be responsible for payment to the AAT/E-Mod/V-Mod/TS contractors;
- Establish a process to bill under eMedNY, as required, only for the amount of the AAT/E-Mods/V-Mods/TS under the rate codes for each of those services and under a separate rate code for the FMS; and
- Participate in and attend trainings and informational Webinars provided or sponsored by DOH related to the provision or oversight of these services.

D. Populations Affected by Waiver

(May be modified as needed to fit the State's specific circumstances)

1. Included Populations. The following populations are included in the waiver:

- Section 1931 Children and Related Populations
- Section 1931 Adults and Related Populations
- Blind/Disabled Adults and Related Populations
- Blind/Disabled Children and Related Populations
- Aged and Related Populations
- Foster Care Children
- Title XXI CHIP Children
- Other: Children enrolled under the 1915(c) Children's waiver requiring AAT/E-Mods/V-Mods/TS**

2. Excluded Populations. The following populations are excluded from participating in the waiver:

- Dual Eligibles
- Poverty Level Pregnant Women
- Individuals with other insurance
- Individuals residing in a nursing facility or ICF/MR
- Individuals enrolled in a managed care program
- Individuals participating in a HCBS Waiver program
- American Indians/Alaskan Natives
- Special Needs Children (State Defined) Please provide this definition.
- Individuals receiving retroactive eligibility
- Other (Please define):

Part II: Access, Provider Capacity and Utilization Standards

A. Timely Access Standards

Describe the standard that the State will adopt (or if this is a renewal or amendment of an existing selective contracting waiver, provide evidence that the State has adopted) defining timely Medicaid

beneficiary access to the contracted services, *i.e.*, what constitutes timely access to the service?

1. How does the State measure (or propose to measure) the timeliness of Medicaid beneficiary access to the services covered under the selective contracting program (if additional space is needed, please supplement your answer with a Word attachment)?

Response:

FMS designated provider(s) must have enough professional staffing to carry-out the contractual requirements and the ability to coordinate a network of contractors to ensure the provision of services for FMS service recipients. The State will oversee the Health Homes' and FMS management of these services and monitor access and performance standards to ensure service delivery according to policies and standards. This includes the timely completion of AAT, V-Mods, E-Mods, and TS.

2. Describe the remedies the State has or will put in place if Medicaid beneficiaries are unable to access the contracted service in a timely fashion (if additional space is needed, please supplement your answer with a Word attachment).

Response:

The State will monitor access and performance and will require providers to increase professional staff to provide services in a timely manner. The state may also contract with additional Health Homes meeting FMS qualifications to provide FMS, if eligible Medicaid beneficiaries are unable to access services in a timely manner.

The State will monitor adherence to the FMS standards and requirements applicable to the provision of these services and to ensure that service providers and contractors meet applicable requirements. In addition, the State may request, at any time, information to determine if the FMS is meeting these standards (e.g., care plans and related documents), including future re-designation surveys of the FMS as a Health Home. Some of the distinctions of a well - organized provider of FMS include ongoing training and supervision of staff, routine quality oversight and monitoring, review of applicable documents, identifying and implementing corrective plans of action to immediately address deficiencies, and ensuring staff have the level of expertise and experience to support the needs of the child and their family.

B. Provider Capacity Standards

Describe how the State will ensure (or if this is a renewal or amendment of an existing selective contracting waiver, provide evidence that the State has ensured) that its selective contracting program provides an enough supply of contracted providers to meet Medicaid beneficiaries' needs.

1. Provide a detailed capacity analysis of the number of providers (e.g., by type, or number of beds for facility-based programs), or vehicles (by type, per contractor for non-emergency transportation programs), needed per location or region to assure sufficient capacity under the selective contracting program (if additional space is needed, please supplement your answer with a Word attachment).

Response:

DOH has conducted a statewide analysis of need and has monitored access for these services since 2019 under a different structure. To ensure adequate access, the State will work with FMS providers to determine if additional providers are needed to meet the needs of individuals. DOH will add additional FMS providers, remove FMS providers, or shift regions at any time based upon the evaluation of access and quality under the waiver in order to meet the needs of the members served. One provider is necessary based on utilization expected under the waiver.

2. Describe how the State will evaluate and ensure on an ongoing basis that providers are appropriately distributed throughout the geographic regions covered by the selective contracting program so that Medicaid beneficiaries have sufficient and timely access throughout the regions affected by the program (if additional space is needed, please supplement your answer with a Word attachment).

Response:

FMS providers are required to submit claims under the eMedNY system. The State will utilize claims data to collect utilization data regarding service delivery. The State has implemented stakeholder groups to resolve implementation issues regarding AAT, V-Mods, E-Mods, and TS, which are currently being managed by the local districts of social services. DOH will track and monitor point-in-time reports for timeliness of beneficiary access as well as ongoing delivery of service elements while the beneficiary is enrolled. DOH will monitor demand of the service and evaluate the need to add providers.

C. Utilization Standards

Describe the State's utilization standards specific to the selective contracting program.

1. How will the State (or if this is a renewal or amendment of an existing selective contracting waiver, provide evidence that the State) regularly monitor(s) the selective contracting program to determine appropriate Medicaid beneficiary utilization, as defined by the utilization standard described above (if additional space is needed, please supplement your answer with a Word attachment)?

Response:

The utilization standard is that consumers receive medically necessary AAT, V-Mods, E-Mods, and TS, in the amount, scope and duration identified on their plan of care. The review process includes random review of selected plans of care. Each selected plan of care is compared with the assessments and the services billed to Medicaid for the specified time frame. If services were not provided as needed and planned, the review team looks for explanation as to why not. If the reason was access to, or availability of, qualified direct service providers, the review team looks for documentation of the steps taken by the FMS to address the problem. If the problem has not been resolved at the time of the review, the FMS must address the issue in its Corrected Action Plan (COP).

Through regularly occurring point-in-time required HCBS provider reporting as well as eMedNY claiming, the State will monitor the services compared to the plan of care. The

State plans to use benchmark standards that are currently under development to evaluate a providers' ability to meet set performance measures. Results will be monitored for deficiencies. Any deficiencies identified will be addressed and monitored to ensure that appropriate remediation is completed.

DOH will also utilize documentation and billing standards that are currently under development to monitor and ensure the delivery of all service components as a condition of payment.

2. Describe the remedies the State has or will put in place if Medicaid beneficiary utilization falls below the utilization standards described above (if additional space is needed, please supplement your answer with a Word attachment).

Response:

Providers who fall below benchmark utilization standards will be required to submit an action plan for performance improvement. Action plans for performance improvement will be required for any benchmark standard that has been previously noted as a programmatic trend and/or area that continues to lack significant improvement. The State will monitor action plans, provide technical assistance and complete remedial site visits if necessary. If a remedial site visit is warranted, a written summary of the site visit will be issued, including findings and recommendations.

All monitoring of individual cases will be maintained and completed by the FMS provider. If there is an indication of non-compliance or deficiency identified in the level of FMS involvement, additional information will be requested and reviewed to evaluate fully.

Part III: Quality Standards and Contract Monitoring

A. Quality Standards and Contract Monitoring

1. Describe the State's quality measurement standards specific to the selective contracting program (if additional space is needed, please supplement your answer with a Word attachment).

- a. Describe how the State will (or if this is a renewal or amendment of an existing selective contracting waiver, provide evidence that the State):

- i. Regularly monitor(s) the contracted providers to determine compliance with the State's quality standards for the selective contracting program.

Response:

Through eMedNY claims reports, HCBS provider monitoring, and regularly occurring point-in-time reporting, the State will monitor contracted providers using benchmarks and performance and programmatic standards.

- ii. Take(s) corrective action if there is a failure to comply.

Response:

All providers found to have deficiencies will be required to submit an action plan for performance improvement for review and approval by DOH. Areas found deficient become a focus of future review and analysis of compliance. DOH will provide technical assistance as necessary to ensure the FMS provider comes into compliance and meets required benchmarks. If a provider fails to comply it may be determined that they no longer meet the requirements to be a qualified provider of the service.

2. Describe the State's contract monitoring process specific to the selective contracting program (if additional space is needed, please supplement your answer with a Word attachment).
 - a. Describe how the State will (or if this is a renewal or amendment of an existing selective contracting waiver, provide evidence that the State):
 - i. Regularly monitor(s) the contracted providers to determine compliance with the contractual requirements of the selective contracting program.

Response:

DOH's processes for monitoring the programmatic and performance standards is on-going and comprehensive. Methods include routine data collection, action plans for performance improvement, remedial record reviews, feedback from participants, and meeting with providers. DOH intends to issue guidance, training, and/or administrative directives to all FMS providers to address identified concerns and provide clarification on FMS service delivery. The provision of regular technical assistance provides additional opportunities for evaluating compliance.

- ii. Take(s) corrective action if there is a failure to comply.

Response:

All providers found to have deficiencies will be required to submit an action plan for performance improvement for review and approval by a DOH. Areas found deficient become a focus of future review and analysis of compliance. DOH will provide technical assistance as necessary to ensure the FMS provider comes into compliance and meets required benchmarks. If a provider fails to comply it may be determined, they no longer meet the requirements to be a qualified provider of the service.

A. Coordination and Continuity of Care Standards

Describe how the State assures that coordination and continuity of care is not negatively impacted by the selective contracting program (if additional space is needed, please supplement your answer with a Word attachment).

Response:

The robust enforcement of program standards for FMS ensures all individuals receiving FMS have an HCBS POC that is coordinated with any other provider providing services. Therefore, by identifying the FMS as the selective contracting program, coordination of care is assured.

Part IV: Program Operations

A. Beneficiary Information

Describe how beneficiaries will get information about the selective contracting program (if additional space is needed, please supplement your answer with a Word attachment).

Response:

NYS and the FMS will train Health Home Care Managers (HHCMs) to educate children and their families receiving AAT/E-Mod/V-Mod/TS on how to utilize the FMS to purchase these services. It is anticipated that HHCMs and The Children and Youth Evaluation Service independent evaluators will serve as the primary referral sources for FMS, to share information about the program with beneficiaries who may be eligible for the program. Informational brochures are required to be given to the member and their family regarding the services and how they can be utilized. Lastly, information about FMS will be available on the DOH website: https://www.health.ny.gov/health_care/medicaid/redesign/behavioral_health/children/emod_vmод_at.htm

B. Individuals with Special Needs

 X **The State has special processes in place for persons with special needs (Please provide detail).**

Response:

FMS providers must make arrangements or work with the individual's HHCM entity to provide interpretation, translation, or any other service the participant may require due to special needs. This may be accomplished through a variety of means, including employing culturally competent bi-lingual staff, language lines, translation services, and resources from the community. FMS providers are responsible for promoting and implementing cultural competencies, practices, and procedures to ensure that diverse cultures are considered in all aspects of the delivery of the service. The State of New York will monitor grievances and appeals through the provider hotline to ensure that there are no complaints regarding beneficiary information.

Section B – Waiver Cost-Effectiveness & Efficiency

Efficient and economic provision of covered care and services:

1. Provide a description of the State's efficient and economic provision of covered care and services (if additional space is needed, please supplement your answer with a Word attachment)

Response:

New York's actual expenditures for the prospective years will not exceed projected expenditures for the prospective years; and actual expenditures for the prospective years will be equal to the demand under the 1915(c) waiver.

- No more than 331 individuals are projected to need AAT/E-Mod/V-Mod.
- The cost of FMS for FFS is \$500 per project for AT and \$600 per project for vehicle and environmental modifications.
- The annual cost of FMS for FFS is anticipated to be no more than \$720,406 in the first year of the waiver and no more than \$1,142,351 in the last year of the waiver or \$4,596,329 over the life of the waiver.
- There is no historic Medicaid trend factor applied to the cost of this service. The trends for number of individuals are affected by several factors:
 - The number of individuals who will be served in FFS;
 - The number of projects per individual in FFS;
 - The average FMS cost per project is not anticipated to increase. DOH used a 2016 NY study that found FMS costs per project for goods/services purchased would be around \$500 if the total project costs were under \$60,000 annually. The Children's 1915(c) waiver has project limits of less than \$65,000 annually. The cost of each AT project is not expected to exceed \$15,000 annually. The cost of each E-Mod project is not anticipated to be more than \$25,000 annually. Vehicle modifications are not anticipated to be more than \$35,000 annually for safe passenger modifications and \$65,000 annually for driver modifications.

4/1/2026 Amendment:

The State's actual expenditures for the prospective years will not exceed projected expenditures for the prospective years; and actual expenditures for the prospective years will be equal to the demand under the 1915(c) Waiver.

- No more than 388 individuals are projected to need AAT/E-Mod/V-Mod/TS.
- The per project cost of FMS for FFS is \$611.50 for AAT, \$733.80 for V-Mods, \$978.39 for E-Mods, and \$611.50 for TS.
- The annual cost of FMS for FFS is anticipated to be no more than \$1,347,879 in the fourth year of the waiver (1915c WY5) and no more than \$ 1,512,044 in the last year of the waiver, or \$4,534,230 over the life of the waiver.
- There is no historic Medicaid trend factor applied to the cost of this service. The trends for number of individuals are affected by several factors:
 - The number of individuals who will be served in FFS;
 - The number of projects per individual in FFS;
 - The average FMS cost per project is not anticipated to increase. DOH used a 2016 State study that found FMS costs per project purchased would average \$931 if the total project costs were under \$60,000 annually. The Children's 1915(c) Waiver has project limits of less than \$65,000 annually. The cost of each project is capped at annually. AAT is capped at \$15,000, E-Mods at \$25,000, V-Mods at \$35,000 for safe passenger modifications and \$65,000 for driver modifications, and TS at \$8,000.

2. Project the waiver expenditures for the upcoming waiver period.

The State anticipated that 305 children will require FMS in year 1 with an 11/1/2023 start date. That is now expected to be 51 children with the 3/1/2024 start date. That will increase to 313 in year 2 of the 1915(b)(4)

waiver. Based on the 4/1/2026 amendment, there will be 388 by year 5 of the waiver. After year 2, the number of individuals served will increase by 2.5%, as explained in the 1915c Waiver. There is no other variance from BY to WY5. Base Year: SFY 2021. Inflation: 6.809%

Original submission

WY	Service	# Users	Unit	Cost	Avg Units/User	Avg Cost/User	Avg Cost/Unit
23-24	FMS	305	1,205	720,406	4	2,361	598
24-25	FMS	313	1,266	808,412	4	2,585	638
25-26	FMS	321	1,330	907,169	4	2,830	682
26-27	FMS	329	1,398	1,017,991	4	3,099	728
27-28	FMS	337	1,469	1,142,351	4	3,392	778

Updated based on 1915(c) 3/1/2024 effective date

WY	Service	# Users	Unit	Cost	Avg Units/User	Avg Cost/User	Avg Cost/Unit
23-24	FMS	51	201	120,407	4	2,361	597.70
24-25	FMS	313	1,268	757,674	4.1	2,421	597.70
25-26	FMS	321	1,332	796,226	4.2	2,480	597.70
26-27	FMS	329	1,398	835,734	4.3	2,540	597.70
27-28	FMS	337	1,483	886,270	4.4	2,630	597.70

Updated based on 1915(c) 4/1/2026 amendment effective date

WY	Service	# Users	Unit	Cost	Avg Units/User	Avg Cost/User	Avg Cost/Unit
23-24	FMS	51	201	120,407	3.95	2,361	598
24-25	FMS	313	1,268	757,674	4.05	2,421	598
25-26	FMS	321	1,332	796,226	4.15	2,480	598
26-27	FMS	379	1,448	1,347,879	3.82	3,556	931
27-28	FMS	388	1,521	1,512,044	3.92	3,892	994

**2027-28 is the next renewal year for the 1915c. The numbers input on this chart for 27-28 are inclusive and continue the use of the 25% user trend, 25% unit trend, and 6.809% cost/price trend for alignment with the current 1915c.*