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August 21, 2026

New York State Department of Health
Office of Health Insurance Programs
Waiver Management Bureau
99 Washington Ave
8th Floor, Suite 826
Albany, NY 12210
Sent via email: 1115waivers@health.ny.gov

Re: New York State Section MRT 1115(a) Demonstration Extension Request

To Whom It May Concern:

On behalf of the Healthcare Association of New York State and our member hospitals, health systems and continuing care providers across New York, thank you for the opportunity to comment on the New York State Department of Health's request for a five-year extension of the NYS Medicaid Redesign Team 1115 Waiver.

Support for the five-year waiver extension

HANYS strongly supports DOH's request for a five-year extension through March 2032. Although the initial approval period spans 3.25 years, implementation delays — including the time needed for Social Care Network designation and operational setup — have effectively left SCNs, health systems and community-based organizations with less than two years for active operation. This shortened operational period is insufficient to assess longer-term health outcomes, understand the impact on the total cost of care and determine which new processes and partnerships can be sustained over time.

Health systems, SCN lead entities and CBOs across the state have made significant financial and operational investments to build regional SCNs, develop workforce capacity and improve data systems. Those investments require sufficient time to demonstrate measurable results. The waiver has also created an important framework for connecting Medicaid members in urban, suburban and rural communities with health-related social needs services.

A five-year extension will allow these programs to move beyond initial implementation and demonstrate their long-term value. It will also provide greater stability for the providers and CBOs that have committed substantial resources to building these new systems. HANYS supports DOH's proposal to fund the waiver extension request with existing Designated State Health Programs funding authority and funds already approved by CMS.

Sustaining funding for hospitals participating in the Medicaid Hospital Global Budget Initiative

HANYS strongly supports the waiver extension request to continue MHGBI funding for participating distressed safety-net hospitals and ensure they retain access to this critical funding through the extension and beyond. MHGBI funding has provided these hospitals important financial stability and helped them prepare for the transition from fee-for-service reimbursement to hospital global budgets.

HANYS supports incorporating $550 million in annual MHGBI funding in the baseline of hospital global budgets as part of participation in the Achieving Healthcare Efficiency through Accountable Design Model, provided DOH secures the necessary authority to implement this model. HANYS encourages DOH and CMS to ensure participating hospitals continue to receive the same level of stable, predictable support and to assess whether this funding support is set at the appropriate level to ensure success under the AHEAD Model. These hospitals remain under significant financial pressure and depend on this funding to continue their transformation efforts.

HANYS is particularly concerned about the nine-month gap between the end of MHGBI funding under the current waiver on March 31, 2027, and the start of the AHEAD Model on Jan. 1, 2028. Without an authorized and clear strategy to bridge this gap, participating safety-net hospitals could face a significant funding disruption. HANYS urges DOH and CMS to explicitly authorize and fund a bridge payment mechanism in the waiver extension request that ensures participating hospitals experience no interruption in MHGBI support between April 1, 2027, and Jan. 1, 2028. Continuity of funding is critical to preserving financial stability and maintaining momentum toward successful implementation of hospital global budgets.

If this funding is not included in the waiver extension, we urge DOH to work with stakeholders during development of the fiscal year 2028 state budget to establish a mechanism to cover this funding gap.

Finally, HANYS urges clarity and transparency on how MHGBI funding would flow into the global budget baseline as proposed in the waiver extension request. A transparent transition process and stakeholder engagement will be critical to ensuring hospitals receive the appropriate level of funding support to continue making progress toward long-term delivery system reform goals.

Funding HRSN services through Medicaid managed care rates

HANYS supports the state's goal of continuing to fund HRSN screenings and services under the Medicaid program. As the state considers the long-term financing of HRSN services, HANYS urges caution with DOH's proposal in the extension request to continue funding and reimbursing the delivery of HRSN services through Medicaid managed care plan capitation per-member-per-month rates starting April 1, 2028.

Appropriate and actuarially sound Medicaid managed care premiums depend on robust, complete and reliable utilization and cost data throughout all regions of the state. HANYS is concerned that, given the relatively short implementation period and phased ramp-up of HRSN service delivery, there may not yet be sufficient experience data to support the development of accurate and stable capitation rates.

HANYS urges DOH to establish a clear and transparent process for engaging providers, health plans and other stakeholders before making changes to managed care premium rates for reimbursement of HRSN services. Providers across the HRSN service spectrum will need sufficient notice and a clear

understanding of the financial and operational implications of any new payment structure before it takes effect.

Operational priorities and systemic opportunities

While HANYS fully supports extending the waiver, feedback from members across the state highlights several key operational areas where DOH can partner with providers to enhance implementation:

Interoperability, bidirectional data exchange and Health Equity Regional Organization: Health systems need reliable, bidirectional data exchange among provider electronic health records, regional SCN platforms and the evolving HERO analytics platform. Currently, the lack of standardized integration between hospital EHRs and SCN platforms makes it difficult for providers to track completed referrals, leading to duplicate screenings and unnecessary administrative work. DOH should prioritize support for EHR connectivity, ensure relevant HERO analytics are incorporated into provider care management workflows, and establish consistent closed-loop referral standards across all nine SCN regions.

SCN governance, fiscal transparency and high-need populations: SCN governance structures should recognize the important clinical and operational roles of health systems, primary care providers and CBOs. DOH should provide clearer guidance on governance and encourage balanced representation among these partners. Additionally, as eligibility rules are streamlined, DOH should maintain targeted support for high-need populations, including pediatric and maternal care, rather than relying primarily on volume-based screening targets.

Addressing rural workforce and infrastructure gaps: With the closeout of initial loan repayment and career pathways programs, workforce shortages remain a primary constraint on access to care, particularly in rural communities. HANYS encourages DOH to work with state and federal partners to identify sustainable approaches to workforce development and capacity building for primary care, maternal and child health, behavioral health and community health workers in rural areas.

Community Oriented Recovery and Empowerment tracking and system integration: To ensure positive outcomes continue following the transition of adult Behavioral Health Home and Community Based Services to CORE services, DOH should establish clear communication and technical tracking mechanisms across state platforms. We urge DOH, the Office of Mental Health and the Office of Addiction Services and Supports to establish dedicated H-codes for CORE enrollment and to develop clear tracking indicators within state Medicaid eligibility, billing and care management platforms. Standardizing enrollment visibility will reduce administrative friction for providers, plans and patients.

Extension request offers opportunity for stability and assessment of long-term impact

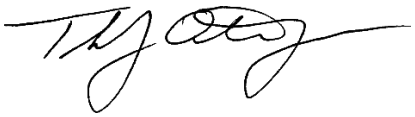
HANYS appreciates DOH's continued leadership on improving health outcomes and advancing the goals of the 1115 waiver. We support a full five-year extension because it will provide the stability needed for hospitals, health systems, SCNs, CBOs and other partners to continue building regional capacity, sustain early investments and more fully assess the long-term impact of HRSN services, hospital global budgets and related delivery system reforms.

As the waiver moves into its next phase, HANYS urges DOH and CMS to ensure continuity of critical funding, including MHGBI support; approach the transition of HRSN financing into managed care rates with transparency and appropriate stakeholder engagement; and continue addressing

operational barriers related to data exchange, SCN governance, workforce capacity and system integration.

We look forward to continuing our work with DOH to strengthen the waiver and support sustainable improvements in access to care for Medicaid members across New York.

Sincerely,



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