



**Office of
Mental Health**

Guidance Regarding Use of State Aid Funding During the COVID-19 Response

**Community Budget and Fiscal Management
New York State Office of Mental Health**

March 26, 2020

Overview

- OMH recognizes that providers will have unplanned expenses related to the COVID-19 response that will fall outside the scope/work plans of current OMH direct contracts and State Aid Letter funds administered by Local Government Units (LGUs).
- In order to maintain operations, staffing and delivery of mental health services funded by OMH State Aid, OMH will recognize all COVID-19 related expenses (consistent with any and all State guidance), as allowable within existing contracts and State Aid allocations.
- This guidance provides additional information on the use of State funds and flexibility to preserve access and support ongoing operations during the COVID-19 response.

Contract Standards/Flexibility

Temporary State Aid Flexibility Waivers of Program and Utilization Standards

OMH will allow providers flexibility to redirect resources in response to COVID-19

The following are examples of State Aid contract waivers for flexibility:

- Occupancy Standards for Residential Programs;
- Service Utilization for Care Management Programs;
- Interchange Flexibility Between Programs; and
- Interchange Flexibility within Budget Categories (i.e. personnel service, non-personnel service, etc.).

Waiver Submissions

- Providers should submit COVID-19 related waiver requests to their Field Office and Local Government Unit (LGU).
 - Requests will also help to inform OMH and LGUs of the immediate needs related to the preservation of access and operations of community mental health services.
- OMH expects provider actions to be consistent with the State's Emergency Guidance.
 - The ultimate goal is to preserve community-based services and capacity to every extent possible.
 - Providers may temporarily shift staffing and resources from a lower priority program (e.g., vocational) to a higher priority program (e.g. residential).

Process for Submitting State Aid – Flexibility Waiver Requests

1. Request e-mailed to Field Office
2. OMH will acknowledge receipt of Direct Contact or LGU request with CC: to OMH Central Office.
3. Direct Contract or LGU Requests for State Aid flexibility should include the following:
 - a. Purpose
 - b. Type of flexibility needed/Specifics of State Aid funding reallocation
 - c. Relation of request to COVID-19 response
4. Field Office/Central Office will review and respond with approval OR request for more information in a expedited manner (i.e., goal is one business day).

Examples of State Aid Flexibility Requests

- LGU requests to reallocate funds on the State Aid Letter (SAL) between programs and/or fund codes to address provider COVID-19 needs.
- Contract flexibility to reassign staff and funding between programs to maintain essential operations.
- Additional COVID-19 infection control expenses for residential programs (e.g., cleaning/disinfection, supplies, etc.).
- Additional overtime and/or personnel expenses to address COVID-19 costs.
- One-time costs for provider continuity of care plans (e.g., telehealth set-up).

All requests must be within current available State Aid contracts and SAL allocations.

Important: Medicaid Funded Programs

- This guidance and flexibility applies ONLY to State Aid funded programs.
- For OMH programs funded through Medicaid billing, COVID-19 Telemental Health Guidance can be found at: <https://omh.ny.gov/omhweb/guidance/> .
- OMH will be pursuing further Medicaid actions under the State's 1135 waiver to preserve access to needed services and mitigate potential revenue losses.

Consolidated Fiscal Reporting (CFR) Deadlines/Sanctions

CFR Deadlines/Sanctions

- **CFR Deadline** for the January 1, 2019 – December 31, 2019 CFR submissions has been extended from May 1, 2020 to August 1, 2020.
 - This guidance was issued on March 18, 2020 and sent to all OMH providers via email.
 - A copy of the “Calendar Year 2019 CFR Due Date Extension Memo” is available at: <https://omh.ny.gov/omhweb/guidance/>
- **Contract Sanctions:** OMH will not apply any contract sanctions or withholds on State Aid payments or Medicaid claims for failing to submit CFR reporting within the required deadlines.

State Aid: Direct Contract Payments & Close-outs



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Direct Contract Payments

- **April Quarterly Payments:** Will be expedited to providers and municipalities within the required contract and State Aid letter allocations.
 - OMH is putting processes in place to ensure that all scheduled payments will not be disrupted at any time during this period of uncertainty.
 - OMH will continue to ensure contract renewals and amendments under review will continue through the approval process in an expedited manner.
- **Technical Assistance:** Providers and counties requiring help to complete and execute already issued and pending State Aid contracts should immediately reach out to your OMH Field Office and/or Community Budget and Financial Management staff for assistance.

Contract and County Close-Outs

- **State Aid Close-outs:** OMH is temporarily suspending all State Aid close-outs to allow providers to focus their administrative resources and attention to preserving operations and any required COVID-19 responses.

Audits

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- **Pending Completed Audits:** OMH will grant extensions on responses
- **Audits Currently Underway:** Will be temporarily suspended
- **Opening Conferences & New Audits:** Will be postponed until further notice
- Providers engaged in any such audits will be contacted directly once the State suspension is lifted and such activities resume.

Reporting/Monitoring

COVID-19 Related Expenses

- Each provider agency needs to **track any, and all, COVID-19 related expenses.**
 - Providers should consult with their respective Field Office and/or Community Budget & Financial Management regarding any extraordinary costs associated with the COVID-19 response for State Aid funded programs that may not be accommodated within your contract allocations.
- OMH will be exploring potential Federal and State resources to address these challenges and will continue to provide updated guidance and support to assist you as you navigate these unprecedented decisions for your provider agency.

Additional Flexibility

Additional Flexibility addressed in OMH FAQs

- Requiring MCOs to reimburse telephonic delivery
- Staffing flexibilities (i.e., CCBHC LPN in lieu of RN)
- Documentation flexibilities, such as:
 - acceptance of verbal consent from both staff and patients
 - treatment plan signatures
- Billing flexibilities including in some cases, meeting minimum time requirements in non-consecutive increments
- E-Z Par not necessary to change office hours

New York's Pending 1135 Waiver:

- New York DOH submitted an 1135 Medicaid waiver to CMS on March 23, 2020 which is pending review
https://health.ny.gov/health_care/medicaid/covid19/docs/1135_waiver_request
- 1135 waiver pursues additional flexibility for various community mental health programs to modify and/or eliminate the minimum number of contacts, shorten or eliminate the duration of the minimum service encounters, and modify patient service plans.
- OMH will schedule webinars to educate providers once CMS action is taken.

Additional Guidance:

Additional COVID-19 guidance and frequently asked questions can be found at

- <https://omh.ny.gov/omhweb/guidance/>