

Somos faces staff reductions as DSRIP nears end

Somos Community Care has given notice to 130 employees that they may be laid off as the state's \$7.4 billion Delivery System Reform Incentive Payment program for Medicaid reform nears its scheduled end next year.

The physician-led performing provider system disclosed the possibility of staff reductions in a Worker Adjustment and Retraining Notification Act filing with the state Department of Labor.

"Somos launched in 2015 with state support as part of Gov. Andrew Cuomo's DSRIP program with the full awareness that the five-year program was designed to expire in 2020," Somos Chief Executive Mario Paredes said in a statement to *Crain's*. "In accordance with state and federal labor regulations and the spirit of transparency to our dedicated staff who have contributed significantly to the success of the DSRIP program, we submitted a WARN filing in anticipation of the program's termination."

Last month, however, the state announced that it is seeking \$8 billion in federal funding to extend its DSRIP waiver for an additional four years to continue New York's Medicaid redesign efforts.

The main goal of the DSRIP program has been to reduce avoidable hospitalizations by 25% over five years.

"We hope no layoffs are necessary, and strongly support Governor Cuomo's push to extend the program, which is securing transformative results for many of our state's most diverse, least-served communities," Paredes said. "Extending the program for four more years and beyond will allow us to continue to drive down avoidable hospital usage and expand care quality even more—and be at the forefront of transitioning New York to a value-based care model."

Should the state's request to renew the DSRIP program be rejected, Somos employees are scheduled to be let go beginning on or about Jan. 5.