

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-26-12
Baltimore, Maryland 21244-1850



Center for Medicaid and State Operations, CMSO

Deborah Bachrach
Deputy Commissioner
New York State Department of Health
Corning Tower
Empire State Plaza
Albany, New York 12237

RE: NY 09-18

Dear Ms. Bachrach:

We have reviewed the proposed amendment to Attachment 4.19-D of your Medicaid State plan submitted under transmittal number (TN) 09-18. Effective January 1, 2009, this amendment provides for a reduction in the trend factor applicable to payment rates for nursing home services.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(13), 1902(a)(30), and 1923 of the Social Security Act and the implementing Federal regulations at 42 CFR 447 Subpart C. We are pleased to inform you that Medicaid State plan amendment 09-18 is approved, effective January 1, 2009. We are enclosing the HCFA-179 and the amended plan pages.

If you have any questions, please call National Institutional Reimbursement Team (NIRT) member Tom Brady (518) 396-3810 ext 109 or Rob Weaver (410) 786-5914.

Sincerely,

/S/

Cindy Mann
Director
Center for Medicaid and State Operations (CMSO)

Enclosures

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|--|--|--|-----------------------------|
| TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL | | 1. TRANSMITTAL NUMBER: 09-18 | 2. STATE New York |
| FOR: HEALTH CARE FINANCING ADMINISTRATION | | 3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID) | |
| TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES | | 4. PROPOSED EFFECTIVE DATE January 1, 2009 | |
| 5. TYPE OF PLAN MATERIAL (Check One): <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment) | | | |
| 6. FEDERAL STATUTE/REGULATION CITATION: Section 1902(a) of the Social Security Act, and 42 CFR 447 Subpart C | | 7. FEDERAL BUDGET IMPACT: a. FFY 01/01/09-9/30/09 (\$22,800,000) b. FFY 10/01/09-9/30/10 (\$30,400,000) | |
| 8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-D, page 51(a)(2) | | 9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Attachment 4.19-D, page 51(a)(2) | |
| 10. SUBJECT OF AMENDMENT: Trend Factor Banking Adjustment-Long Term Care | | | |
| 11. GOVERNOR'S REVIEW (Check One): <input checked="" type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> OTHER, AS SPECIFIED: <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL | | | |
| 12. SIGNATURE OF STATE AGENCY OFFICIAL: 13. TYPED NAME: Deborah Bachrach <i>DB</i> | | 16. RETURN TO: New York State Department of Health Corning Tower Empire State Plaza Albany, New York 12237 | |
| 14. TITLE: Deputy Commissioner Department of Health | | | |
| 15. DATE SUBMITTED: March 31, 2009 | | | |
| FOR REGIONAL OFFICE USE ONLY | | | |
| 17. DATE RECEIVED: | | 18. DATE APPROVED: 9-21-09 | |
| PLAN APPROVED - ONE COPY ATTACHED | | | |
| 19. EFFECTIVE DATE OF APPROVED MATERIAL: JAN - 1 2009 | | 20. SIGNATURE OF REGIONAL OFFICIAL: | |
| 21. TYPED NAME: William Lasowski | | 22. TITLE: Deputy Director, CMSO | |
| 23. REMARKS: | | | |

**New York
51(a)(2)**

**Attachment 4.19-D
(01/09)**

- (k) For rates of payment effective for nursing home services provided after September 10, 2008, the otherwise final trend factor attributable to the 2008 calendar year period shall be adjusted such that any increase to the average trend factor for the period April 1, 2008 through December 31, 2008 shall be reduced, on an annualized basis, by 1.3%. However, for rates of payment effective for nursing home services provided on and after January 1, 2009, there shall be no retroactive adjustment to such 2008 trend factor for the period April 1, 2008 through December 31, 2008.
- (l) For rates of payment effective for nursing home services provided on and after January 1, 2009, a trend factor equal to the otherwise applicable trend factor attributable to the period January 1, 2009 through December 31, 2009, as calculated in accordance with paragraph (f) of this section, less 1% shall be applied.

Effective July 1, 1994, payment rates for the 1994 rate setting cycle will be calculated using the proxy data described in this section that is available through the third quarter of 1993. Proxy data, which becomes available subsequent to the third quarter of 1993, will not be considered in setting or adjusting 1994 payment rates.

*This means that since the rates for the April 1, 1996 through March 31, 1997 period are based on 1983 base year costs trended to this period, the rate impacts of any differences between, say, the final value of the 1995 trend factor and the preliminary 1995 trend factor value that may have been used when initially calculating the rate, would be incorporated into the rates for the April 1, 1996 through March 31, 1997 rate period.

TN #09-18 _____

Approval Date SEP 21 2009

Supersedes TN #08-64 _____

Effective Date JAN - 1 2009