

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

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

SEP 21 2009

RE: NY 09-44

Dear Ms. Bachrach:

We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid State plan submitted under transmittal number (TN) 09-44. Effective April 1, 2009, this amendment provides for a reduction in the trend factor applicable to payment rates for inpatient hospital 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 09-44 is approved, effective April 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,

A solid black rectangular box redacting the signature of the sender.

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

Enclosures

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: HEALTH CARE FINANCING ADMINISTRATION	1. TRANSMITTAL NUMBER: 09-44	2. STATE New York
	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 April 1, 2009	

5. TYPE OF PLAN MATERIAL (Check One):

NEW STATE PLAN AMENDMENT TO BE CONSIDERED AS NEW PLAN 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 04/01/09-9/30/09 (\$40.32 million) b. FFY 10/01/09-9/30/10 (\$80.65 million)
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8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-A, page 145(b)	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Attachment 4.19-A, Page 145(b)
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10. SUBJECT OF AMENDMENT:
Discontinue 08 & 09 Trend Factor-Inpatient

11. GOVERNOR'S REVIEW (Check One):

GOVERNOR'S OFFICE REPORTED NO COMMENT OTHER, AS SPECIFIED:
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

13. TYPED NAME: Deborah Bachrach	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: June 26, 2009	

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:	18. DATE APPROVED: 9-21-09
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PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL: APR - 1 2009	20. [REDACTED]
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21. TYPED NAME: William Lasowski	22. TITLE: Deputy Director, CMSO
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23. REMARKS:

**New York
145(b)**

**Attachment 4.19-A
(04/09)**

- (i) For reimbursement of hospital inpatient services provided to patients beginning on and after April 1, 2006, the Commissioner of Health shall apply a trend factor projection of 2.25% attributable to the period January 1, 2006 through December 31, 2006. Upon reconciliation of this trend factor, in accordance with the previously approved state methodology, the final 2006 trend factor shall be the U.S. Consumer Price Index (CPI) for all Urban Consumers, as published by the U.S. Department of Labor, Bureau of Labor Statistics, minus 0.25%.
- (j) For reimbursement of hospital inpatient services provided on and after April 1, 2007, the Commissioner of Health shall apply a trend factor equal to 75% of the otherwise applicable trend factor for calendar year 2007 as calculated in accordance with paragraph (h) of this section.
- (k) For reimbursement of hospital inpatient services provided on and after April 1, 2008, the Commissioner of Health shall apply a trend factor equal to 65% of the otherwise applicable trend factor for calendar year 2008 as calculated in accordance with paragraph (h) of this section.
- (l) For rates of payment effective for hospital inpatient 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 inpatient hospital services provided after January 1, 2009 through March 31, 2009, there shall be no retroactive adjustment to such trend factor for the period April 1, 2008 through December 31, 2008. Effective on and after April 1, 2009, the otherwise applicable final trend factor attributable to the 2008 calendar year period shall be zero.
- (m) For rates of payment effective for hospital inpatient services provided on and after January 1, 2009 through March 31, 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 (h) of this section, less 1% shall be applied. Effective on and after April 1, 2009, the otherwise applicable trend factor applicable to the 2009 calendar year period shall be zero.

TN #09-44

Approval Date SEP 21 2009

Supersedes TN #09-17

Effective Date APR - 1 2009