



DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare &
Medicaid Services

Refer to DMCH: SJ

Region II
Federal Building
26 Federal Plaza
New York, N.Y. 10278

July 19, 2010

Donna Frescatore
Deputy Commissioner
New York State Department of Health
Corning Tower, Empire State Plaza
Albany, New York 12237

Dear Commissioner Frescatore:

This is to notify you that New York State Plan Amendment (SPA) #09-56-C has been approved for adoption into the State Medicaid Plan with an effective date of December 1, 2009. The SPA provides that certain free-standing clinics in the upper northeastern region of New York State will seek to become certified as health care homes in order to improve health outcomes and efficiency through patient care continuity and coordination of health services (the Adirondack Health Care Home Multipayor Program), and that these facilities will be eligible for enhanced payments for services provided to recipients.

This SPA approval consists of 2 Pages. As New York has requested, we are approving the Attachment 4.19B-Page 1(c)(i)(G) and 1(c)(i)(H), which were submitted with the State's June 9, 2010 electronic submission to the CMS SPA Mailbox. In that letter, New York requested that the original SPA 09-56 submission of December 31, 2009 be split into four separate SPAs: 09-56-A, 09-56-B, 09-56-C and 09-56-D. This approval is for SPA 09-56-C; we will advise you about the other SPAs in other correspondence.

This amendment satisfies all of the statutory requirements at sections 1902(a)(13) and (a)(30) of the Social Security Act, and the implementing regulations at 42 CFR 447.250 and 447.272. Enclosed are copies of SPA 09-56-C and HCFA-179 form, as approved.

If you have any questions or wish to discuss this SPA further, please contact Michael Melendez or Shing Jew of this office. Mr. Melendez may be reached at (212) 616-2430, and Mr. Jew's telephone number is (212) 616-2426.

Sincerely,

/s/

Sue Kelly
Associate Regional Administrator
Division of Medicaid and Children's Health

Enclosure: SPA #09-56-C
HCFA-179 Form

CC: JUlberg
PMossman
SUrwin
SGaskins
LTavener
TSmith
MSamuel
SJew

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: HEALTH CARE FINANCING ADMINISTRATION		1. TRANSMITTAL NUMBER: 09-56-C	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 December 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)(30) of the Social Security Act 42 CFR §447.204		7. FEDERAL BUDGET IMPACT: a. FFY 12/01/09-9/30/10 N/A b. FFY 10/01/10 - 9/30/11 N/A	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-B: Pages 1(c)(i)(G), 1(c)(i)(H) ** SEE REMARKS		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):	
10. SUBJECT OF AMENDMENT: Adirondack Health Care Home Multipayor Program (Freestanding Clinics)			
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:		16. RETURN TO: New York State Department of Health Corning Tower Empire State Plaza Albany, New York 12237	
13. TYPED NAME: Donna Frescatore			
14. TITLE: Medicaid Director & Deputy Commissioner Department of Health			
15. DATE SUBMITTED: JUL 09 2010			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED:		18. DATE APPROVED: JUL 19 2010	
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: DEC 01 2009		20. SIGNATURE OF REGIONAL OFFICIAL:	
21. TYPED NAME: Sue Kelly		22. TITLE: Associate Regional Administrator Division of Medicaid and State Operations	
23. REMARKS: Originally submitted pages Attachment 4.19B-Page 1(c)(i)(G) and 1(c)(i)(H), have been replaced by revised pages submitted via State e-mail of June 9, 2010. New York State requested that the original SPA 09-56 submission of December 31, 2009 be split into four separate SPAs: 09-56-A, 09-56-B, 09-56-C and 09-56-D.			

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Adirondack Medical Home Multipayor Program – Freestanding Clinics

Effective for periods on and after December 1, 2009, the Commissioner of Health is authorized to certify certain clinicians and clinics in the upper northeastern region of New York as health care homes to improve health outcomes and efficiency through patient care continuity and coordination of health services. Certified providers will be eligible for incentive payments for services provided to recipients eligible for Medicaid fee-for-service; enrollees eligible for Medicaid managed care; and enrollees eligible for and enrolled in Family Health Plus organizations pursuant to Title 11-D of Article 28 of the Public Health Law (PHL).

Clinic shall mean a general hospital providing outpatient care or a free-standing diagnostic and treatment center licensed under Article 28 of the Public Health Law that is designated as a Federally Qualified Health Center pursuant to Section 1861(aa) of the Social Security Act.

The Adirondack Medical Home Multipayor Program is a primary care medical home collaborative of health care service providers including hospitals, diagnostic and treatment centers and private practices serving residents and eligible recipients in the counties of Clinton, Essex, Franklin, Hamilton, Saratoga and Warren. Incentive payments to clinics that meet "medical home" standards will be established jointly by the State Department of Health, participating health care service providers and payors. Medical home certification includes, but is not limited to, existing standards developed by national accrediting and professional organizations, including the National Committee for Quality Assurance's (NCQA) Physician Practice Connections® - Patient Centered Medical Home™ (PPC®-PCMH™) Recognition Program.

Under this program, incentive payments will be made for one year to participating providers to support conversion of these clinic practices to certified medical homes. Within one year, providers in the Multipayor Program, must achieve either Level 2 or Level 3 including additional criteria (referred to as Level 2 Plus and Level 3 Plus) as determined by the program participants. Eligible providers will receive the same incentive payment commensurate with the following levels of "medical home" designation: conversion support; Level 2 Plus; or Level 3 Plus. There will be no incentive payment for Level 1 designation. Incentive payments will be added to claims from program clinics for visits with Evaluation and Management codes identified by the Department of Health as "primary care."

TN #09-56-C

Supersedes TN New

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The incentive amount was determined by the Department of Health and participating payors based on a market analysis of the cost to support the conversion of a practice to provide "medical home" patient care and management information systems related to meeting the objectives of this initiative. The participating payors agreed to a per member per month (PMPM) incentive payment of \$7. To calculate the per-visit incentive payment amount, the PMPM was multiplied by twelve (12) to calculate an annual per member payment (\$84) and then this annual amount was divided by the average number of annual primary care visits to clinics and practitioners' offices to arrive at a per visit incentive payment. The average annual visit rate, based on two years of claims data (January 1, 2007 – December 31, 2008) for a specific list of providers who agreed to participate in the Multipayor Program, was 3 visits per year. Therefore, the per visit incentive payment is \$28. The incentive amount will be approved by the Division of the Budget.

Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of primary care "medical home" services in the Multipayor Program. The agency's fee schedule rate was set as of December 1, 2009 and is effective for services on or after that date. All Medicaid rates are published on the Department of Health's public website.

Patient and health care services participation in the Adirondack Medical Home Multipayor Program is on a voluntary basis. While clinics and clinicians are participating in the Multipayor Program, they are precluded from receiving incentive payments under the statewide patient centered medical home program established pursuant to section 364-m of the Social Services Law.

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