

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
New York Regional Office  
26 Federal Plaza, Room 37-100  
New York, NY 10278



DIVISION OF MEDICAID AND CHILDREN'S HEALTH OPERATIONS

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DMCHO: SJ

August 6, 2012

Jason A. Helgeson  
Deputy Commissioner  
New York State Department of Health  
Corning Tower  
Empire State Plaza  
Albany, New York 12237

Dear Commissioner Helgeson:

This is to notify you that New York State Plan Amendment (SPA) #11-66 has been approved for adoption into the State Medicaid Plan with an effective date of April 1, 2011. The SPA concerns rates of payment for outpatient general hospitals, home health services including services provided to home care patients diagnosed with AIDS, personal care services and adult day health care services. The SPA reduces the trend factor to an amount no greater than zero for outpatient services provided by general hospitals, home health services including services provided to home care patients diagnosed with AIDS, personal care services and adult day health care services provided on and after April 1, 2011 through March 31, 2013.

This SPA approval consists of 6 Pages. As New York has requested, we are approving the following Attachment 4.19-B Pages which was submitted by the State on June 15, 2012: Attachment 4.19-B-Page 1(b)(i), 1(b)(i)(1), 2(b)(ii), 4(1), 6(a)(1), and 7(a)(ii). These Pages replace all of the Pages that the State provided with the original SPA submission materials. In addition, we are processing the SPA using the HCFA-179 which was provided by the State to CMS on June 15, 2012.

Although CMS is approving this SPA at this time, due to concerns regarding potential problems with access to care, CMS will continue to inquire about the results of the State's planned efforts to monitor access to care to help determine whether it has been negatively affected by this rate reduction or due to the State's rate reductions since 2009.

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 #11-66 and the HCFA-179 form, as approved.

If you have any questions or wish to discuss this SPA further, please contact Ricardo Holligan or Shing Jew of this office. Mr. Holligan may be reached at (212) 616-2424, and Mr. Jew's telephone number is (212) 616-2426.

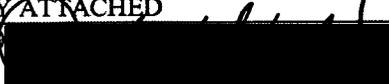
Sincerely,

/s/

John Guhl  
Acting Associate Regional Administrator  
Division of Medicaid and Children's Health

Enclosure: SPA #11-66  
HCFA-179 Form

CC: JUlberg  
PMossman  
KKnuth  
SAtkinson  
RWeaver  
LTavener  
JFrandsen  
EGarbarczyk  
TPorcher  
SJew

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b>  <b>FOR: HEALTH CARE FINANCING ADMINISTRATION</b>		1. TRANSMITTAL NUMBER: <b>#11-66</b>	2. STATE <b>New York</b>
		3. PROGRAM IDENTIFICATION: <b>TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)</b>	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE <b>April 1, 2011</b>	
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, 42 CFR 447		7. FEDERAL BUDGET IMPACT: a. FFY 04/01/11-09/30/11 ( \$14.16) million b. FFY 10/01/11-09/30/12 ( \$42.00) million	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:  Attachment 4.19-B: Pages 1(b)(i), 1(b)(i)(1), 2(b)(ii), 4(1), 6(a)(1), 7(a)(ii)  <b>**SEE REMARKS BELOW</b>		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):  Attachment 4.19-B: Pages 1(b)(i), 2(b)(ii), 4(1), 6(a)(1), 7(a)(ii)	
10. SUBJECT OF AMENDMENT: Eliminate 2011 Trend Factor - NI (FMAP = 56.88% 4/1/11-6/30/11; 50% 7/1/11 forward)			
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: 	OFFICIAL:	16. RETURN TO: New York State Department of Health Corning Tower Empire State Plaza Albany, New York 12237	
13. TITLE:			
14. TITLE: <b>Medicaid Director &amp; Deputy Commissioner</b> <b>Department of Health</b>			
15. DATE SUBMITTED: <b>June 15, 2012</b>			
<b>FOR REGIONAL OFFICE USE ONLY</b>			
17. DATE RECEIVED:		18. DATE APPROVED: <b>August 06, 2012</b>	
<b>PLAN APPROVED - ONE COPY ATTACHED</b>			
19. EFFECTIVE DATE OF APPROVED MATERIAL: <b>April 01, 2011</b>		20. SIGNATURE:  OFFICIAL:	
21. TYPED NAME: <b>John Guhl</b>		22. TITLE: <b>Acting, Associate Regional Administrator</b> <b>Division of Medicaid and State Operations</b>	
23. REMARKS:  <b>** The SPA implements a trend factor of no greater than zero percent for non-institutional services for the period April 1, 2011 through March 31, 2013.</b>			



**OFFICIAL**

**New York  
1(b)(i)(1)**

**Attachment 4.19-B  
(04/11)**

All rates are subject to approval by the Division of the Budget. For emergency room services only, a retrospective adjustment may be made if it is determined that patients requiring general clinical services are provided such services in the emergency room for the sole purpose of maximizing reimbursement.

TN#: 11-66 Approval Date: AUG 06 2012  
Supersedes TN#: NEW Effective Date: APR 01 2011

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**New York  
2(b)(ii)**

**Attachment 4.19-B  
(04/11)**

For rates of payment effective for outpatient hospital services provided on and after January 1, 2009 through March 31, 2009, the otherwise applicable 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, no retroactive adjustment to such trend factor will be made 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.

For rates of payment effective for outpatient hospital 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, less 1% shall be applied. Effective on and after April 1, 2009, the otherwise applicable final trend factor attributable to the 2009 calendar year period shall be zero.

For rates of payment effective for outpatient hospital services provided on and after January 1, 2010 through March 31, 2010, the otherwise applicable final trend factor attributable to the 2010 calendar year period shall be zero.

For rates of payment effective for outpatient hospital services provided on and after April 1, 2010, the otherwise applicable trend factor attributable to the 2010 calendar year period shall be zero.

For rates of payment effective for outpatient hospital services provided on and after April 1, 2011 through March 31, 2013, the otherwise applicable trend factor attributable to the 2011 through 2013 calendar year period shall be no greater than zero.

TN #11-6( ) \_\_\_\_\_

Supersedes TN #10-13 \_\_\_\_\_

Approval Date AUG 06 2012

Effective Date APR 01 2011

**OFFICIAL**

**New York  
4(1)**

**Attachment 4.19-B  
(04/11)**

**Home Health Services/Certified Home Health Agencies**

Prospective, cost based hourly and per visit rates for five services shall be calculated by the Department of Health and approved by Division of the Budget. Rates are based on the lower of cost or ceiling, trended or, if lower, the charge provided, however, for services on and after April 1, 2008, the Commissioner of Health shall apply a trend factor projection equal to 65% of the otherwise applicable trend factor for calendar year 2008, as calculated in accordance with the general Trend Factor section of this Attachment.

For rates of payment effective for services provided on and after January 1, 2009 through March 31, 2009, the otherwise applicable 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, no retroactive adjustment to such trend factor will be made 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.

For rates of payment effective for 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, less 1% shall be applied. Effective on and after April 1, 2009 the otherwise applicable final trend factor attributable to the 2009 calendar year period shall be zero.

For rates of payment effective for services provided on and after January 1, 2010 through March 31, 2010, the otherwise applicable final trend factor attributable to the 2010 calendar year period shall be zero.

For rates of payment effective for services provided on and after April 1, 2010, the otherwise applicable trend factor attributable to the 2010 calendar year period shall be zero.

For rates of payment effective for services provided on and after April 1, 2011 through March 31, 2013, the otherwise applicable trend factor attributable to the 2011 through 2013 calendar year period shall be no greater than zero.

**TN #11-56** \_\_\_\_\_

**Supersedes TN #10-13** \_\_\_\_\_

**Approval Date** AUG 06 2012

**Effective Date** APR 01 2011

**OFFICIAL**

New York  
6(a)(1)

**Attachment 4.19-B  
(04/11)**

**Personal Care Services**

For personal care services provided pursuant to a contract between a social services district and a voluntary, proprietary or public personal care services provider, payment is made at the lower of the provider's charge to the general public for personal care services or a rate the Department establishes for the provider, subject to the approval of the Director of the Budget, in accordance with a cost-based methodology. Under the cost-based methodology, the Department determines a provider's rate based upon the provider's reported allowable costs, as adjusted by annual trend factors provided, however, for services on and after April 1, 2008, the Commissioner of Health shall apply a trend factor projection equal to 65% of the otherwise applicable trend factor for calendar year 2008, as calculated in accordance with the general trend factor methodology contained on page 1(c)(i) in this Attachment.

For rates of payment effective for personal care services provided on and after January 1, 2009 through March 31, 2009, the otherwise applicable 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, no retroactive adjustment to such trend factor will be made 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.

For rates of payment effective for personal care 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, less 1% shall be applied. Effective on and after April 1, 2009 the otherwise applicable trend factor attributable to the 2009 calendar year period shall be zero.

For rates of payment effective for services provided on and after January 1, 2010 through March 31, 2010, the otherwise applicable final trend factor attributable to the 2010 calendar year period shall be zero.

For rates of payment effective for personal care services provided on and after April 1, 2010, the otherwise applicable trend factor attributable to the 2010 calendar year period shall be zero.

For rates of payment effective for personal care services provided on and after April 1, 2011 through March 31, 2013, the otherwise applicable trend factor attributable to the 2011 through 2013 calendar year period shall be no greater than zero.

The provider's rate includes payment for the provider's reported allowable trended costs only in an amount that does not exceed the ceilings for allowable costs that the Department has established for all providers in the applicable geographic group to which the provider belongs. The rate includes an adjustment for profit, for proprietary providers, or surplus, for voluntary providers.

TN #11-56 \_\_\_\_\_ Approval Date AUG 06 2012  
Supersedes TN #10-13 \_\_\_\_\_ Effective Date APR 01 2011

**OFFICIAL**

**New York  
7(a)(ii)**

**Attachment 4.19-B  
(04/11)**

For rates of payment effective for adult day health care services provided on and after January 1, 2009 through March 31, 2009, the otherwise applicable 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, no retroactive adjustment to such trend factor will be made 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.

For rates of payment effective for adult day health care 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, less 1% shall be applied. Effective on and after April 1, 2009 the otherwise applicable trend factor attributable to the 2009 calendar year period shall be zero.

For rates of payment effective for services provided on and after January 1, 2010 through March 31, 2010, the otherwise applicable final trend factor attributable to the 2010 calendar year period shall be zero.

For rates of payment effective for adult day health care services provided on and after April 1, 2010, the otherwise applicable trend factor attributable to the 2010 calendar year period shall be zero.

For rates of payment effective for adult day health care services provided on and after April 1, 2011 through March 31, 2013, the otherwise applicable trend factor attributable to the 2011 through 2013 calendar year period shall be no greater than zero.

TN #11-66 \_\_\_\_\_

Approval Date AUG 08 2012

Supersedes TN #10-13 \_\_\_\_\_

Effective Date APR 01 2011