

OFFICIAL

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State/Territory: New York

**METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES –
OTHER TYPES OF CARE**

Payment of Medicare Part A and Part B Deductible/Coinsurance

Explanation of Medicare Part B Coinsurance Payment for Medicaid Recipients

This Medicare coinsurance policy applies to:

- Qualified Medicare Beneficiaries (QMBs)
- Qualified Medicare Beneficiaries Plus (QMBs+)
- Any other persons who have both full Medicaid and Medicare

For all recipients noted above [(except for number 5 below, which applies only to QMB and QMB+ persons),] New York State Medicaid will pay as follows:

1. If the Medicare payment amount exceeds the regular Medicaid fee for the service, Medicaid will pay 20% of the Medicare coinsurance liability.
2. If the Medicare payment amount is equal to or lower than the regular Medicaid fee for the service, Medicaid will pay the full Medicare coinsurance liability.
3. If a procedure is designated "inactive" on the procedure code file, i.e., procedures that are not covered by Medicaid and have been assigned a \$0 amount, Medicaid will not reimburse any portion of the Medicare Part B coinsurance amount for these procedures.
- [3]4. If the service is an outpatient service certified under Articles 16, 31, or 32 of the Mental Hygiene Law, [or Article 28 of the Public Health Law,] or is an ambulance or psychologist service, Medicaid will pay the full Medicare coinsurance liability.
5. If the service is an outpatient service certified under Article 28 of the Public Health Law, Medicaid will pay as follows:
 - a. If the Medicare payment is greater than the amount that Medicaid would have paid for that service, then Medicaid will pay \$0.
 - b. If the Medicare payment is less than the amount that Medicaid would have paid for that service, then Medicaid will pay the lower of the difference between the Medicaid rate and the Medicare payment, or the Medicare coinsurance amount.
 - c. If the Medicare payment is equal to the amount that Medicaid would have paid for that service, Medicaid will pay \$0.
- [4]6. If the service is a Products of Ambulatory Care Clinic, a clinic primarily serving the developmentally disabled, or a Mental Health comprehensive outpatient program services (COPS) program, Medicaid will pay up to the regular Medicaid fee, even if that fee is higher than the Medicare approved amount.

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- [5]. For QMB and QMB+ persons only, if the service has no regular Medicaid fee (because it is not covered under the New York State Medicaid State Plan), Medicaid will pay the full Medicare coinsurance liability.
- [6]7. Any Medicaid payments made to physicians and durable medical equipment providers for Medicare Part B services during the period April 1, 2005 through June 30, 2005, which are made subject to the 20% of the coinsurance payment provisions cited on Supplement 1 to Attachment 4.19-B page 3, will be the basis of a supplemental payment not to exceed \$5,000,000 pursuant to the following methodology:

For each physician and durable medical equipment provider that received such payments during the period April 1, 2005 through June 30, 2005, the Department of Health will determine the ratio of each physician's and durable medical equipment provider's payments to the total of such payments made during the period, expressed as a percentage.

For each physician, the Department of Health will multiply this percentage by \$4,700,000 and for each durable medical equipment provider the Department of Health will multiply this percentage by \$300,000, respectively. The result of such calculation will represent the "2005 coinsurance enhancement".

- [7]8. Any Medicaid payments made to psychiatrists for Medicare Part B services during the period April 1, 2006 through March 31, 2007, which are made subject to 20 percent of the coinsurance payment provisions cited on Supplement 1 to Attachment 4.19-B page 3, will be the basis of a supplemental payment not to exceed \$2,000,000 pursuant to the following methodology:

For each psychiatrist who received such Medicaid payments during the period April 1, 2006 through March 31, 2007, the Department of Health will determine the ratio of each psychiatrist's Medicaid payments to the total of such Medicaid payments made during the period, expressed as a percentage.

For each psychiatrist, the Department of Health will multiply this percentage by \$2,000,000. The result of such calculation will represent the "2006-2007 coinsurance enhancement".

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