

Table of Contents

State/Territory Name: New York

State Plan Amendment (SPA) #: 12-0031

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form
- 3) Approved SPA Pages

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

DMCHO:PM:SPA-NY-12-0031-FCA

May 9, 2017

Jason A. Helgersen
State Medicaid Director
Deputy Commissioner
Office of Health Insurance Programs
NYS Department of Health
Empire State Plaza
Corning Tower (OCP-1211)
Albany, NY 12237

RE: TN 12-0031

Dear Commissioner Helgersen:

This is to notify you that New York State Plan Amendment (SPA) #12-0031 has been approved for adoption into the State Medicaid Plan with an effective date of May 1, 2012. This SPA amends and updates the State's APG system for Outpatient Hospital Services and reduces the additional investment for OP Hospital payments from \$270 million per year to \$245 million per year.

Enclosed are copies of SPA #12-0031 and the CMS-179 form, as approved.

If you have any questions, please contact Peter Marra at 518-396-3810, ext. 104.

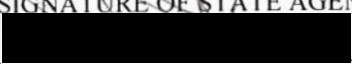

Sincerely,

A black rectangular box redacting the signature of Michael Melendez.

Michael Melendez, LMSW
Associate Regional Administrator
Division of Medicaid and Children's Health Operations

Enclosures

cc. J. Ulberg
R. Deyette
L. Tavener
R. Weaver
R. Holligan
P. Marra
M. Lopez

| | | | |
|--|--|--|-----------------------------|
| TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: HEALTH CARE FINANCING ADMINISTRATION | | 1. TRANSMITTAL NUMBER: 12-0031 | 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 May 1, 2012 | |
| 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 447.204 | | 7. FEDERAL BUDGET IMPACT: (in thousands) a. FFY 05/01/12 – 09/30/12 \$ (5,681.82) b. FFY 10/01/12 – 09/30/13 \$(12,500.00) | |
| 8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-B: Page 1(e)(3), 1(j) | | 9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Attachment 4.19-B: Page 1(e)(3), 1(j) | |
| 10. SUBJECT OF AMENDMENT: \$25M Reduction to Hospital APG Investment (FMAP = 50%) | | | |
| 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 Bureau of Federal Relations & Provider Assessments 99 Washington Ave – One Commerce Plaza Suite 1432 Albany, NY 12210 | |
| 13. TYPED NAME: Jason A. Helgerson | | | |
| 14. TITLE: Medicaid Director Department of Health | | | |
| 15. DATE SUBMITTED: JUN 30 2012 | | | |
| FOR REGIONAL OFFICE USE ONLY | | | |
| 17. DATE RECEIVED: | | 18. DATE APPROVED: MAY 9, 2017 | |
| PLAN APPROVED – ONE COPY ATTACHED | | | |
| 19. EFFECTIVE DATE OF APPROVED MATERIAL: MAY 1, 2012 | | 20. SIGNATURE OF REGIONAL OFFICIAL:  | |
| 21. TYPED NAME: MICHAEL MELENDEZ | | 22. TITLE: TRATOR DIVISION OF MEDICAID AND CHILDREN'S HEALTH | |
| 23. REMARKS: | | | |

**New York
1(e)(3)**

Hospital-Based APG Base Rate Table

| Peer Group | Region | Rate Start Date | Base Rate Updated as of [01/01/12] 05/01/12 |
|------------------------------|---------------|------------------------|--|
| Ambulatory Surgery Services | Downstate | 12/01/08 | \$195.59 |
| Ambulatory Surgery Services | Upstate | 12/01/08 | \$151.09 |
| Clinic* | Downstate | 12/01/08 | [\$199.89] <u>\$183.53</u> |
| Clinic* | Upstate | 12/01/08 | [\$153.65] <u>\$140.52</u> |
| Clinic Episode* | Downstate | 07/01/09 | [\$199.89] <u>\$183.53</u> |
| Clinic Episode* | Upstate | 07/01/09 | [\$153.65] <u>\$140.52</u> |
| Clinic MR/DD/TBI*(1) | Downstate | 07/01/10 | [\$239.87] <u>\$220.23</u> |
| Clinic MR/DD/TBI*(1) | Upstate | 07/01/10 | [\$184.38] <u>\$168.63</u> |
| Clinic MR/DD/TBI Episode*(1) | Downstate | 07/01/10 | [\$239.87] <u>\$220.23</u> |
| Clinic MR/DD/TBI Episode*(1) | Upstate | 07/01/10 | [\$184.38] <u>\$168.63</u> |
| Emergency Department | Downstate | 01/01/09 | \$197.38 |
| Emergency Department | Upstate | 01/01/09 | \$154.15 |

*For Clinic (effective 12/1/08) & School-Based Health Center (SBHC) (effective 4/1/09), while they share the same base payment rates, please note that their rate codes and effective dates differ.

Hospital-based Article 28 Medicaid rates can also be found at the Department of Health's website at:

http://www.health.ny.gov/health_care/medicaid/rates/apg/baserates.htm

TN #12-0031

Supersedes TN #12-0001

Approval Date MAY 9, 2017

Effective Date MAY 1, 2012

New York
1(j)

- III. The APG base rates [shall] will be updated at least annually. Updates for periods prior to January 1, 2010 will be based on claims data from the December 1, 2008 through April 30, 2009 period. The January 1, 2010, update will be based on claims data for the period December 1, 2008, through September 30, 2009. Subsequent updates will be based on Medicaid claims data from the most recent twelve-month period, and will be based on complete and accurate billing data. APG base rates [shall] will be rebased each time the APG relative weights are reweighted.
- a. If it is determined by the Department that an APG base rate is materially incorrect, the Department [shall] will correct that base rate prospectively so as to align aggregate reimbursement with total available funding.
- IV. APG base rates [shall] will initially be calculated using the total operating reimbursement for services and associated ancillaries and the associated number of visits for services moving to APG reimbursement for the period January 1, 2007 to December 31, 2007. APG payments [shall] will also reflect an investment of \$178 million on an annualized basis for periods prior to December 1, 2009, [and] \$270 million on an annualized basis for the period December 1, 2009, through April 30, 2012, and \$245 million for the period May 1, 2012, through March 31, 2013, and \$245 million on an annualized basis for periods thereafter. A link to the allocation of all APG investments across peer groups for all periods is available in the APG Reimbursement Methodology – Hospital Outpatient section. The case mix index [shall] will initially be calculated using 2005 claims data.
- a. Re-estimations of total operating reimbursement and associated ancillaries and the estimated number of visits [shall] will be calculated based on historical claims data. Re-estimations for periods prior to January 1, 2010, will be based on claims data from the December 1, 2008 through April 30, 2009 period. The January 1, 2010, re-estimation [shall] will be based on claims data from the December 1, 2008, through September 30, 2009, period. Subsequent re-estimations will be based on Medicaid claims data from the most recent twelve-month period, and will be based on complete and accurate data.
- b. The estimated case mix index [shall] will be calculated using the appropriate version of the 3M APG software based on claims data. Re-estimations for periods prior to January 1, 2009, will be based on claims data from the December 1, 2008 through April 30, 2009 period. The January 1, 2010, re-estimation [shall] will be based on Medicaid data for the period December 1, 2008, through September 30, 2009. Subsequent re-estimations will be based on Medicaid claims data from the most recent twelve-month period, and will be based on complete and accurate line level procedure and charge data and ratio of cost to charge data.