



DIVISION OF MEDICAID AND CHILDREN'S HEALTH OPERATIONS

DMCHO: JH

'AUG 20 2013

Jason Helgeson
Deputy Commissioner
Office of Health Insurance Programs
New York State Department of Health
Corning Tower (OCP 1211)
Empire State Plaza
Albany, New York 12237

Dear Commissioner Helgeson:

This is to notify you that New York State Plan Amendment (SPA) #13-33 has been approved for adoption into the State Medicaid Plan with an effective date of April 1, 2013. This SPA concerns rates of payment for outpatient services provided by general hospitals, health home services including services provided to home care patients diagnosed with AIDS, personal care services and adult day health care services. This SPA continues the trend factor at an amount no greater than zero for outpatient services provided by general hospitals, health home services including services provided to home care patients diagnosed with AIDS, personal care services and adult day health care services provided on or after April 1, 2013 through March 31, 2015.

This SPA approval consists of 6 pages. As New York requested, we are approving the following Attachment 4.19-B pages which were submitted by the state on July 29, 2013: Attachment 4.19-B Page 1(b)(i), 2(b)(ii), 4(1), 6(a)(1), 6(a)(1)(i) 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 July 29, 2013.

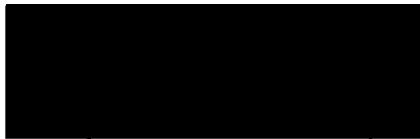
We understand New York is working to complete its upper payment limit (UPL) demonstration for these services and expects to have this information to CMS shortly. This UPL information is necessary for continued processing of pending amendments and will bring the state into compliance with the SMD letter. CMS will not approve further amendments concerning these services absent to the UPL information and may take additional actions.

Enclosed are copies of SPA #13-33 and the HCFA- 179 form, as approved.

If you have any questions or wish to discuss this SPA further, please contact Shing Jew at (212) 616-2426 or Joanne Hounsell at (212) 616-2446.

Approval letter – NY SPA 13-33 (*continued*)

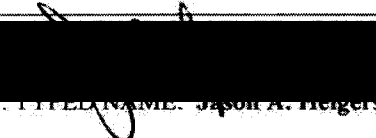
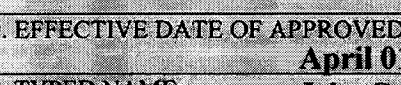
Sincerely,



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

Enclosures: HCFA-179 Form
State Plan Pages

cc: JUlberg
 PMossman
 KKnuth
 IMatthews
 LTavener
 RWeaver
 MCieslicki
 JGuhl
 NMcKnight
 SJew
 GCritelli
 JHounsell
 MLopez

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL		1. TRANSMITTAL NUMBER: 13-33	2. STATE New York
FOR: HEALTH CARE FINANCING ADMINISTRATION		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, 2013	
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, 42 CFR 447		7. FEDERAL BUDGET IMPACT: a. FFY 04/01/13-09/30/13 (\$13.25) million b. FFY 10/01/13-09/30/14 (\$42.00) million	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-B: Pages 1(b)(i), 2(b)(ii), 4(1), 6(a)(1), 6(a)(1)(i), 7(a)(ii) **Please see remarks		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 Trend Factor Adjustments - NI (FMAP = 50%)			
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			
12. SIGNED BY OFFICIAL: 		16. RETURN TO: New York State Department of Health Bureau of HCRA Operations & Financial Analysis 99 Washington Ave - One Commerce Plaza Suite 810 Albany, NY 12210	
13. TYPED NAME: Jason A. Hengerson			
14. TITLE: Medicaid Director Department of Health			
15. DATE SUBMITTED: JUL 3 9 2013			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED:		18. DATE APPROVED: August 20, 2013	
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: April 01, 2013		20. SIGNED BY OFFICIAL: 	
21. TYPED NAME: John Guhl		22. TITLE: Acting Associate Regional Administrator Division of Medicaid and State Operations	
23. REMARKS: **This SPA continues the trend factor adjustments at an amount no greater than zero percent for certain non-Institutional services for the period April 1, 2013 through March 31, 2015.			

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Attachment 4.19-B

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

For outpatient services provided by general hospitals as noted in the proceeding paragraphs of this Section, 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%.

For reimbursement of outpatient hospital services provided on and after April 1, 2007, the Commissioner of Health shall apply a trend factor projection equal to 75% of the otherwise applicable trend factor for calendar year 2007.

For reimbursement of outpatient hospital services provided 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 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 factors attributable to the 2011 through [2013] 2014 calendar year periods shall be no greater than zero. For such rates effective for the period January 1, 2015 through March 31, 2015 otherwise applicable trend factors attributable to the 2015 calendar year period shall be no greater than zero.

TN	<u>#13-33</u>	Approval Date	<u>AUG 20 2013</u>
Supersedes TN	<u>#11-66</u>	Effective Date	<u>APR 01 2013</u>

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Attachment 4.19-B

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

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 factors attributable to the 2011 through [2013] 2014 calendar year periods shall be no greater than zero. For such rates effective for the period January 1, 2015 through March 31, 2015 otherwise applicable trend factors attributable to the 2015 calendar year period shall be no greater than zero.

TN #13-33 _____

Approval Date _____

AUG 20 2013

Supersedes TN #11-66 _____

Effective Date _____

APR 01 2013

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**New York
4(1)**

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 factors attributable to the 2011 through [2013] 2014 calendar year periods shall be no greater than zero. For such rates effective for the period January 1, 2015 through March 31, 2015 otherwise applicable trend factors attributable to the 2015 calendar year period shall be no greater than zero.

TN #13-33 _____

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Attachment 4.19-B

**New York
6(a)(1)**

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 factors attributable to the 2011 through [2013] 2014 calendar year periods shall be no greater than zero. For such rates effective for the period January 1, 2015 through March 31, 2015 otherwise applicable trend factors attributable to the 2015 calendar year period shall be no greater than zero.

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Attachment 4.19-B

**New York
6(a)(1)(i)**

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.

New

TN #13-33

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Attachment 4.19-B

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

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 factors attributable to the 2011 through [2013] 2014 calendar year periods shall be no greater than zero. For such rates effective for the period January 1, 2015 through March 31, 2015 otherwise applicable trend factors attributable to the 2015 calendar year period shall be no greater than zero.

TN #13-33 _____

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Supersedes TN #11-66 _____

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