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State/Territory Name: New York

State Plan Amendment (SPA) #: 15-0009

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: SA

January 12, 2018

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

Dear Deputy Commissioner Helgerson:

This is to notify you that New York State Plan Amendment (SPA) #15-0009 has been approved for adoption into the State Medicaid Plan with an effective date of January 1, 2015. SPA #15-0009 extends the Ambulatory Patient Group methodology for hospital-based clinic and ambulatory surgery services, including emergency room services, for the period January 1, 2015 through December 31, 2015. Enclosed is a copy of the approved SPA #15-0009 materials.

If you have any questions, please contact me or Stephen Abbott of this office. I may be reached at (212) 264-2424, and Mr. Abbott at (518) 396-3810, ext. 113.

Sincerely,

A large black rectangular box redacting the signature of Michael Melendez.

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

cc: R. Holligan
J. Ulberg
R. Dayette
R. Weaver
S. Abbott
M. Tabakov
M. Lopez

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**

FOR: HEALTH CARE FINANCING ADMINISTRATION

TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

1. TRANSMITTAL NUMBER:
15-0009

2. STATE
New York

3. PROGRAM IDENTIFICATION: **TITLE XIX OF THE
SOCIAL SECURITY ACT (MEDICAID)**

4. PROPOSED EFFECTIVE DATE
January 1, 2015

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:
§1902(a) of the Social Security Act, and 42 CFR 447

7. FEDERAL BUDGET IMPACT:
a. FFY 01/01/15-09/30/15 \$0
b. FFY 10/01/15-12/31/15 \$0

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attachment 4.19-B: Page 1(e)(1)

9. PAGE NUMBER OF THE SUPERSEDED PLAN
SECTION OR ATTACHMENT (If Applicable):

Attachment 4.19-B: Page 1(e)(1)

10. SUBJECT OF AMENDMENT:
**APG Extension for Hospital OP APGs
(FMAP = 50%)**

11. GOVERNOR'S REVIEW (Check One):

☒ GOVERNOR'S OFFICE REPORTED NO COMMENT
☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

☐ OTHER, AS SPECIFIED:

12. SIGNATURE OF STATE AGENCY OFFICIAL:

13. TYPED NAME: **Jason A. Helgeson**

14. TITLE: **Medicaid Director
Department of Health**

15. DATE SUBMITTED: **MAR 2 2015**

16. RETURN TO:

**New York State Department of Health
Bureau of Federal Relations & Provider Assessments
99 Washington Ave – One Commerce Plaza
Suite 1460
Albany, NY 12210**

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

18. DATE APPROVED:
1/12/2018

PLAN APPROVED – ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:
January 1, 2015

20. SIGNATURE OF REGIONAL OFFICIAL:

21. TYPED NAME:

Michael J. Melendez

22. TITLE:

Associate Regional Administrator

23. REMARKS:

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

Ambulatory Patient Group System: Hospital-Based Outpatient

For dates of service beginning December 1, 2008, for hospital outpatient clinic and ambulatory surgery services, and beginning January 1, 2009, for emergency department services, through December 31, [2014] 2015, the operating component of rates for hospital based outpatient services shall be reimbursed using a methodology that is prospective and associated with resource utilization to ensure that ambulatory services are economically and efficiently provided. The methodology is based upon the Ambulatory Patient Group (APG) classification and reimbursement system. This methodology incorporates payments for the separate covered Medicaid benefits in accordance with the payment methods for these services. Reimbursement for the capital component of these rates shall be made as an add-on to the operating component as described in the APG Rate Computation section.

The Ambulatory Patient Group patient classification system is designed to explain the amount and type of resources used in an ambulatory visit by grouping patients with similar clinical characteristics and similar resource use into a specific APG. Each procedure code associated with a patient visit is assigned to an APG using the grouping logic developed by 3M Health Information Systems. When evaluation and management codes are coded, the APG grouping logic also uses the diagnosis code to make the APG assignment. Ultimately, the procedures and diagnoses coded for a patient visit will result in a list of APGs that correspond on a one-for-one basis with each procedure coded for the visit.

TN <u> #15-0009 </u>	Approval Date <u> 01/12/2018 </u>
Supersedes TN <u> #14-0031 </u>	Effective Date <u> 01/01/2015 </u>