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State/Territory Name: **NEW YORK**

State Plan Amendment (SPA) #: **15-0039**

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form (with 179-like data)
- 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: NY SPA 15-0039

May 20, 2016

Jason Helgersen
Deputy Commissioner
Office of Health Insurance Programs
New York State Department of Health
Corning Tower (OCP-1211)
Albany, New York 12237
RE: New York 15-0032

Dear Mr. Helgersen:

We have reviewed the proposed revision to the Federally Qualified Health Center reimbursement methodology to increase rates of payment, TN 15-0039, which was submitted to Centers for Medicare & Medicaid Services New York Regional Office on June 26, 2015. This SPA, effective May 1 2015, aims to increase rates of payment for group psychotherapy and individual off-site services by the percentage increase in the Medicare Economic Index for FQHC providers only. Additionally, the amendment will also allow the currently approved rate methodology for the provider's home state.


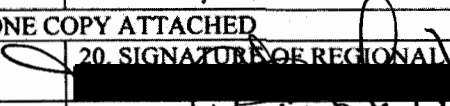
Based on the information provided, the Medicaid SPA 15-0039 is approved. We are enclosing the approved Form CMS-179 and the Medicaid state plan pages.

If you have any additional questions or need further assistance, please contact Erica Kisiday at (212) 616-2483.

Sincerely,

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

Enclosures

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL		1. TRANSMITTAL NUMBER: 15-0039	2. STATE New York
FOR: HEALTH CARE FINANCING ADMINISTRATION		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
		4. PROPOSED EFFECTIVE DATE May 1, 2015	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES			
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: § 1902(a) of the Social Security Act, and 42 CFR § 447		7. FEDERAL BUDGET IMPACT: (in thousands) a. FFY 05/01/15-09/30/15 \$ 4.41 b. FFY 10/01/15-09/30/16 \$ 10.58	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Amendment 4.19-B: 2(c)(iv), 2(c)(iv.1)		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Amendment 4.19-B: 2(c)(iv), 2(c)(iv.1)	
10. SUBJECT OF AMENDMENT: FQHC Trend Offsite Group and Out-Of-State-Rates (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 Division of Finance and Rate Setting 99 Washington Ave – One Commerce Plaza Suite 1460 Albany, NY 12210	
13. TYPED NAME: Jason A. Helgerson			
14. TITLE: Medicaid Director Department of Health			
15. DATE SUBMITTED: MAY 01 2015			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED:		18. DATE APPROVED: May 20, 2016	
PLAN APPROVED – ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: May 01, 2015		20. SIGNATURE OF REGIONAL OFFICIAL: 	
21. TYPED NAME: Michael Melendez		22. TITLE: Associate Regional Administrator Division of Medicaid & Children's Health	
23. REMARKS:			

**New York
2(c)(iv)**

Federally Qualified Health Centers (FQHCs) and Rural Health Clinics

Prospective Payment System Reimbursement as of January 1, 2001 for and Rural Health Clinics including FQHCs located on Native American reservations and operated by Native American tribes or Tribal Organizations pursuant to applicable Federal Law and for which State licensure is not required.

For services provided on and after January 1, 2001 and prior to October 1, 2001, all-inclusive rates shall be calculated by the Department of Health, based on the lower of the facilities' allowable operating cost per visit or the peer group ceiling plus allowable capital cost per visit. The base for this calculation shall be the average of cost data submitted by facilities for both the 1999 and 2000 base years.

For each twelve month period following September 30, 2001, the operating cost component of such rates of payment shall reflect the operating cost component in effect on September 30th of the prior period as increased by the percentage increase in the Medicare Economic Index and as adjusted pursuant to applicable regulations to take into account any increase or decrease in the scope of services furnished by the facility. Effective May 1, 2015 and each October 1 thereafter, rates of payment for the group psychotherapy and individual off-site services will be increased, from the 2006 base year, by the percentage increase in the Medicare Economic Index.

Supplementary increases in Medicaid rates of payment for these providers which is paid for the purpose of recruitment and retention of non-supervisory workers or workers with direct patient care responsibility, in accordance with the provisions of the Workforce Recruitment and Retention section of this Attachment, are in addition to the standard Medicaid operating cost component calculation. As such, they are not subject to trend adjustments. These supplementary increases shall be in effect through June 30, 2005.

Rates of payments to facilities which first qualify as federally qualified health centers on or after October 1, 2000 shall be computed as above provided, however, that the operating cost component of such rates shall reflect an average of the operating cost components of rates of payments issued to other FQHC facilities during the same rate period and in the same geographic region, and with similar case load, and further provided that the capital cost component of such rates shall reflect the most recently available capital cost data for such facility as reported to the Department of Health. Effective May 1, 2011, the geographic regions will consist of the Downstate Region, which includes the five counties comprising New York City and the counties of Nassau, Suffolk, Westchester, Rockland, Orange, Putnam, and Dutchess and the Upstate Region, which includes all counties in the State other than those counties included in the Downstate Region. For each twelve-month period following the rate period in which such facilities commence operation, the operating cost components of rates of payment for such facilities shall be computed as described above.

TN #15-0039

Approval Date 05/20/2016

Supersedes TN #11-0059

Effective Date 05/01/2015

**New York
2(c)(iv.1)**

For services provided on or after January 1, 2001, until such time as the new methodology is implemented, facilities shall be paid via the methodology in place as of December 31, 2000. The difference between the two methodologies shall be calculated and the sum shall be paid, on a per visit basis, in the fiscal year immediately following implementation of this new methodology.

For the Department's out-of-state Federally Qualified Health Center (FQHC) reimbursement methodology, the Department may use the currently approved FQHC rate of the provider's home state.

For services provided on or after January 1, 2001 by FQHC's participating in managed care, supplemental payments will be made to these FQHC's that will be equal to 100% of the difference between the facilities reasonable cost per visit rate and the amount per visit reimbursed by the managed care plan.

TN #15-0039Approval Date 05/20/2016Supersedes TN #11-0059Effective Date 05/01/2015