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State/Territory Name: New York

State Plan Amendment (SPA) #: 17-0003

The 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:NY-SPA-17-0003

August 30, 2018


Donna Frescatore
Medicaid Director
New York State Department of Health
One Commerce Plaza, Suite 1211
Albany, NY 12210.

Dear Ms. Frescatore:

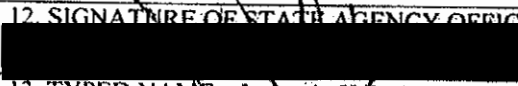
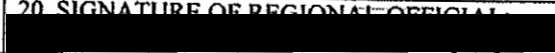
This is to notify you that New York State Plan Amendment (SPA) #17-0003 has been approved for adoption into the State Medicaid Plan with an effective date of January 1, 2017. This SPA extends the Ambulatory Patient Group methodology for hospital-based clinic and ambulatory surgery services, including emergency room services. Enclosed is a copy of the approved SPA 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,


Ricardo Holligan
Acting Associate Regional Administrator
Division of Medicaid and Children's Health Operations

cc: M. Melendez
R. Dayette
R. Weaver
S. Abbott
M. Tabakov
M. Lopez

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: HEALTH CARE FINANCING ADMINISTRATION		1. TRANSMITTAL NUMBER: 17-0003	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 January 1, 2017	
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 01/01/17-09/30/17 \$0 b. FFY 10/01/17-12/31/17 \$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 (FMAP = 50%)			
11. GOVERNOR'S REVIEW (Check One): <input checked="" type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL <input type="checkbox"/> OTHER, AS SPECIFIED:			
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. Helgeson			
14. TITLE: Medicaid Director Department of Health			
15. DATE SUBMITTED: MAR 30 2017			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED:		18. DATE APPROVED: AUGUST 30, 2018	
PLAN APPROVED – ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: JANUARY 01, 2017		20. SIGNATURE OF REGIONAL OFFICIAL: 	
21. TYPED NAME: RICARDO HOLLIGAN		22. TITLE: Acting Associate Regional Administrator Division of Medicaid & Children's Health	
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, [2016] 2017, 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 #17-0003 Approval Date 08/30/2018 Supersedes TN #16-0003 Effective Date 01/01/2017