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State/Territory Name: New York

State Plan Amendment (SPA) #: 20-0037

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
Financial Management Group

September 14, 2020

Donna Frescatore
Medicaid Director
NYS Department of Health
One Commerce Plaza
Suite 1211
Albany, NY 12210

Reference: TN 20-0037

Dear Ms. Frescatore:

We have reviewed the proposed amendment to Attachment 4.19-D of your Medicaid State plan submitted under transmittal number (TN) 20-0037. This amendment proposes to eliminate the residual equity reimbursement.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30), and 1903(a) of the Social Security Act and the implementing Federal regulations at 42 CFR 447.

This is to inform you that Medicaid State plan amendment 20-0037 is approved effective April 2, 2020. The CMS-179 and the amended plan page is attached.

If you have any additional questions or need further assistance, please contact Charlene Holzbaur at 609-882-4796 or Charlene.Holzbaur@cms.hhs.gov.

Sincerely,

For
Rory Howe
Acting Director

Enclosures
Transmittal and Notice of Approval of State Plan Material

For: Centers for Medicare & Medicaid Services

To: Regional Administrator
Centers for Medicare & Medicaid Services
Department of Health and Human Services

1. Transmittal Number: 200037
2. State: New York
3. Program Identification: Title XIX of the Social Security Act (Medicaid)
4. Proposed Effective Date: April 2, 2020

5. Type of Plan Material (Check One)
   - [ ] New State Plan
   - [x] 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(n)(5) of the Social Security Act, and 42 CFR 447 (8)

7. Federal Budget Impact
   a. FFY 04/02/20-09/30/20: $(6,950,000)
   b. FFY 10/01/20-09/30/21: $(13,900,000)

8. Page Number of the Plan Section or Attachment
   Attachment: 4.19-D Page: 82

9. Page Number of the Superseded Plan Section or Attachment (If Applicable)
   Attachment: 4.19-D Page: 82

10. Subject of Amendment
    Eliminate Residual Nursing Home Equity Payments (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
    [Signature]

13. Typed Name
    Donna Frescatore

14. Title
    Medicaid Director, Department of Health

15. Date Submitted
    June 30, 2020

16. Return to
    New York State Department of Health
    Division of Finance and Rate Setting
    99 Washington Ave – One Commerce Plaza
    Suite 1432
    Albany, NY 12210

FOR REGIONAL OFFICE USE ONLY

17. Date Received
    June 30, 2020

18. Date Approved
    9/14/20

19. Effective Date of Approved Material
    April 2, 2020

20. Signature of Regional Official
    [Signature]

21. Typed Name
    Rory Howe

22. Title
    Acting Director, FMG

23. Remarks
    State requested pen and ink box 6 to 1902(a)
factor for any facility for which he determines that continued capital cost reimbursement is appropriate; provided, however, that such payment factor shall not exceed one half of the capital cost reimbursement received by such facility in the final year of useful facility life.

Effective on April 2, 2020, and thereafter, the capital cost component of the rate for corporation and partnership-based residential health care facilities will be adjusted to reflect the removal of residual equity reimbursement. Effective on June 4, 2020, and thereafter, the capital cost component of the rate for all other residential health care facilities will be adjusted to reflect the removal of residual equity reimbursement.

(8) Capital improvement cost reimbursement.

(i) The capital improvement cost shall be reimbursed by adjusting the initial allowed facility cost, capital indebtedness, equity determinations and limitations as stated in paragraph (5) of this subdivision, to include the capital improvement cost.

(ii) Adjustments in accordance with subparagraph (i) of this paragraph shall will be made in the following manner:

(a) if the cost of an improvement is $100,000 or more, and certificate of need approval has been granted by the commissioner, then component useful life for the improvement will be permitted. Such component useful life will be equivalent to the estimated asset life in accordance with the Medicare Provider Reimbursement Manual or the remaining useful life of the facility, whichever is less. Where a capital improvement adjusts the expected useful life of the facility beyond the remaining portion of the original useful facility life, the limitation set