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State/Territory Name: New York

State Plan Amendment (SPA) NY: 22-0010

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

June 16, 2022

Mr. Amir Bassiri  
Acting Medical Director  
New York State Department of Health  
Division of Finance and Rate Setting  
99 Washington Avenue  
One Commerce Plaza, Suite 1432  
Albany, NY 12210

RE: TN 22-0010

Dear Mr. Bassiri:

We have reviewed the proposed New York State Plan Amendment (SPA) to Attachment 4.19-B NY 22-0010, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on March 31, 2022. This plan amendment updates the Ambulatory Patient Group (APG) for Out Patient Hospitals.

Based upon the information provided by the State, we have approved the amendment with an effective date of January 1, 2022. We are enclosing the approved CMS-179 and a copy of the new state plan pages.

If you have any additional questions or need further assistance, please contact Robert Bromwell at (410)-786-5914 or Robert.bromwell@cms.hhs.gov.

Sincerely,

Todd McMillion  
Director  
Division of Reimbursement Review

Enclosures
TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES

TO: CENTER DIRECTOR
CENTERS FOR MEDICAID & CHIP SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE
January 01, 2022

5. FEDERAL STATUTE/REGULATION CITATION
§ 1902(a) of the Social Security Act and 42 CFR 447

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT
Attachment 4.19-B Pages: 1(e)(1), 1(e)(2), 1(e)(2.1) 1(e)(2.2)

9. SUBJECT OF AMENDMENT
January 2022 APG Updates for Hospital OP

10. 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

11. SIGNATURE OF APPROVING OFFICIAL

12. TYPED NAME
Brett R. Friedman

13. TITLE
Acting Medicaid Director

14. DATE SUBMITTED
March 31, 2022

16. DATE RECEIVED
March 31, 2022

17. DATE APPROVED
June 16, 2022

18. EFFECTIVE DATE OF APPROVED MATERIAL
January 1, 2022

21. TITLE OF APPROVING OFFICIAL
Director, Division of Reimbursement Review

22. REMARKS
Pen and ink change authorized via email on June 7, 2022 to add attachment 4.19B page 1(e)(2.2) to block 7 and 8.
New York
1(e)(1)

1905(a)(2)(A) Outpatient Hospital Services

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, 2022, the operating component of rates for hospital based outpatient services will 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 will be made as an add-on to the operating component as described in the APG Rate Computation section.

If a clinic is certified by the Office of People with Developmental Disabilities (OPWDD), reimbursement will be as specified in the OPWDD section of the State Plan.

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.

Supersedes TN #21-0011
Effective Date January 1, 2022

Attachment 4.19-B

TN #22-0010 Approval Date June 16, 2022
1905(a)(2)(A) Outpatient Hospital Services

APG Reimbursement Methodology – Hospital Outpatient

The following links direct users to the various definitions and factors that comprise the APG reimbursement methodology, which can also be found in aggregate on the APG website at http://www.health.ny.gov/health_care/medicaid/rates/apg/index.htm. In addition, prior period information associated with these links is available upon request to the Department of Health.

Contact Information:
http://www.health.ny.gov/health_care/medicaid/rates/apg/index.htm  Click on “Contacts.”

3M APG Crosswalk, version 3.17; updated as of 01/01/22 and 04/01/22:
http://dashboard.emedny.org/CrossWalk/html/cwAgreement.html  Click on “Accept” at bottom of page to gain access.

APG Alternative Payment Fee Schedule; updated as of 01/01/11:

APG Consolidation Logic; logic is from the version of 4/01/08, updated as of 01/01/22 and 04/01/22:
http://www.health.ny.gov/health_care/medicaid/rates/bundling/  Click on “2022”

APG 3M Definitions Manual Versions; updated as of 01/01/22 and 04/01/22:

APG Investments by Rate Period; updated as of 01/01/11:
http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm  Click on “Investments by Rate Period.”

APG Relative Weights; updated as of 01/01/22:

Associated Ancillaries; updated as of 01/01/20:
New York  
1(e)(2.1)

1905(a)(2)(A) Outpatient Hospital Services

Carve-outs; updated as of 10/01/12:  
Click on “Carve Outs.”

Coding Improvement Factors (CIF); updated as of 07/01/12:  
Period.”

If Stand Alone, Do Not Pay APGs; updated as of 01/01/15:  
http://www.health.state.ny.us/health_care/medicaid/rates/methodology/index.htm  
Click on “If Stand Alone, Do Not Pay APGs.”

If Stand Alone, Do Not Pay Procedures; updated as of 01/01/19:  
http://www.health.state.ny.us/health_care/medicaid/rates/methodology/index.htm  
Click on “If Stand Alone, Do Not Pay Procedures.”

Modifiers; updated as of 07/01/18:  
Click on “Modifiers.”

Never Pay APGs; updated as of 07/01/21:  
APGs.”

Never Pay Procedures; updated as of 01/01/22:  
Click on “Never Pay Procedures.”

No-Blend APGs; updated as of 01/01/20:  
Click on “No Blend APGs.”

No-Blend Procedures; updated as of 01/01/11:  
Click on “No Blend Procedures.”
1905(a)(2)(A) Outpatient Hospital Services

No Capital Add-on APGs; updated as of 01/01/20:
http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm Click on “No Capital Add-on APGs.”

No Capital Add-on Procedures; updated as of 07/01/17:

Non-50% Discounting APG List; updated as of 07/01/20:
http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm Click on “Non-50% Discounting APG List.”

Rate Codes Carved Out of APGs; updated as of 01/01/15:
http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm Click on “Rate Codes Carved Out of APGs for Article 28 facilities.”

Rate Codes Subsumed by APGs; updated as of 10/01/12:
http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm Click on “Rate Codes Subsumed by APGs – Hospital Article 28.”

Statewide Base Rate APGs; updated as of 01/01/20:
http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm Click on “Statewide Base Rate APGs.”

Packaged Ancillaries in APGs; updated as of 01/01/22:
http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm Click on “Packaged Ancillaries in APGs.”