

Table of Contents

State/Territory Name: NY

State Plan Amendment (SPA) #: 25-0037

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

DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S3-14-28
Baltimore, Maryland 21244-1850



Financial Management Group

September 25, 2025

Amir Bassiri
Medicaid Director
New York State Department of Health
99 Washington Ave – One Commerce Plaza Suite 1432 Albany, NY 12210

RE: TN 25-0037

Dear Medicaid Director Bassiri:

The Centers for Medicare & Medicaid Services (CMS) has reviewed the proposed New York state plan amendment (SPA) to Attachment 4.19-A NY 25-0037, which was submitted to CMS on June 30, 2025. This plan amendment proposes to extend additional medical assistance payments to State and County hospitals for the periods April 1, 2025, through March 31, 2028, and as part of FY 2026 Enacted Budget, discontinue the Indigent Care Pool (ICP) for public general hospitals in New York City operated by New York City Health and Hospitals, which would provide a total Global Cap savings of \$113.4 million (\$56.7 million State share).

We reviewed your SPA submission for compliance with statutory requirements, including in sections 1902(a)(2), 1902(a)(13), 1902(a)(30), 1903 as it relates to the identification of an adequate source for the non-federal share of expenditures under the plan, as required by 1902(a)(2) of the Social Security Act and the applicable implementing Federal regulations.

Based upon the information provided by the state, we have approved the amendment with an effective date of April 1, 2025. 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 Kristina Mack at 617-565-1225 or via email at Kristina.Mack-Webb@cms.hhs.gov.

Sincerely,

A black rectangular box redacting the signature of Rory Howe.

Rory Howe
Director
Financial Management Group

Enclosures

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

1. TRANSMITTAL NUMBER

2 5 — 0 0 3 7

2. STATE

N Y3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL
SECURITY ACT

XIX



XXI

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

4. PROPOSED EFFECTIVE DATE

April 1, 2025

5. FEDERAL STATUTE/REGULATION CITATION

§ 1905(a)(1) Inpatient Hospital Services

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY 04/01/25-09/30/25 \$ 229,090,521b. FFY 10/01/25-09/30/26 \$ 458,181,042

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Attachment 4.19-A Part I Pages: 153, 154, 155, 158, 161(g)

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (If Applicable)Attachment 4.19-A Part I Pages: 153, 154, 155, 158, 161
(g)

9. SUBJECT OF AMENDMENT

Eliminate the ICP Public Pool for H+H/ Extend State/SUNY/County IGTs

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



OTHER, AS SPECIFIED:

11. SIGNATURE OF STATE AGENCY OFFICIAL

12. TYPED NAME

Amir Bassiri

13. TITLE

Medicaid Director

14. DATE SUBMITTED

June 30, 2025

15. 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 CMS USE ONLY

16. DATE RECEIVED

June 30, 2025

17. DATE APPROVED

September 25, 2025

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL

April 1, 2025

19. SIGNATURE OF APPROVING OFFICIAL

20. TYPED NAME OF APPROVING OFFICIAL

Rory Howe

21. TITLE OF APPROVING OFFICIAL

Director, Financial Management Group

22. REMARKS

**New York
153**

1905(a)(1) Inpatient Hospital Services**Government General Hospital Additional Disproportionate Share Payments**

Government general hospital disproportionate share payments will be made to increase reimbursement to hospitals operated by the State of New York, the State University of New York. To be eligible, hospitals must be operating at the time the payments are made. The payments are subject to the payment limits established in this Attachment of this plan.

1. Government general hospitals operated by the State of New York or the State University of New York will receive additional payments effective for the state fiscal years beginning April 1, 1997 through March 31, 2028, subject to the limits established pursuant to this Attachment. Such payments will be established based on medical assistance and uninsured patient losses for 1996, 1997, 1998, 1999, 2000, 2001 and 2002 after considering all other medical assistance based initially for 1996 on 1994 reconciled data as further reconciled to actual reported 1996 reconciled data, for 1997 based initially on reported 1995 reconciled data as further reconciled to actual reported 1997 reconciled data, for 1998 based initially on reported 1995 reconciled data, as further reconciled to actual reported 1998 reconciled data, for 1999 based initially on reported 1995 reconciled data as further reconciled to actual reported 1999 reconciled data, for 2000 based initially on reported 1995 reconciled data, as further reconciled to actual reported 2000 reconciled data, for 2001 based initially on reported 1995 reconciled data, as further reconciled to actual reported 2001 reconciled data, for 2002 based initially on reported 2000 reconciled data as further reconciled to actual reported 2002 reconciled data, for the state fiscal year beginning on April 1, 2005, based initially on up to one hundred percent of reported 2000 reconciled data as further reconciled to up to one hundred percent of actual reported data for 2005, and for the state fiscal year beginning on April 1, 2006, based initially on up to one hundred percent of reported 2000 reconciled data as further reconciled to up to one hundred percent of actual reported data for 2006.

TN #25-0037 Approval Date September 25, 2025Supersedes TN #22-0034 Effective Date April 1, 2025

**New York
154****1905(a)(1) Inpatient Hospital Services**

Such payments will continue to be established for periods beginning on April 1, 2007, through March 31, 2008, based initially on 100% of reported 2000 reconciled data and further reconciled to 100% of actual reported data for 2007. For periods beginning April 1, 2008, through March 31, 2009, such payments will be based initially on 100% of reported 2000 reconciled data and further reconciled to 100% of actual reported data for 2008. The payments may be added to rates of payment or made as aggregate payments to eligible government general hospitals.

For periods beginning April 1, 2009 through March 31, 2010, such payments will be established based initially on reported 2007 reconciled data, as adjusted for statutorily authorized Medicaid rate changes impacting this applicable payment year, and further reconciled to actual reported data for 2009. For periods beginning on and after April 1, 2010, such payments will be established based initially on reported reconciled data from the base year two years prior to the payment year, as adjusted for statutorily authorized Medicaid rate changes impacting this applicable payment year, and further reconciled to actual reported data from such payment year. The payments may be added to rates of payment or made as aggregate payments to eligible government general hospitals.

Upon completion of each audit, the State will reconcile and redistribute any payments to hospitals for the audit year within 12 months of the completion of the audit to ensure that total DSH payments are compliant with CMS prescribed hospital specific DSH limits and report any additional payments or recoupments made post-audit to CMS via a supplemental file.

In order to mitigate any post audit under or over payments, the State will make adjustments to reconcile and redistribute any under or over payments for the DSH State Plan Rate Year based on Audited DSH data available for the prior State Plan Rate Year. Such Audited DSH Data may be adjusted to account for significant anticipated swings in hospital specific DSH limits from year to year.

TN #25-0037 Approval Date September 25, 2025 Supersedes TN #10-20-B Effective Date April 1, 2025

**New York
155****1905(a)(1) Inpatient Hospital Services**

2. Government general hospitals operated by a county, which does not include a city with a population of over one million, will receive additional payments for the state fiscal years beginning April 1, 1997 through March 31, 2028, subject to the limits established pursuant to this Attachment. Such payments will be established based on medical assistance and uninsured patient losses for 1996, 1997, 1998, 1999, 2000, 2001 and 2002, after considering all other medical assistance based initially for 1996 on 1994 reconciled data as further reconciled to actual reported 1996 reconciled data, for 1997 based initially on reported 1995 reconciled data as further reconciled to actual reported 1997 reconciled data, for 1998 based initially on reported 1995 reconciled data, as further reconciled to actual reported 1998 reconciled data, for 1999 based initially on reported 1995 reconciled data as further reconciled to actual reported 1999 reconciled data, for 2000 based initially on reported 1995 reconciled data, as further reconciled to actual reported 2000 reconciled data, for 2001 based initially on reported 1995 reconciled data, as further reconciled to actual reported 2001 reconciled data, for 2002 based initially on reported 2000 reconciled data as further reconciled to actual reported 2002 reconciled data, for the state fiscal year beginning on April 1, 2005, based initially on up to one hundred percent of reported 2000 reconciled data as further reconciled to up to one hundred percent of actual reported data for 2005, and for the state fiscal year beginning on April 1, 2006, based initially on up to one hundred percent of reported 2000 reconciled data as further reconciled to up to one hundred percent of actual reported data for 2006.

TN #25-0037 Approval Date September 25, 2025Supersedes TN #22-0034 Effective Date April 1, 2025

New York
158

1905(a)(1) Inpatient Hospital Services

Such payments will continue to be established for the state fiscal year beginning on April 1, 2007 based initially on reported 2000 reconciled data, as further reconciled to actual reported 2007 or 2008 data, for the state fiscal year beginning on April 1, 2008 through March 31, 2009, based initially on reported 2000 reconciled data, as further reconciled to actual reported 2008 or 2009 data. The payments may be added to rates of payment or made as aggregate payments to eligible government general hospitals.

For periods beginning April 1, 2009 through March 31, 2010, such payments will be established based initially on reported 2007 reconciled data, as adjusted for statutorily authorized Medicaid rate changes impacting this applicable payment year, and further reconciled to actual reported data for 2009. For periods beginning on and after April 1, 2010, such payments will be established based initially on reported reconciled data from the base year two years prior to the payment year, as adjusted for statutorily authorized Medicaid rate changes impacting this applicable payment year, and further reconciled to actual reported data from such payment year. The payments may be added to rates of payment or made as aggregate payments to eligible government general hospitals.

Upon completion of each audit, the State will reconcile and redistribute any payments to hospitals for the audit year within 12 months of the completion of the audit to ensure that total DSH payments are compliant with CMS prescribed hospital specific DSH limits and report any additional payments or recoupments made post-audit to CMS via a supplemental file.

In order to mitigate any post audit under or over payments, the State will make adjustments to reconcile and redistribute any under or over payments for the DSH State Plan Rate Year based on Audited DSH data available for the prior State Plan Rate Year. Such Audited DSH Data may be adjusted to account for significant anticipated swings in hospital specific DSH limits from year to year.

Beginning April 1, 2000 government general hospitals, other than those operated by the State of New York or the State University of New York, located in a city with a population of over one million are authorized to receive additional disproportionate share payments as projected or reconciled pursuant to this Attachment governing disproportionate share payments to hospitals, based on the relative share of each such non-state operated government general hospital of projected or reconciled medical assistance and uninsured patient losses after payment of all other medical assistance, including disproportionate share payments to such government general hospitals. For the period April 1, 2000 through March 31, 2001, an additional payment of \$103 million is authorized. Effective April 1, 2001 through March 31, 2002, additional payments of \$113 million are authorized. For the state fiscal years beginning April 1, 2002 and ending March 31, 2009, and each state fiscal year thereafter, additional annual payments of \$210 million are authorized. The payments may be added to rates of payment or made as aggregate payments to eligible government general hospitals.

TN #25-0037 Approval Date September 25, 2025Supersedes TN #10-20-B Effective Date April 1, 2025

**New York
161(g)**

1905(a)(1) Inpatient Hospital Services

(b) Indigent Care Pool. Indigent care pool distributions will be made to eligible hospitals in the following amounts, as calculated on a calendar year basis which will be paid in twelve, approximately equal lump sum, monthly installments on a state fiscal year basis; except for distributions for Calendar year 2020 related to paragraph (5) which will be made in ten approximately equal lump sum, monthly installments from June 2020 to March 2020:

- 1. Major Government General Hospital Pool Distributions.** \$139.4 million, less the amount allocated pursuant to the Financial Assistance Compliance Pool section in subparagraph 8) below, will be distributed as Medicaid disproportionate share hospital (DSH) payments to major government general hospitals, including the hospitals operated by public benefit corporations, on the basis of each hospital's relative share of uncompensated care nominal need to the aggregate uncompensated care nominal need for all major government general hospitals determined in accordance with the Indigent Care Pool Reform methodology described in paragraph (a) of this section.

Major government general hospitals are defined as all State-operated general hospitals, all general hospitals operated by the New York City Health and Hospitals Corporation, and all other government general hospitals having annual inpatient operating costs in excess of \$25 million. Hospitals eligible for distributions from this pool will be all such major government general hospitals which are open for all or part of the distribution year. Hospitals open for a partial year will receive a pro-rated share based on the number of months open.

For the calendar years 2025 and thereafter, the total distributions to major public general hospitals will be subject to an aggregate reduction of \$113.4 million dollars annually, provided that general hospitals operated by the New York City Health and Hospitals Corporation will not receive distributions pursuant to this subdivision.

- 2. Voluntary General Hospital Pool Distributions.** \$994.9 million, less the amount allocated pursuant to the Financial Assistance Compliance Pool section in subparagraph (8) below and the Voluntary ICP Pool Reduction in subparagraph (4) below, plus the Enhanced Safety Net Transition Collar Pool in subparagraph (5) below will be distributed as Medicaid disproportionate share hospital (DHS) payments to eligible voluntary general hospitals, other than major public general hospitals, on the basis of each hospitals relative share of uncompensated care nominal need to the aggregate uncompensated care nominal need for all eligible voluntary general hospitals as determined in accordance with the Indigent Care Pool Reform methodology described in paragraph (a) of this section. Distributions to voluntary general hospitals, other than major public general hospitals, relative to calendar year 2020 and calendar years thereafter made pursuant to this subparagraph will not include transition pool distributions. Such reduced distributions will not affect any hospital's relative share as determined in accordance with the Indigent Care Pool Reform methodology described in paragraph (a) of this section and will reflect a reduction in the amount of the pool to \$969.9 million.

Voluntary general hospitals are defined as all voluntary non-profit, private proprietary, and government general hospitals other than major government general hospitals. Hospitals eligible for distributions from this pool will be all such voluntary hospitals which are open for all or part of the distribution year. Hospitals open for a partial year will receive a pro-rated share based on the number of months open.