

## **Table of Contents**

**State/Territory Name: NY**

**State Plan Amendment (SPA) #: 25-0053**

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



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**Financial Management Group**

March 26, 2026

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

RE: TN 25-0053

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 25-0053, which was submitted to CMS on December 30, 2025. This plan amendment proposes to carve out select drugs from the inpatient hospital rates.

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 October 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](mailto:Kristina.Mack-Webb@cms.hhs.gov).

Sincerely,



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 5 3 2. STATE NY

3. 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  
**October 1, 2025**

5. FEDERAL STATUTE/REGULATION CITATION  
**§ 1905(a)(1) Inpatient Hospital Services, 42 CFR §440.10**

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)  
a. FFY 10/01/25-09/30/26 \$ 0  
b. FFY 10/01/26-09/30/27 \$ 0

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT  
**Attachment 4.19-A Part I Page: 145(a)**

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)  
**NEW**

9. SUBJECT OF AMENDMENT  
**Carve-Out Select Drugs from the Inpatient Hospital Rates**

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 December 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

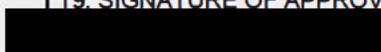
**FOR CMS USE ONLY**

16. DATE RECEIVED  
December 30, 2025

17. DATE APPROVED  
March 26, 2026

**PLAN APPROVED - ONE COPY ATTACHED**

18. EFFECTIVE DATE OF APPROVED MATERIAL  
October 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  
145(a)**

**1905(a)(1) Inpatient Hospital Services**

**Carved Out Drug Reimbursement**

1. Effective October 1, 2025, select drugs administered or provided by a physician in an inpatient hospital setting are carved out and reimbursed separately from the inpatient payment. Carved-out drugs will be reimbursed as applicable in accordance with Attachment 4.19-B Prescribed Drugs Sections 1, 2 and 5, or 8 of the State Plan. The list of carved out drugs is maintained on the NYS Department of Health website located at:

<https://www.health.ny.gov/facilities/hospital/reimbursement/apr-drg/>.

- a. Providers may not use 340B inventory for drugs on the carved-out list.

**TN**     #25-0053    

**Approval Date**     March 26, 2026    

**Supersedes TN**     NEW    

**Effective Date**     October 1, 2025