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State/Territory Name: New York

State Plan Amendment (SPA)# 19-0011

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



REGIONAL OPERATIONS GROUP

ROG: SA: SPA NY 19-0011

May 22, 2019

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) #19-0011 has been approved for adoption into the State Medicaid Plan with an effective date of January 1, 2019. This SPA extends the Ambulatory Patient Group (APG) methodology for hospital-based clinic and ambulatory surgery services, including emergency room services, through December 31, 2019, and revises the APG methodology to reflect recalculated weights with component updates effective January 1, 2019.

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 Hólligan
Acting Deputy Director
Regional Operations Group

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

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**

FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES

1. TRANSMITTAL NUMBER

1 9 — 0 0 1 1

2. STATE

New York

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)
TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)

TO: REGIONAL ADMINISTRATOR
CENTERS FOR MEDICARE & MEDICAID SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

January 1, 2019

5. TYPE OF PLAN MATERIAL (Check One)

NEW STATE PLAN

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(a) of the Social Security Act, and 42 CFR 447

7. FEDERAL BUDGET IMPACT

a. FFY 01/01/19-09/30/19 \$ ~~324,375~~ 324.38 (SA)
b. FFY 10/01/19-09/30/20 \$ ~~432,500~~ 432.50

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)

Attachment: 4.19(B) Pages: 1(e)(1), 1(e)(2), 1(e)(2.1), 1(e)(2.2)

10. SUBJECT OF AMENDMENT

January 2019 APG Extension and Updates - Hospital OP (FMAP=50%)

11. GOVERNOR'S REVIEW (Check One)

GOVERNOR'S OFFICE REPORTED NO COMMENT

OTHER, AS SPECIFIED

COMMENTS OF GOVERNOR'S OFFICE ENCLOSED

NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL

NAME

Donna Frescatore

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

14. TITLE

Medicaid Director, Department of Health

15. DATE SUBMITTED

MAR 19 2019

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED

18. DATE APPROVED

MAY 22, 2019

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL

JANUARY 01, 2019

20. SIGNATURE OF REGIONAL OFFICIAL

21. TYPED NAME

RICARDO HOLLIGAN

22. TITLE

Regional Operations Group

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, [2018] 2019, 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.

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.

TN #19-0011

Approval Date 05/22/2019

Supersedes TN #18-0005

Effective Date 01/01/2019

**New York
1(e)(2)**

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 [3.13] 3.14; updated as of [07/01/18 and 10/01/18] 01/01/19 and 04/01/19:

http://www.health.ny.gov/health_care/medicaid/rates/crosswalk/index.htm

<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:

http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm Click on "Alternative Payment Fee Schedule."

APG Consolidation Logic; logic is from the version of 4/01/08, updated as of [01/01/18] 01/01/19:

http://www.health.ny.gov/health_care/medicaid/rates/bundling/ Click on "[2018] 2019"

APG 3M Definitions Manual Versions; updated as of [07/01/18 and 10/01/18] 01/01/19 and 04/01/19:

http://www.health.ny.gov/health_care/medicaid/rates/crosswalk/index.htm

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 [07/01/18] 01/01/19:

http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm Click on "Weights, Proc Weights, and APG Fee Schedule Amounts" file.

Associated Ancillaries; updated as of 07/01/15:

http://www.health.ny.gov/health_care/medicaid/rates/apg/index.htm Click on "Ancillary Policy."

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**New York
1(e)(2.1)**

Carve-outs; updated as of 10/01/12:

http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm Click on "Carve Outs."

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

http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm Click on "CIFs by Rate 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 [01/01/18] 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:

http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm Click on "Modifiers."

Never Pay APGs; updated as of [07/01/17] 01/01/19:

http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm Click on "Never Pay APGs."

Never Pay Procedures; updated as of 07/01/18:

http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm Click on "Never Pay Procedures."

No-Blend APGs; updated as of 04/01/10:

http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm Click on "No Blend APGs."

No-Blend Procedures; updated as of 01/01/11:

http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm Click on "No Blend Procedures."

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1(e)(2.2)**

No Capital Add-on APGs; updated as of 07/01/13:

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:

http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm Click on "No Capital Add-on Procedures."

Non-50% Discounting APG List; updated as of 07/01/17:

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 [01/01/14] 01/01/19:

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 [01/01/12] 01/01/19:

http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm Click on "Packaged Ancillaries in APGs."

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