



## Department of Health

**ANDREW M. CUOMO**  
Governor

**HOWARD A. ZUCKER, M.D., J.D.**  
Commissioner

**SALLY DRESLIN, M.S., R.N.**  
Executive Deputy Commissioner

July 29, 2019

Dear Administrator:

This letter provides you with information regarding your Personal Care Medicaid reimbursement rates effective January 1, 2019. The 2018-19 Enacted Budget directed the Commissioner of Health to conduct a study of personal care services available to recipients in rural areas of the state. Consistent with the results of the study the Commissioner is authorized to provide a Medicaid rate enhancement to fee-for-service rates. The methodology for which these rates have been authorized can be found on Attachments A and B.

The Department's regulations allow rate appeals to be filed within **90 Days** from the date of this letter (see Attachment C). The payment for these rates will be made in cycle 2190, check release date August 28, 2019. If you have any questions regarding the above information, please send an email to [PersonalCare-Rates@health.ny.gov](mailto:PersonalCare-Rates@health.ny.gov) and Robert Yankowski will respond to your inquiries.

Sincerely,

Ann Foster  
Deputy Director  
Division of Finance and Rate Setting  
Office of Health Insurance Programs

Attachments

## **ATTACHMENT A**

### **Rural County Rate Enhancement Methodology**

Effective January 1, 2019 Medicaid qualified Personal Care providers in Federally Designated Frontier and Remote (FAR) areas of New York State will be eligible for a rate adjustment to address losses between the amount the provider pays for Level II, Nursing Assessment and Nursing Supervision and the Medicaid reimbursement for these services.

The FAR areas are determined by the US Department of Agriculture Economic Research Service and are based on zip codes and use population and urban-rural data from the 2010 U.S. Census.

#### **Eligibility**

Eligibility is based on the provider experiencing a combined loss in the Medicaid Personal Care Level II, Nursing Supervision and Nursing Assessment services as identified using the most recent complete calendar year cost reports for providers in the FAR regions.

#### **Methodology**

- 1) A difference will be calculated between actual cost and current rates paid for the sum of Level II, Nursing Assessment and Nursing Supervisor using the Cost Report data.
  - 2) Each provider's loss is divided by the sum of all eligible losses to establish a percentage of loss for each provider.
  - 3) This percentage of loss is used to allocate the available funds to qualifying FAR Personal Care providers.
  - 4) The allocation of funds is divided by the sum of Level II hours, Nursing Supervision visits, and Nursing Assessment visits, by providers in the FAR region using the most recent completed calendar year cost report to establish a rate add-on for the provider. This add-on is added to the current rates of Level II, Nursing Assessment and Nursing Supervision.
- Please refer to **Attachment B** for calculation of Medicaid rate enhancement.

**ATTACHMENT B**  
**2019 RURAL COUNTY RATE ADJUSTMENT CALCULATION**

Organization	Total Loss	Percentage of loss	Rural Impact	Units	Rural Add-on	Minimum Wage Add On	Miscellaneous Line
0281324312	(\$1,340)	0.08%	\$1,340	1,722	\$0.78	1.72	\$2.50
0327725444	(\$89,858)	5.61%	\$89,858	20,760	\$4.33	1.72	\$6.05
0090452702	(\$22,641)	1.41%	\$22,641	2,340	\$9.68	1.72	\$11.40
0296979920	(\$74,259)	4.64%	\$74,259	17,604	\$4.22	1.72	\$5.94
0095367744	(\$127,409)	7.95%	\$127,409	61,507	\$2.07	1.72	\$3.79
0080671716	(\$7,066)	0.44%	\$7,066	7,046	\$1.00	1.72	\$2.72
0080671744	(\$31,509)	1.97%	\$31,509	29,266	\$1.08	1.72	\$2.80
0089173609	(\$320,377)	20.00%	\$320,377	41,342	\$7.75	1.72	\$9.47
0089173615	(\$180,469)	11.27%	\$180,469	24,579	\$7.34	1.72	\$9.06
0089173616	(\$584,393)	36.48%	\$584,393	79,198	\$7.38	1.72	\$9.10
0089173644	(\$3,637)	0.23%	\$3,637	477	\$7.62	1.72	\$9.34
0106073712	(\$51,582)	3.22%	\$51,582	9,993	\$5.16	1.72	\$6.88
0296962044	(\$105,345)	6.58%	\$105,345	11,786	\$8.94	1.72	\$10.66
0035491212	(\$1,794)	0.11%	\$1,794	112	\$16.02	1.72	\$17.74
0170109112	(\$99)	0.01%	\$99	141	\$0.70	1.72	\$2.42
	(\$1,601,776)	100.00%	\$1,601,776	307,873			

## ATTACHMENT C RATE APPEAL PROCESS

Providers have **90 Days** from the date of this letter to submit appeal(s) to the rates posted herein.

The Department will consider only those appeal requests based on the following criteria as stated in Section 505.14(h)(7)(iii)(c):

- Mathematical, statistical, fiscal or clerical errors exist including, data submission errors on the cost report.
- By reason of costs associated with programs, services, activities or initiatives mandated or approved by the Commissioner.
- The agency is seeking a lower rate(s) in order to be more competitive among providers in their District.
- Changes in your charge to the general public not properly reported in the initial 2015 cost report submission.

The following information should be provided when submitting an appeal:

- A signed letter by the Operator or Chief Executive Officer, containing a detailed summary of the items of appeal and the Declaration Control Number (DCN) of any revised cost report submission.
- Supporting schedules or any other pertinent data not related to the annual cost report may be attached in the e-mail submission.
- Any item of appeal that alters the cost data for the 2016 annual cost report requires that the revised report be filed electronically. The revised report must have a **new** DCN and must be recertified by both the operator and the independent accountant.

Please submit appeals to [PersonalCare-Rates@health.ny.gov](mailto:PersonalCare-Rates@health.ny.gov) and file revised cost reports electronically through the Health Commence System.