



**Department
of Health**

KATHY HOCHUL
Governor

JAMES V. McDONALD, MD, MPH
Commissioner

JOHANNE E. MORNE, MS
Executive Deputy Commissioner

January 9, 2025

Re: CY 2023 Rural County supplemental payment

Dear Medicaid Provider Administrator:

This letter advises that the calendar year 2023 Rural County supplemental payment is being issued for your agency, as a Medicaid reimbursement to qualifying Personal Care providers in Federally Designated Frontier and Remote (FAR) areas of New York State. The methodology for this supplemental payment is outlined in Attachment A.

The CY 2023 supplemental payments will be processed in cycle 2473, check release date January 29, 2025. If you have any questions regarding the above information, please contact the Department via email at PersonalCare-Rates@health.ny.gov.

Sincerely,

Laura Rosenthal, Director
Bureau of Nursing Home and
Long Term Care Rate Setting
Division of Finance and Rate Setting
Office of Health Insurance Programs

Encls.

ATTACHMENT A - Rural County Supplemental Payment Methodology

ATTACHMENT A

Rural County Supplemental Payment 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. Effective July 1, 2020 and annually beginning January 1, 2021, the rate adjustment shall be a supplemental payment.

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 based on the direct care rates component and the regulatory ceiling, for providers in the FAR regions.

Methodology

- 1) A difference will be calculated between actual cost and current rates paid for the provision of Level II, Nursing Assessment and Nursing Supervision services, using the rates, home care cost report data, regulatory ceiling, and provider's billing / utilization data in Salient.
- 2) Each provider's total loss is determined by the sum of all eligible losses, for all eligible counties, and types of services provided during the reporting period.
- 3) Each provider's loss is divided by the sum of all eligible losses to establish the percentage of loss for that provider.
- 4) This percentage of loss is used to allocate the available funds as a supplemental lump sum payment, not to exceed the amount of the provider's loss, to qualifying FAR Personal Care providers.