

DEPARTMENT OF HEALTH AND HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-26-12
Baltimore, MD 21244-1850



Financial Management Group

August 21, 2019

Ms. Donna Frescatore
State Medicaid Director
Office of Health Insurance Programs
NYS Department of Health
One Commerce Plaza, Suite 1211
Albany, NY 12210



RE: State Plan Amendment (SPA) TN 18-0063

Dear Ms. Frescatore:

We have reviewed the proposed amendment to Attachment 4.19-B and 4.19-D of your Medicaid State Plan submitted under transmittal number (TN) 18-0063. Effective November 1, 2018, this amendment proposes a 1.5 percent increase in rates for nursing facility and adult day care services.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(13), 1902(a)(30) and 1903(a) of the Social Security Act and the implementing Federal regulations at 42 CFR Part 447. This letter is to inform you that New York 18-0063 is approved effective November 1, 2018. The CMS-179 and approved plan pages are enclosed.

Please note that our approval relates only to the requested change in payment methodology and that the resultant rates and related expenditures are consistent with the above mentioned statutory requirements. During our review of the proposed state plan changes, CMS became aware that the State of New York received considerable revenues related to sale of assets between Fidelis Care (a non-profit insurer associated with Catholic Diocese of New York) and Centene Corporation (a for profit health insurer). Our review of these revenues is still ongoing pursuant section 1903(w) of the Act.

If you have any questions, please contact Betsy Pinho at 518-396-3810.

Sincerely,

Kristin Fan
Director

cc:
Rob Weaver
Betsy Pinho

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES	1. TRANSMITTAL NUMBERE <u>1 8 - 0 0 6 3</u>	2. STATEE New York
	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIALE SECURITY ACT (MEDICAID) TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE & MEDICAID SERVICESE DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATEE November 1, 2018	

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(r)(5) of the Social Security Act, and 42 CFR 447	7. FEDERAL BUDGET IMPACT a. FFY 11/01/18-09/30/19 \$ 36,950.29E b. FFY 10/01/19-09/30/20 \$ 4 0,300.40
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENTE Attachment 4.19-D Part I- Page A Attachment 4.1-B Page 7(b)(iii)	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTIONE OR ATTACHMENT (If Applicable) Attachment 4.19-D Part I- Page A Attachment 4.1-B Page 7(b)(iii)

10. SUBJECT OF AMENDMENT
Nursing Home ATB Payment
(FMAP=50%)

11. GOVERNOR'S REVIEW (Check One)

GOVERNOR'S OFFICE REPORTED NO COMMENTE OTHER, AS SPECIFIED
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTALE

12. SIGNATURE OF STATE AGENCY OFFICIAL 	16. RETURN TOE New York State Department of Health Division of Finance and Rate Setting 99 Washington Ave - One Commerce Plaza Suite 1432E Albany, NY 12210
13. TYPED NAME Donna Frescatore	
14. TITLE Medicaid Director, Department of Health	
15. DATE SUBMITTEDE DEC 28 2018	

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVEDE	18. DATE APPROVEDE AUG 21 2019
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PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIALE NOV 01 2018	20. SIGNATURE OF REGIONAL OFFICIALE
21. TYPED NAMEE Kristin Fan	22. TITLE Director, FMGE

23. REMARKSE

**New York
7(b)(iii)**

- (vi) If a program fails to achieve 90% or greater occupancy within two calendar years of the date of its commencing operations, rates will be calculated utilizing allowable costs reported in such second calendar year residential health care facility's cost report for the applicable sponsoring residential health care facility divided by visits imputed at 90% occupancy.
- (vii) Effective January 1, 2008, rates of payment will exclude reimbursement for the costs of transportation:
- (viii) All rates of payment established for adult day health programs operated by residential health care facilities [shall] will be subject to the maximum daily rate otherwise provided by law, provided, however, that such maximum daily rate of payment for adult day health programs operated by residential health care facilities that underwent a change of ownership subsequent to 1990 will be determined by utilizing the inpatient rate of payment of the prior operator as in effect on January 1, 1990, and further provided that in the event a residential health care facility operates an off-site adult day health program outside the regional input price adjustment region in which such facility is located, the computation of the maximum daily rate of payment for that program will utilize the weighted average of the inpatient rates of payments for residential health care facilities in the region in which the program is located, as in effect on January 1, 1990, in place of the sponsoring residential health care facility's inpatient rate of payment.

[86-2.10] Computation of basic rate.

[j] Rates for residential health care facility services for [nonoccupants] non-occupants for 1986 and subsequent rate years [shall] will be calculated in accordance with [section] §86-2.9 of this Subpart, with any operating component of the rate trended from the 1983 base year, to the rate year by the applicable roll factor promulgated by the [d]Department.

Across the Board Increase

- (1) For dates of service on and after November 1, 2018, the operating component of the rates of reimbursement for Adult Day Health programs operated by residential facilities, as calculated pursuant to this Attachment, will be adjusted to reflect an across the board increase of one and one-half percent (1.5%).
 - a. Sections subjected to the one and one-half percent (1.5%) increase are as follows:
 - i. Adult Day Health Care program
 - b. The capital component of the rates are not subject to the one and one-half percent (1.5%) increase.

TN #18-0063

Approval Date AUG 21 2019

Supersedes TN #06-0043

Effective Date NOV 01 2018

New York
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Across-the-Board Reductions to Payments – Effective 9/16/10 – 3/31/11

- (1) For dates of service on and after September 16, 2010, through and including March 31, 2011, payments for services as specified in paragraph (2) of this Attachment [shall] will be reduced by 1.1%, provided payment is made no later than March 31, 2011.
- (2) Payments in this Attachment subject to the reduction in paragraph (1) include the following:

Part I – Residential Health Care Facilities

- a) Voluntary Health Care Facility Right Sizing Program. Page 16
- b) Services provided by Residential Health Care Facilities, excluding proportionate share payments to non-state operated public facilities (found on page 47(x)(2)(b)). Pages 17-87

Part III – Methods and Standards for Establishing Payment Rates (Out of State Services) – Nursing Facilities

- c) Services provided by nursing facilities out of state. Page 1

2% Across-the-Board Reductions to Payments - Effective 4/1/2011-3/31/2013

- (1) For dates of service on and after April 1, 2011 and ending on March 31, 2013, payments for services as specified in paragraph (2) of this Attachment will be reduced by 2%.
- (2) Payments in this Attachment subject to the reduction in paragraph (1) are the following:

Part III – Methods and Standards for Establishing Payment Rates (Out of State Services) – Nursing Facilities

- d) Services provided by nursing facilities out of state. Page 1

Across the Board Increase

- (1) For dates of service on and after November 1, 2018, the operating component of the rates of reimbursement for Article 28 nursing homes, will be adjusted to reflect an across the board increase of one and one-half percent (1.5%).
 - a. Sections subjected to the one and one-half percent (1.5%) increase are as follows:
 - i. Nursing Home Reimbursement
 - ii. Specialty care facilities
 - b. The capital component of the rates are not subject to the one and one-half percent (1.5%) increase.