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State/Territory Name: NY

State Plan Amendment (SPA) #: 24-0025

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



Financial Management Group

May 23, 2024

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

RE: TN 24-0025

Dear Medicaid Director:

The Centers for Medicare & Medicaid Services (CMS) has reviewed the proposed New York state plan amendment (SPA) to Attachment 4.19-D NY 24-0025, which was submitted to CMS on (March 29, 2024). This plan amendment updates the quality incentive program for non-specialty nursing homes will continue to recognize improvement in performance and provide for other minor modifications.

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 January 1, 2024. 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.

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 <u>2 4 — 0 0 2 5</u>	2. STATE <u>NY</u>
3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT <input checked="" type="radio"/> XIX <input type="radio"/> XXI	

TO: CENTER DIRECTOR
CENTERS FOR MEDICAID & CHIP SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE
January 1, 2024

5. FEDERAL STATUTE/REGULATION CITATION
§ 1905(a)(4)(A) Nursing Facility Services

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)
a FFY 01/01/24-09/30/24 \$ 0
b FFY 10/01/24-09/30/25 \$ 0

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT
Att 4.19-D Part I: Pages 110(d)(21), 110(d)(22), 110(d)(22.1), 110(d)(22.1)(a), 110(d)(22.1)(b), 110(d)(22.2), 110(d)(22.3), 110(d)(24)

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)
Att 4.19-D Part I: Pages 110(d)(21), 110(d)(22), 110(d)(22.1), 110(d)(22.1)(a), 110(d)(22.2), 110(d)(22.3), 110(d)(24)

9. SUBJECT OF AMENDMENT
Nursing Home Quality Incentive Changes

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. OFFICIAL
[Redacted]

12. TYPED NAME
Amir Bassiri

13. TITLE
Medicaid Director

14. DATE SUBMITTED
March 29, 2024

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
March 29, 2024

17. DATE APPROVED
May 23, 2024

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL
January 1, 2024

19. SIGNATURE OF APPROVING OFFICIAL
[Redacted]

20. TYPED NAME OF APPROVING OFFICIAL
Rory Howe

21. TITLE OF APPROVING OFFICIAL
Director, Financial Management Group

22. REMARKS

**New York
110(d)(21)**

1905(a)(4)(A) Nursing Facility Services

The New York State Nursing Home Quality Pool (NHQP) is an annual budget-neutral pool of \$50 million dollars. The intent of the NHQP is to incentivize Medicaid-certified nursing facilities across New York State to improve the quality of care for their residents, and to reward facilities for quality based on their performance. The set of measures used to evaluate nursing homes are part of the Nursing Home Quality Initiative (NHQI). The performances of facilities in the NHQI determine the distribution of the funds in the NHQP.

NHQI is described below using MDS (Minimum Data Set) year and NHQI (Nursing Home Quality Initiative) year. MDS year refers to the year the assessment data is collected. NHQI year refers to the year when the nursing home performance is evaluated. For example, if the NHQI year is 2023, then the MDS year is 2022. For NHQI 2023, the Commissioner will calculate a score and quintile ranking based on data from the MDS year 2022 (January 1 of the MDS year through December 31 of the MDS year), for each non-specialty facility. The score will be calculated based on measurement components comprised of Quality, Compliance, and Efficiency Measures. These measurement components and their resulting score and quintile ranking will be referred to as the Nursing Home Quality Initiative. From the NHQI, the Commissioner will exclude specialty facilities consisting of non-Medicaid facilities, Special Focus Facilities as designated by the Centers for Medicare and Medicaid Services (CMS), Continuing Care Retirement Communities, Transitional Care Units, specialty facilities, and specialty units within facilities. Specialty facilities and specialty units will include AIDS facilities or discrete AIDS units within facilities, facilities or discrete units within facilities for residents receiving care in a long-term inpatient rehabilitation program for traumatic brain injured persons, facilities or discrete units within facilities that provide specialized programs for residents requiring behavioral interventions, facilities or discrete units within facilities for long-term ventilator dependent residents, facilities or discrete units within facilities that provide services solely to children, and neurodegenerative facilities or discrete neurodegenerative units within facilities. The score for each such non-specialty facility will be calculated using the following Quality, Compliance, and Efficiency Measures. The measures in this NHQI are listed below:

Quality Measures		Measure Steward
1	Percent of Long Stay Residents Who Received the Pneumococcal Vaccine	CMS
2	Percent of Long Stay Residents Who Received the Seasonal Influenza Vaccine	CMS
3	Percent of Long Stay Residents Experiencing One or More Falls with Major Injury	CMS
4	Percent of Low Risk Long Stay Residents Who Lose Control of Their Bowels or Bladder	CMS
5	Percent of Long Stay High Risk Residents with Pressure Ulcers (As Risk Adjusted by the Commissioner)	CMS
6	Percent of Long Stay Residents Who have Depressive Symptoms	CMS
7	Percent of Long Stay Residents Who Lose Too Much Weight (As Risk Adjusted by the Commissioner)	CMS

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New York
110(d)(22)

1905(a)(4)(A) Nursing Facility Services

8.	Percent of Long Stay Residents Whose Need for Help with Daily Activities Has Increased	CMS
9.	Percent of Long Stay Residents with a Urinary Tract Infection	CMS
10.	Percent of Employees Vaccinated for Influenza	NYS DOH
11.	Percent of Contract/Agency Staff Used	NYS DOH
12.	Rate of Staffing Hours per Resident per Day	NYS DOH
13.	Total Nursing Staff Turnover (By Region)	CMS
14.	Percentage of Current Residents Up to Date with COVID-19 Vaccines	CMS
15.	Percentage of Current Healthcare Personnel Up to Date with COVID-19 Vaccines	CMS
Compliance Measures		
16.	CMS Five-Star Quality Rating for Health Inspections as of April 1 of the NHQI year (By Region)	CMS
17.	Timely Submission of Employee Influenza Immunization Data for the September 1 of the MDS year - March 31 of the NHQI year Influenza Season by the deadline	NYS DOH
Efficiency Measure		
18.	Rate of Potentially Avoidable Hospitalizations for Long Stay Residents January 1 of the MDS year – December 31 of the MDS year (As Risk Adjusted by the Commissioner)	NYS DOH

Quality Component:

The maximum points a facility will receive for the Quality Component is 75. The applicable percentages or ratings for each of the 15 quality measures will be determined for each facility. The quality measures will be awarded points based on quintile values or threshold values. For quintile-based measures, the measures will be ranked and grouped by quintile with points awarded as follows:

Scoring for quintile-based Quality Measures	
Quintile	Points
1 st Quintile	5
2 nd Quintile	3
3 rd Quintile	1
4 th Quintile	0
5 th Quintile	0

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New York
110(d)(22.1)

1905(a)(4)(A) Nursing Facility Services

For threshold-based measures, the points will be awarded based on threshold values. The threshold-based measures are:

- Percent of Contract/Agency Staff Used: facilities will be awarded five points if the rate is less than 10%, and zero points if the rate is 10% or higher.
- Percent of Long Stay Residents Experiencing One or More Falls with Major Injury: facilities will be awarded five points if the rate is equal to or less than 5%, and zero points if the rate is greater than 5%.
- Percent of Long Stay Residents with a Urinary Tract Infection: facilities will be awarded five points if the rate is equal to or less than 5%, and zero points if the rate is greater than 5%.

Rate of Staffing Hours per Resident per Day

NYS DOH will calculate an annualized adjusted rate of staffing hours per resident per day using staffing information downloaded from the Centers for Medicare & Medicaid Services (CMS) appropriate for that year. The staffing information is based on Payroll Based Journal Public Use Files (PBJ PUFs). PBJ PUFs are public data sets prepared by the CMS. For this measure, staffs are defined as RNs, LPNs, and Aides. The rate of reported staffing hours and the rate of case-mix staffing hours will be taken from the staffing information and the adjusted rate of staffing hours will be calculated using the formula below.

Rate Adjusted = (Rate Reported/Rate Case-Mix) * Statewide average

Total Nursing Staff Turnover (by region)

Total nursing staff turnover is defined as the percentage of nursing staff that left the nursing home over a twelve-month period.

The turnover measure is derived based on data from the CMS Payroll-Based Journal (PBJ) System. Using data submitted through PBJ, annual turnover measure for total nurses (RNs, licensed practical/licensed vocational nurses (LPNs), and nurse aides) are constructed by CMS. The PBJ job codes included in the total nursing staff turnover measure are as follows: RN director of nursing (job code 5), RNs with administrative duties (job code 6), RNs (job code 7), LPNs with administrative duties (job code 8), LPNs (job code 9), certified nurse aides (job code 10), aides in training (job code 11), and medication aides/technicians (job code 12). Please refer to Nursing Home Five-Star Quality Rating **System: Technical Users' Guide** for additional measure specification details.

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110(d)(22.1)(a)

1905(a)(4)(A) Nursing Facility Services

Total Nursing Staff Turnover (by region) continued

The annual turnover percentages for all the NHQI facilities are downloaded from CMS for the MDS year. These percentages are used to calculate quintile cut points for Metropolitan (MARO) and Non-Metropolitan (Non-MARO) regions in the New York state. Non-Metropolitan region include Western New York, Capital District, and Central New York. Nursing homes will be given points for this measure based on their performance in that region.

Metropolitan Area Regional Offices (MARO): Bronx, Dutchess, Kings, Nassau, New York, Orange, Putnam, Queens, Richmond, Rockland, Suffolk, Sullivan, Ulster, and Westchester.

Non-Metropolitan Area Regional Offices (Non-MARO): Albany, Allegany, Broome, Cattaraugus, Cayuga, Chautauqua, Chemung, Chenango, Clinton, Columbia, Cortland, Delaware, Erie, Essex, Franklin, Fulton, Genesee, Greene, Hamilton, Herkimer, Jefferson, Lewis, Livingston, Madison, Monroe, Montgomery, Niagara, Oneida, Onondaga, Ontario, Orleans, Oswego, Otsego, Rensselaer, Saint Lawrence, Saratoga, Schenectady, Schoharie, Schuyler, Seneca, Steuben, Tioga, Tompkins, Warren, Washington, Wayne, Wyoming, and Yates.

Percentage of Current Residents Up to Date with COVID-19 Vaccines

The vaccination rate for this measure is calculated as follows: (Number of Residents Staying in this Facility for At Least 1 Day This Week Up to Date with COVID-19 Vaccines / (Number of Residents Staying in this Facility for At Least 1 Day This Week) * 100.

The weekly vaccination rates for this measure are downloaded from the CMS's COVID-19 Nursing Home data website. The Nursing Home COVID-19 Public File includes data reported by nursing homes **to the CDC's National** Healthcare Safety Network (NHSN) Long Term Care Facility (LTCF) COVID-19 Module: Surveillance Reporting Pathways and COVID-19 Vaccinations. One of the weekly vaccination rates during October to December 2023 will be used. The rates will be used to calculate quintile cut points. Nursing homes will be given points for this measure based on their performance.

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110(d)(22.1)(b)

1905(a)(4)(A) Nursing Facility Services

Percentage of Current Healthcare Personnel Up to Date with COVID-19 Vaccines

The vaccination rate for this measure is calculated as follows: Number of Healthcare Personnel Eligible to Work in this Facility for At Least 1 Day This Week Up to Date with COVID-19 Vaccines / Number of All Healthcare Personnel Eligible to Work in this Facility for At Least 1 Day This Week) * 100

The weekly vaccination rates for this measure are downloaded from the CMS’s COVID-19 Nursing Home data website. The Nursing Home COVID-19 Public File includes data reported by nursing homes to the CDC’s National Healthcare Safety Network (NHSN) Long Term Care Facility (LTCF) COVID-19 Module: Surveillance Reporting Pathways and COVID-19 Vaccinations. One of the weekly vaccination rates during October to December 2023 will be used. The rates will be used to calculate quintile cut points. Nursing homes will be given points for this measure based on their performance.

Awarding for Improvement

Nursing homes will be awarded improvement points from **previous years’ performance** in selected measures in the Quality Component only. One improvement point will be awarded for a nursing home that improves in its quintile for a specific quality measure, compared to its quintile in the previous year for that quality measure. Nursing homes that obtain the top quintile in a quality measure will not receive an improvement point because maximum points per measure cannot exceed five. The threshold-based quality measures below will not be eligible to receive improvement points:

- Percent of Long Stay Residents Experiencing One or More Falls with Major Injury
- Percent of Long Stay Residents with a Urinary Tract Infection
- Percent of Contract/Agency Staff Used

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**New York
110(d)(22.2)**

1905(a)(4)(A) Nursing Facility Services

The quintile-based quality measures that are eligible for improvement points are listed below:

- Percent of Employees Vaccinated for Influenza
- Percent of Long Stay High-Risk Residents with Pressure Ulcers
- Percent of Long Stay Low-Risk Residents Who Lose Control of Their Bowel or Bladder
- Percent of Long Stay Residents Who Have Depressive Symptoms
- Percent of Long Stay Residents Who Lose Too Much Weight
- Percent of Long Stay Residents Who Received the Pneumococcal Vaccine
- Percent of Long Stay Residents Who Received the Seasonal Influenza Vaccine
- Percent of Long Stay Residents Whose Need for Help with Daily Activities Has Increased
- Rate of Staffing Hours Per Resident Per Day
- Total Nursing Staff Turnover

The grid below illustrates the method of awarding improvement points.

MDS year Performance						
NHQI year Performance	Quintiles	1 (best)	2	3	4	5
	1 (best)	5	5	5	5	5
	2	3	3	4	4	4
	3	1	1	1	2	2
	4	0	0	0	0	1
	5	0	0	0	0	0

For example, if MDS year performance is in the third quintile, and NHQI year performance is in the second quintile, the facility will receive four points for the measure. This is three points for attaining the second quintile and one point for improvement from the previous year's third quintile.

Risk Adjustment of Quality Measures

The following quality measures will be risk adjusted using the following covariates as reported in the MDS 3.0 data to account for the impact of individual risk factors:

Percent of Long Stay High Risk Residents with Pressure Ulcers: The covariates include gender, age, BMI, prognosis of less than six months of life expected, diabetes, anemia, renal failure, bowel incontinence, paraplegia, and quadriplegia.

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110(d)(22.3)

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- Percent of Long Stay Residents Who Lose Too Much Weight: The covariates include age, hospice care, cancer, renal failure, prognosis of less than six months of life expected.

For these two measures the risk adjusted methodology includes the calculation of the observed **rate; that is the facility's numerator-compliant population divided by the facility's denominator.**

The expected rate is the rate the facility would have had if the facility's patient mix was identical to the patient mix of the state. The expected rate is determined through the risk-adjusted model and follows the CMS methodology found in the MDS 3.0 Quality Measures **User's Manual.**

The facility-specific, risk-adjusted rate is the ratio of observed to expected measure rates multiplied by the overall statewide measure rate.

Reduction of Points Base: When a quality measure is not available for a nursing home, the number of points the measure is worth will be reduced from the NHQI maximum base points. **The nursing home's total** score will be the sum of its points divided by the base. For example, this reduction can happen in the following scenario: when a quality measure has a denominator of less than 30.

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110(d)(24)

1905(a)(4)(A) Nursing Facility Services

A potentially avoidable hospitalization is found by matching a discharge assessment in the MDS 3.0 data to its hospital record in SPARCS. The following primary ICD-10 diagnoses on the SPARCS hospital record are potentially avoidable:

Potentially Avoidable Hospitalization Condition	Source of ICD-10-CM Codes
Respiratory infection	Default CCSR CATEGORY DESCRIPTION IP * <ul style="list-style-type: none"> • "Acute and chronic tonsillitis" • "Acute bronchitis" • "Influenza" • "Other specified upper respiratory infections" • "Pneumonia (except that caused by tuberculosis)" • "Sinusitis"
Sepsis	CCSR CATEGORY 1 DESCRIPTION "Septicemia" *
Urinary tract infection	CCSR CATEGORY 1 DESCRIPTION "Urinary tract infections" *
Electrolyte imbalance	CCSR CATEGORY 1 DESCRIPTION "Fluid and Electrolyte Disorders" *
Heart failure	PQI 08 Heart Failure Admission Rate †
Anemia	CCSR CATEGORY 1 DESCRIPTION containing the text string "anemia" *

* From Healthcare Cost and Utilization Project (HCUP) Clinical Classifications Software Refined (CCSR) files found at https://www.hcup-us.ahrq.gov/tools_software.jsp (CCSR for ICD-10-CM Diagnoses Tool, v2022.1 released 10/28/21).

ICD 10 codes with 'Default CCSR CATEGORY DESCRIPTION IP' as Unacceptable PDX are excluded.

† Agency for Healthcare Research and Quality (AHRQ) Prevention Quality Indicators (PQI) [PQI_08_Heart_Failure_Admission_Rate.pdf \(ahrq.gov\)](#)/ [AHRQ QI: PQI Technical Specifications Updates](#)

Reduction of Points Base: When the number of long stay residents that contribute to the denominator of the potentially avoidable hospitalization measure is less than 30, the number of points the measure is worth will be reduced from the base of 100 maximum NHQI points. The nursing home's total score will be the sum of its points divided by the base.

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