

September 26, 2025

Todd McMillion
Director
Department of Health and Human Services
Centers for Medicare and Medicaid Services
233 North Michigan Ave, Suite 600
Chicago, IL 60601

RE: SPA #25-0059
Long Term Care Facility Services

Dear Director McMillion:

The State requests approval of the enclosed amendment #25-0059 to the Title XIX (Medicaid) State Plan for long term care facility services to be effective August 17, 2025 (Appendix I). This amendment is being submitted based on enacted legislation. A summary of the proposed amendment is provided in Appendix II.

This amendment is submitted pursuant to §1902(a) of the Social Security Act (42 USC 1396a(a)) and Title 42 of the Code of Federal Regulations, Part 447, Subpart C, (42 CFR §447).

A copy of the pertinent section of enacted legislation is enclosed for your information (Appendix III). A copy of the public notice of this proposed amendment, which was given in the *New York State Register* on July 30, 2025, is also enclosed for your information (Appendix IV). In addition, responses to the five standard funding questions are also enclosed (Appendix V).

If you have any questions regarding this State Plan Amendment submission, please do not hesitate to contact Regina Deyette, Medicaid State Plan Coordinator, Division of Finance and Rate Setting, Office of Health Insurance Programs at (518) 473-3658.

Sincerely,



Amir Bassiri
Medicaid Director
Office of Health Insurance Programs

Enclosures

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER

2 5 — 0 0 5 9

2. STATE

N Y

3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL
SECURITY ACT



XIX



XXI

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

4. PROPOSED EFFECTIVE DATE

August 17, 2025

5. FEDERAL STATUTE/REGULATION CITATION

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

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY 08/17/25-09/30/25 \$ 0

b. FFY 10/01/25-09/30/26 \$ 0

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Attachment 4.19-D Part I Page: 110(d)(31)

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION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

Attachment 4.19-D Part I Page: 110(d)(31)

9. SUBJECT OF AMENDMENT

Nursing Home Young Adult Demonstration Program

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. SIGNATURE OF STATE AGENCY OFFICIAL

[Redacted Signature]

12. TYPED NAME

Amir Bassiri

13. TITLE

Medicaid Director

14. DATE SUBMITTED

September 26, 2025

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

17. DATE APPROVED

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL

19. SIGNATURE OF APPROVING OFFICIAL

20. TYPED NAME OF APPROVING OFFICIAL

21. TITLE OF APPROVING OFFICIAL

22. REMARKS

Appendix I
2025 Title XIX State Plan
Third Quarter Amendment
Amended SPA Pages

New York
110(d)(31)

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

Young Adult Special Populations Demonstration

Effective August 17, 2021 through August 16, 2025^{5Z}, the State will establish a demonstration program for two eligible pediatric residential health care facilities, as defined in section 4 below, to construct a new facility or repurpose part of an existing facility to operate as a young adult residential health care facility for the purpose of improving the quality of care for young adults with medical fragility.

1. "Children with medical fragility" will mean children up to twenty-one years of age who have a chronic or conditions, are at risk of hospitalization, are technology-dependent for life or health sustaining functions, require complex medication regimens or medical interventions to maintain or to improve their health status, and/or are in need of ongoing assessment or intervention to prevent serious deterioration of their health status or medical complications that place their life, health or development at risk.
2. "Young adults with medical fragility" will mean individuals who meet the definition of children with medical fragility, but for the fact such individuals are aged between eighteen and thirty-five years old.
3. "Pediatric residential health care facility" will mean a residential health care facility or discrete unit of a residential health care facility providing services to children under the age of twenty-one.
4. "Eligible pediatric residential health care facilities" will mean pediatric health care facilities that meet the following eligibility criteria for the demonstration program: (i) has over one hundred and sixty licensed pediatric beds; or (ii) is currently licensed for pediatric beds, is co-operated by a system of hospitals licensed, and such hospitals qualify for funds pursuant to a vital access provider assurance program (VAPAP) or a value based payment incentive program (VBP), as administered by the department. Eligibility requirements for VAPAP and VBP include:
 - a. a public hospital, defined as a general hospital operated by a county or municipality, but not operated by a public benefit corporation; or
 - b. a federally designated Critical Access Hospital; or
 - c. a federally designated Sole Community Hospital; or
 - d. a safety net hospital, defined as a general hospital (but not operated by a public benefit corporation); and
 - i. with at least 30 percent of its inpatient discharges made up of Medicaid eligible individuals, uninsured individuals or Medicaid dually-eligible individuals; and
 - ii. with at least 35% of its outpatient visits made up of Medicaid eligible individuals, uninsured individuals or Medicaid dually-eligible individuals; or
 - iii. that serves at least 30 percent of the residents of a county or a multi-county area who are Medicaid eligible individuals, uninsured individuals or Medicaid dually- eligible individuals.

TN #25-0059

Approval Date _____

Supersedes TN #21-0048

Effective Date August 17, 2025

Appendix II
2025 Title XIX State Plan
Third Quarter Amendment
Summary

SUMMARY
SPA #25-0059

This State Plan Amendment proposes to extend the demonstration program for two eligible pediatric residential health care facilities to construct a new facility or repurpose part of an existing facility to operate as a young adult residential health care facility for the purpose of improving the quality of care for young adults, aged 18-35, with medical fragility.

Appendix III
2025 Title XIX State Plan
Third Quarter Amendment
Authorizing Provisions

SECTION 2808-E

Residential health care for children with medical fragility in transition to young adults and young adults with medical fragility demonstration.

Public Health (PBH) CHAPTER 45, ARTICLE 28

* § 2808-e. Residential health care for children with medical fragility in transition to young adults and young adults with medical fragility demonstration program. 1. Notwithstanding any law, rule, or regulation to the contrary, the commissioner shall, within amounts appropriated and subject to the availability of federal financial participation, establish a demonstration program for two eligible pediatric residential health care facilities, as defined in paragraph (d) of subdivision two of this section, to construct a new facility or repurpose part of an existing facility to operate as a young adult residential health care facility for the purpose of improving the quality of care for young adults with medical fragility.

2. For purposes of this section:

(a) "children with medical fragility" shall mean children up to twenty-one years of age who have a chronic debilitating condition or conditions, are at risk of hospitalization, are technology-dependent for life or health sustaining functions, require complex medication regimens or medical interventions to maintain or to improve their health status, and/or are in need of ongoing assessment or intervention to prevent serious deterioration of their health status or medical complications that place their life, health or development at risk.

(b) "young adults with medical fragility" shall mean individuals who meet the definition of children with medical fragility, but for the fact such individuals are aged between eighteen and thirty-five years old.

(c) "pediatric residential health care facility" shall mean a residential health care facility or discrete unit of a residential health care facility providing services to children under the age of twenty-one.

(d) "eligible pediatric residential health care facilities" shall mean pediatric health care facilities that meet the following eligibility criteria for the demonstration program set forth in subdivision one of this section: (i) has over one hundred and sixty licensed pediatric beds; or (ii) is currently licensed for pediatric beds pursuant to this article, is co-operated by a system of hospitals licensed pursuant to this article, and such hospitals qualify for funds pursuant to a vital access provider assurance program or a value based payment incentive program, as administered by the department in accordance with all requirements set forth in the state's federal 1115 Medicaid waiver standard terms and conditions.

3. Notwithstanding any law, rule, or regulation to the contrary, any child with medical fragility who has resided for at least thirty consecutive days in an eligible pediatric residential health care facility and who has reached the age of twenty-one while a resident, may continue residing at such eligible pediatric residential health care facility and receiving such services from the facility, provided that such young adult with medical fragility remains eligible for nursing home care, and provided further that the eligible pediatric residential health care facility has prepared, applied for, and submitted to the commissioner, a proposal for a new residential health care facility for the provision of extensive nursing, medical, psychological and counseling support services to young adults with medical fragility in accordance with subdivision four of this section. A young adult with medical fragility may remain in such eligible pediatric residential health care facility until such time that the young adult with medical fragility attains the age of thirty-five years or the young adult residential health care facility is constructed and becomes operational, whichever is sooner.

4. Upon receipt of a certificate of need application from an eligible pediatric residential health care facility selected by the commissioner for the demonstration program authorized under this section, the commissioner is authorized to approve, with the written approval of the public health and health planning council pursuant to section twenty-eight hundred two of this article, the construction of a new residential health care facility to be constructed and operated on a parcel of land within the same county as that of eligible pediatric residential health care facility that is proposing such new facility and over which it will have site control, or the repurposing of a portion of a residential health care facility that is currently serving geriatric residents or those with similar needs for the provision of nursing, medical, psychological and counseling support services appropriate to the needs of nursing home-eligible young adults with medical fragility, referred to herein below as a young adult facility, provided that the established operator of such eligible pediatric residential health care facility proposing the young adult facility is in good standing and possesses at least thirty years' prior experience operating as a pediatric residential health care facility in the state or more than thirty years' experience serving medically fragile pediatric patients, and provided further that such facility qualifies for the demonstration program set forth in subdivision one of this section.

5. A young adult facility established pursuant to subdivision four of this section may admit, from the community-at-large or upon referral from an unrelated facility, young adults with medical fragility who prior to reaching age twenty-one were children with medical fragility, and who are eligible for nursing home care and in need of extensive nursing, medical, psychological and counseling support services, provided that the young adult facility, to promote continuity of care, undertakes to provide priority admission to young adults with medical fragility transitioning from the pediatric residential health care facility or unit operated by the entity that proposed the young adult facility and ensure sufficient capacity to admit such young adults as they approach or attain twenty-one years of age.

6. (a) For inpatient services provided to any young adults with medical fragility eligible for medical assistance pursuant to title eleven of article five of the social services law residing at any eligible pediatric residential health care facility as authorized in subdivision three of this section, the commissioner shall establish the operating component of rates of reimbursement appropriate for young adults with medical fragility residing at a pediatric residential health care facility, to apply to such young adults twenty-one years of age or older. Such methodology shall take into account the methodology used to establish the operating component of the rates pursuant to section twenty eight hundred eight of this article for pediatric residential health care facilities with an increase or decrease adjustment as appropriate to account for any discrete expenses associated with caring for young adults with medical fragility, including addressing their distinct needs as young adults for psychological and counseling support services.

(b) For inpatient services provided to any young adults with medical fragility eligible for medical assistance pursuant to title eleven of article five of the social services law at any young adult facility as authorized in subdivision four of this section, the commissioner shall establish the operating component of rates of reimbursement appropriate for young adults with medical fragility. Such methodology shall take into account the methodology used to establish the operating component of the rates pursuant to section twenty eight hundred eight of this article for pediatric residential health care facilities with an increase or decrease adjustment as appropriate to account for any discrete expenses associated with caring for young adults with medical fragility, including addressing their distinct needs as young adults for psychological and counseling support services.

7. The commissioner shall have authority to waive any rule or regulation to effectuate the demonstration program authorized pursuant to subdivision one of this section.

* NB Repealed August 17, 2027

* NB There are 2 § 2808-e's

Appendix IV
2025 Title XIX State Plan
Third Quarter Amendment
Public Notice

MISCELLANEOUS NOTICES/HEARINGS

Notice of Abandoned Property Received by the State Comptroller

Pursuant to provisions of the Abandoned Property Law and related laws, the Office of the State Comptroller receives unclaimed monies and other property deemed abandoned. A list of the names and last known addresses of the entitled owners of this abandoned property is maintained by the office in accordance with Section 1401 of the Abandoned Property Law. Interested parties may inquire if they appear on the Abandoned Property Listing by contacting the Office of Unclaimed Funds, Monday through Friday from 8:00 a.m. to 4:30 p.m., at:

1-800-221-9311
or visit our web site at:
www.osc.state.ny.us

Claims for abandoned property must be filed with the New York State Comptroller's Office of Unclaimed Funds as provided in Section 1406 of the Abandoned Property Law. For further information contact: Office of the State Comptroller, Office of Unclaimed Funds, 110 State St., Albany, NY 12236.

PUBLIC NOTICE Department of Health

Pursuant to 42 CFR Section 447.205, the Department of Health hereby gives public notice of the following:

The Department of Health proposes to amend the Title XIX (Medicaid) State Plan for long term care services to comply with 2025-2026 enacted budget. The following changes are proposed:

Long Term Care Services

Effective on or after August 17, 2025, the previously established demonstration program for young adults with medical fragility will continue through August 16, 2027.

There is no estimated change to gross Medicaid expenditures as a result of this proposed amendment.

The public is invited to review and comment on this proposed State Plan Amendment, a copy of which will be available for public review on the Department's website at http://www.health.ny.gov/regulations/state_plans/status. Individuals without Internet access may view the State Plan Amendments at any local (county) social services district.

For the New York City district, copies will be available at the following places:

New York County
250 Church Street
New York, New York 10018

Queens County, Queens Center
3220 Northern Boulevard
Long Island City, New York 11101

Kings County, Fulton Center
114 Willoughby Street
Brooklyn, New York 11201
Bronx County, Tremont Center

1916 Monterey Avenue
Bronx, New York 10457

Richmond County, Richmond Center
95 Central Avenue, St. George
Staten Island, New York 10301

For further information and to review and comment, please contact:
Department of Health, Division of Finance and Rate Setting, 99 Washington Ave., One Commerce Plaza, Suite 1432, Albany, NY 12210, spa-inquiries@health.ny.gov

PUBLIC NOTICE Department of Health

Pursuant to 42 CFR Section 447.205, the Department of Health hereby gives public notice of the following:

The Department of Health proposes to amend the Title XIX (Medicaid) State Plan for institutional services to comply with 42 U.S.C. 1396a(13) and 42 C.F.R. Section 447. The following changes are proposed:

Institutional Services

Effective on or after August 1, 2025, this proposal would modify the existing State Plan to carve out certain drugs from the inpatient hospital rate to ensure access to certain treatments.

There is no estimated expected change in annual aggregate expenditures as a result of this proposed initiative.

The public is invited to review and comment on this proposed State Plan Amendment, a copy of which will be available for public review on the Department's website at http://www.health.ny.gov/regulations/state_plans/status. Individuals without Internet access may view the State Plan Amendments at any local (county) social services district.

For the New York City district, copies will be available at the following places:

New York County
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New York, New York 10018

Queens County, Queens Center
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Long Island City, New York 11101

Kings County, Fulton Center
114 Willoughby Street
Brooklyn, New York 11201

Bronx County, Tremont Center
1916 Monterey Avenue
Bronx, New York 10457

Richmond County, Richmond Center
95 Central Avenue, St. George
Staten Island, New York 10301

For further information and to review and comment, please contact:
Department of Health, Division of Finance and Rate Setting, 99
Washington Ave., One Commerce Plaza, Suite 1432, Albany, NY
12210, spa-inquiries@health.ny.gov

PUBLIC NOTICE

Department of Health

Pursuant to 42 CFR Section 447.205, the Department of Health hereby gives public notice of the following:

The Department of Health proposes to amend the Title XIX (Medicaid) State Plan for long term care services as authorized by § 2826 of New York Public Health Law. The following changes are proposed:

Long Term Care Services

Effective on or after August 1, 2025, temporary rate adjustments have been approved for services related to providers that are undergoing closure, merger, consolidation, acquisition or restructuring themselves or other health care providers. The temporary rate adjustments have been reviewed and approved for the following Nursing Home:

- Elderwood at North Creek

The aggregate payment amounts totaling up to \$2,342,637 for the period August 1, 2025, through September 30, 2025.

- Elderwood at Waverly

The aggregate payment amounts totaling up to \$3,301,545 for the period August 1, 2025, through September 30, 2025.

- Elderwood at Ticonderoga

The aggregate payment amounts totaling up to \$1,343,797 for the period August 1, 2025, through September 30, 2025.

The public is invited to review and comment on this proposed State Plan Amendment, a copy of which will be available for public review on the Department's website at http://www.health.ny.gov/regulations/state_plans/status. Individuals without Internet access may view the State Plan Amendments at any local (county) social services district.

For the New York City district, copies will be available at the following places:

New York County
250 Church Street
New York, New York 10018

Queens County, Queens Center
3220 Northern Boulevard
Long Island City, New York 11101

Kings County, Fulton Center
114 Willoughby Street
Brooklyn, New York 11201

Bronx County, Tremont Center
1916 Monterey Avenue
Bronx, New York 10457

Richmond County, Richmond Center
95 Central Avenue, St. George
Staten Island, New York 10301

For further information and to review and comment, please contact:
Department of Health, Division of Finance and Rate Setting, 99
Washington Ave., One Commerce Plaza, Suite 1432, Albany, NY
12210, spa-inquiries@health.ny.gov

PUBLIC NOTICE

Department of Parks, Recreation and Historic Preservation

In accordance with § 104 of the Public Officers Law, notice is hereby given of the upcoming meeting of New York State 250th Com-

memoration Commission from 10:00 to 12:00 on Tuesday August 12, 2025. The meeting shall be held simultaneously with public access at the following locations:

1) New York State Department of Education, 89 Washington Ave. Room EB 5A/B, Albany NY 12234

2) Erie 1 BOCES: 355 Harlem Rd, Room A-3, West Seneca, NY 14224

3) New York City: The Gotham Center for New York City History, 365 5th Ave #6103, The Skylight Room, New York, NY 10016

4) Southern Westchester BOCES: 450 Mamaroneck Ave, Third Floor Windward Room, Harrison, NY 10528

5) Eastern Suffolk BOCES: 201 Sunrise Highway, Patchogue, NY 11772

The meeting agenda will be posted on the Commission's website at: <https://nysm.nysed.gov/revolutionaryny250>. A live video stream will also appear there.

The meeting is open to the public.

To be considered for inclusion in a commission agenda, comments may be submitted to Phil Giltner, Office of Parks, Recreation and Historic Preservation, Peebles Island, P.O. Box 189, Waterford, New York 12188-0189 by May 27, 2025.

For further information, contact: Phil Giltner, Office of Parks Recreation and Historic Preservation, P.O. Box 189, Waterford, NY 12188-0189. Email: phil.giltner@parks.ny.gov

PUBLIC NOTICE

Department of State

F-2024-0769

Date of Issuance – July 30, 2025

The New York State Department of State (DOS) is required by Federal regulations to provide timely public notice for the activities described below, which are subject to the consistency provisions of the Federal Coastal Zone Management Act of 1972, as amended.

The applicant has certified that the proposed activity complies with and will be conducted in a manner consistent with the approved New York State Coastal Management Program.

In F-2024-0769, Transco, LLC [PropelNY] is proposing the installation of submarine and terrestrial components that, in total, include approximately 89.7 miles of new underground transmission lines (approximately 78.5 miles at 345 kilovolts [kV] and approximately 11.2 miles at 138 kV) and direct interconnection with nine existing and/or new substations. Suffolk, Nassau, Queens, Bronx, and Westchester Counties, Long Island Sound, Hempstead Harbor, Alley Pond, East River.

The stated purpose of the proposed action is to facilitate both the interconnection of new, renewable generation resources to the NYS electric grid and the ultimate delivery of energy to end-use customers across NYS.

The applicant's consistency certification and supporting information are available for review at: <https://dos.ny.gov/f-2024-0769> or at <https://dos.ny.gov/public-notice>

The United States Army Corps issued a 30-day public notice in the Federal Register and is available for review at: <https://www.nan.usace.army.mil/Missions/Regulatory/Regulatory-Public-Notices/Article/4221758/nan-2024-00408-mmi/>

Original copies of public information and data submitted by the applicant are available for inspection at the New York State Department of State offices located at One Commerce Plaza, 99 Washington Avenue, in Albany, New York.

Any interested parties and/or agencies desiring to express their views concerning any of the above proposed activities may do so by filing their comments, in writing, no later than 4:30 p.m., 30 days from the date of publication of this notice, or August 29, 2025.

Comments should be addressed to: Consistency Review Unit, Department of State, Office of Planning, Development and Community Infrastructure, One Commerce Plaza, 99 Washington Ave., Albany, NY 12231, (518) 474-6000; Fax (518) 473-2464. Electronic submissions can be made by email at: CR@dos.ny.gov

Appendix V
2025 Title XIX State Plan
Third Quarter Amendment
Responses to Standard Funding Questions

LONG-TERM SERVICES
State Plan Amendment #25-0059

CMS Standard Funding Questions

The following questions are being asked and should be answered in relation to all payments made to all providers reimbursed pursuant to a methodology described in Attachment 4.19-D of the state plan.

- 1. Section 1903(a)(1) provides that Federal matching funds are only available for expenditures made by States for services under the approved State plan. Do providers receive and retain the total Medicaid expenditures claimed by the State (includes normal per diem, supplemental, enhanced payments, other) or is any portion of the payments returned to the State, local governmental entity, or any other intermediary organization? If providers are required to return any portion of payments, please provide a full description of the repayment process. Include in your response a full description of the methodology for the return of any of the payments, a complete listing of providers that return a portion of their payments, the amount or percentage of payments that are returned and the disposition and use of the funds once they are returned to the State (i.e., general fund, medical services account, etc.).**

Response: Providers (except for OPWDD's ICF/DD) receive and retain 100 percent of total Medicaid expenditures claimed by the State and the State does not require any provider to return any portion of such payments to the State, local government entities, or any other intermediary organization.

OPWDD's ICF/DD facilities are subject to a 5.5% Medicaid-reimbursable tax on gross receipts that are not kept by the provider but remitted to the state general fund for both voluntary and State-operated ICF/DDs. This assessment is authorized by Public Law 102-234, Section 43.04 of the New York State Mental Hygiene Law, Federal Medicaid regulations at 42 CFR 433.68. OPWDD recoups the assessment from the ICF/DD Medicaid payment before the payment is sent to the voluntary provider. For State operated ICF/DDs, the legislature appropriates an amount for payment of the assessment. Aside from the assessments, providers receive and retain all the Medicaid payments for ICF/DD services.

- 2. Section 1902(a)(2) provides that the lack of adequate funds from local sources will not result in lowering the amount, duration, scope, or quality of care and services available under the plan. Please describe how the state share of each type of Medicaid payment (normal per diem, supplemental, enhanced, other) is funded. Please describe whether the state share is from appropriations from the legislature to the Medicaid agency, through intergovernmental transfer agreements (IGTs), certified public expenditures (CPEs), provider taxes, or any other mechanism used by the state to provide state share. Note that, if the appropriation is not to the Medicaid agency, the source of the state share would necessarily be derived through either through an IGT or CPE. In this case, please identify the agency to which the funds are appropriated. Please provide an estimate of total expenditure and State share amounts for each type of Medicaid**

payment. If any of the non-federal share is being provided using IGTs or CPEs, please fully describe the matching arrangement including when the state agency receives the transferred amounts from the local governmental entity transferring the funds. If CPEs are used, please describe the methodology used by the state to verify that the total expenditures being certified are eligible for Federal matching funds in accordance with 42 CFR 433.51(b). For any payment funded by CPEs or IGTs, please provide the following:

- (i) a complete list of the names of entities transferring or certifying funds;
- (ii) the operational nature of the entity (state, county, city, other);
- (iii) the total amounts transferred or certified by each entity;
- (iv) clarify whether the certifying or transferring entity has general taxing authority; and,
- (v) whether the certifying or transferring entity received appropriations (identify level of appropriations).

Response: The Non-Federal share Medicaid provider payment (normal per diem and supplemental) is funded by a combination of the following funds/funding sources through enacted appropriations authority to the Department of Health (DOH) for the New York State Medicaid program or is funded by an IGT transferred from the counties.

		4/1/25 – 3/31/26	
Payment Type	Non-Federal Share Funding	Non-Federal	Gross
Nursing Homes Normal Per Diem	General Fund; Special Revenue Funds; County Contribution	\$3.782B	\$7.564B
Intermediate Care Facilities Normal Per Diem	General Fund; County Contribution	\$481M	\$962M
Nursing Homes Supplemental	General Fund	\$108M	\$216M
Intermediate Care Facilities Supplemental	General Fund	\$0	\$0
Nursing Homes UPL	IGT	\$106M	\$213M
Totals		\$4.477B	\$8.955B

A. **General Fund:** Revenue resources for the State's General Fund includes taxes (e.g., income, sales, etc.), and miscellaneous fees (including audit recoveries and provider assessments). Medicaid expenditures from the State's General Fund are authorized from Department of Health Medicaid.

- 1) New York State Audit Recoveries: The Department of Health collaborates with the Office of the Medicaid Inspector General (OMIG) and the Office of the Attorney General (AG) in recovering improperly expended Medicaid funds. OMIG conducts and coordinates the investigation, detection, audit, and review of Medicaid providers and recipients to ensure they are complying with all applicable laws and regulation. OMIG recovers any improper payments through cash collections and voided claim recoveries. Cash collections are deposited into the State's General Fund to offset Medicaid costs.

In addition to cash collections, OMIG finds inappropriately billed claims within provider claims. To correct an error, OMIG and DOH process the current accurate claim, and reduce this claim by the inappropriate claim value to recoup the previous overclaim and decrease state spending.

- 2) Intermediate Care Facilities (ICF) Provider Service Assessment: Pursuant to New York State Mental Hygiene Law 43.04, a provider's gross receipts received on a cash basis for all services rendered at all ICFs is assessed at 5.5 percent. This assessment is deposited directly into the State's General Fund.

B. Special Revenue Funds:

Health Facility Cash Assessment Program (HFCAP) Fund: Pursuant to New York State Public Health Law 2807-d and Section 90 of Part H of Chapter 59 of the Laws of 2011, the total state assessment on each residential health care facility's gross receipts received from all patient care services and other operating income on a cash basis for residential health care facilities, including adult day service, but excluding, gross receipts attributable to payments received pursuant to Title XVIII of the federal Social Security Act (Medicare), is 6.8 percent.

NOTE: New York's Health Care taxes are either broad based and uniform (as in all HFCAP assessments except for the Personal Care Provider Cash Assessment) or have a specific exemption known as the "D'Amato provision (Federal PHL section 105-33 4722 (c))" which allows the HCRA surcharges to exist in their current format. The single tax which has been determined by the State to be an impermissible provider tax is the HFCAP charge on Personal Care Providers. The State does not claim any Federal dollars for the surcharge collected in this manner in order to comply with all Federal provider tax rules.

C. Additional Resources for Non-Federal Share Funding:

County Contribution: In State Fiscal Year 2006, through enacted State legislation (Part C of Chapter 58 of the laws of 2005), New York State "capped" the amount localities contributed to the non-Federal share of providers claims. This was designed to relieve pressure on county property taxes and the NYC budget by limiting local contributions having New York State absorb all local program costs above this fixed statutory inflation rate (3% at the time).

However, in State Fiscal Year 2013 New York State provided additional relief to Localities by reducing local contributions annual growth from three percent to zero over a three-year period. Beginning in State Fiscal Year 2016, counties began paying a fixed cost in perpetuity as follows:

Entity	Annual Amount
New York City	\$5.378B
Suffolk County	\$256M
Nassau County	\$241M
Westchester County	\$223M

Erie County	\$216M
Rest of State (53 Counties)	\$1.320B
Total	\$7.634B

By eliminating the growth in localities Medicaid costs, the State has statutorily capped total Statewide County Medicaid expenditures at 2015 levels. All additional county Medicaid costs are funded by the State through State funding as described above. DOH provides annual letters to counties providing weekly contributions. Contributions are deposited directly into State escrow account and used to offset 'total' State share Medicaid funding.

NOTE: The Local Contribution is not tied to a specific claim or service category and instead is a capped amount based on 2015 county spending levels as stated above. Each deposit received is reviewed and compared to the amount each county is responsible to contribute to the Medicaid program to verify the county funds received are eligible for Medicaid expenses.

D. IGT Funding:

New York State requests the transfer of the IGT amounts from entities prior to the release of payments to the providers. The entities transferring IGT amounts are all units of government, and the nonfederal share is derived from state or local tax revenue funded accounts only. The providers keep and retain Medicaid payments. Please note that entities have taxing authority, and the State does not provide appropriations to the entities for IGTs.

Provider	Entity Transferring IGT Funds	4/1/25-3/31/26 IGT Amount
A Holly Patterson Extended Care Facility	Nassau County	\$9M
Albany County Nursing Home	Albany County	\$5M
Chemung County Health Center	Chemung County	\$3M
Clinton County Nursing Home	Clinton County	\$2M
Coler Rehabilitation & Nursing Care Center	New York City	\$8M
Dr. Susan Smith Mckinney Nursing and Rehab Center	Kings County	\$6M
Glendale Home	Schenectady County	\$4M
Henry J. Carter Nursing Home	New York City	\$3M
Lewis County General Hospital-Nursing Home Unit	Lewis County	\$3M
Livingston County Center for Nursing and Rehabilitation	Livingston County	\$4M
Monroe Community Hospital-Nursing Home Unit	Monroe County	\$10M
New Gouverneur Hospital-Nursing Home Unit	New York City	\$4M
Sea View Hospital Rehabilitation Center and Home	Richmond County	\$5M
Sullivan County Adult Care Center	Sullivan County	\$2M
Terrace View Long Term Care	Erie County	\$7M
The Pines Healthcare & Rehab Centers Machias Camp	Cattaraugus County	\$2M
The Pines Healthcare & Rehab Centers Olean Camp	Cattaraugus County	\$2M
The Valley View Center for Nursing Care and Rehab	Orange County	\$7M
Van Rensselaer Manor	Rensselaer County	\$8M

Wayne County Nursing Home	Wayne County	\$4M
Willow Point Rehabilitation & Nursing Center	Broome County	\$5M
Wyoming County Community Hospital-NH Unit	Wyoming County	\$3M
Total		\$106M

- 3. Section 1902(a)(30) requires that payments for services be consistent with efficiency, economy, and quality of care. Section 1903(a)(1) provides for Federal financial participation to States for expenditures for services under an approved State plan. If supplemental or enhanced payments are made, please provide the total amount for each type of supplemental or enhanced payment made to each provider type.**

Response: Below is a list of nursing home and ICF supplemental payments:

Payment Type	Private	State Government	Non-State Government	4/1/25-3/31/26 Gross Total
Advance Training Initiative	\$44M	\$0	\$2M	\$46M
Cinergy (Part of \$66M DOH)	\$29M	\$0	\$1M	\$30M
1% Supplemental	\$133M	\$1M	\$6M	\$140M
Nursing Home UPL	\$203M	\$1M	\$9M	\$213M
Total	\$409M	\$2M	\$18M	\$429M

The Medicaid payments under this State Plan Amendment are not supplemental payments.

- 4. Please provide a detailed description of the methodology used by the state to estimate the upper payment limit (UPL) for each class of providers (State owned or operated, non-state government owned or operated, and privately owned or operated). Please provide a current (i.e. applicable to the current rate year) UPL demonstration. Under regulations at 42 CFR 447.272, States are prohibited from setting payment rates for Medicaid inpatient services that exceed a reasonable estimate of the amount that would be paid under Medicare payment principals.**

Response: The nursing home UPL calculation is a payment-to-payment calculation for state government and private facilities. Non-state Governmental facilities undergo a payment-to-cost calculation. The Medicaid payments under this State Plan Amendment will be included in the 2025 nursing home UPL when it is submitted to CMS.

- 5. Does any governmental provider receive payments that in the aggregate (normal per diem, supplemental, enhanced, other) exceed their reasonable costs of providing services? If payments exceed the cost of services, do you recoup the excess and return the Federal share of the excess to CMS on the quarterly expenditure report?**

Response: Providers do not receive payments that in the aggregate exceed their reasonable costs of providing services. If any providers received payments that in the aggregate exceeded their reasonable costs of providing services, the State would recoup the excess and return the Federal share of the excess to CMS on the quarterly expenditure report.

ACA Assurances:

1. **Maintenance of Effort (MOE).** Under section 1902(gg) of the Social Security Act (the Act), as amended by the Affordable Care Act, as a condition of receiving any Federal payments under the Medicaid program during the MOE period indicated below, the State shall not have in effect any eligibility standards, methodologies, or procedures in its Medicaid program which are more restrictive than such eligibility provisions as in effect in its Medicaid program on March 10, 2010.

MOE Period.

- **Begins on:** March 10, 2010, and
- **Ends on:** The date the Secretary of the Federal Department of Health and Human Services determines an Exchange established by a State under the provisions of section 1311 of the Affordable Care Act is fully operational.

Response: This SPA complies with the conditions of the MOE provision of section 1902(gg) of the Act for continued funding under the Medicaid program.

2. Section 1905(y) and (z) of the Act provides for increased FMAPs for expenditures made on or after January 1, 2014 for individuals determined eligible under section 1902(a)(10)(A)(i)(VIII) of the Act. Under section 1905(cc) of the Act, the increased FMAP under sections 1905(y) and (z) would not be available for States that require local political subdivisions to contribute amounts toward the non-Federal share of the State's expenditures at a greater percentage than would have been required on December 31, 2009.

Prior to January 1, 2014 States may potentially require contributions by local political subdivisions toward the non-Federal share of the States' expenditures at percentages greater than were required on December 31, 2009. **However,** because of the provisions of section 1905(cc) of the Act, it is important to determine and document/flag any SPAs/State plans which have such greater percentages prior to the January 1, 2014 date in order to anticipate potential violations and/or appropriate corrective actions by the States and the Federal government.

Response: This SPA would [] / would not [✓] violate these provisions, if they remained in effect on or after January 1, 2014.

3. Please indicate whether the State is currently in conformance with the requirements of section 1902(a)(37) of the Act regarding prompt payment of claims.

Response: The State complies with the requirements of section 1902(a)(37) of the Act regarding prompt payment of claims.

Tribal Assurance:

Section 1902(a)(73) of the Social Security Act the Act requires a State in which one or more Indian Health Programs or Urban Indian Organizations furnish health care services to establish a process for the State Medicaid agency to seek advice on a regular ongoing basis from designees of Indian health programs whether operated by the Indian Health Service HIS Tribes or Tribal organizations under the Indian Self Determination and Education Assistance Act ISDEAA or Urban Indian Organizations under the Indian Health Care Improvement Act.

IHCIA Section 2107(e)(I) of the Act was also amended to apply these requirements to the Children's Health Insurance Program CHIP. Consultation is required concerning Medicaid and CHIP matters having a direct impact on Indian health programs and Urban Indian organizations.

- a) Please describe the process the State uses to seek advice on a regular ongoing basis from federally recognized tribes Indian Health Programs and Urban Indian Organizations on matters related to Medicaid and CHIP programs and for consultation on State Plan Amendments waiver proposals waiver extensions waiver amendments waiver renewals and proposals for demonstration projects prior to submission to CMS.
- b) Please include information about the frequency inclusiveness and process for seeking such advice.
- c) Please describe the consultation process that occurred specifically for the development and submission of this State Plan Amendment when it occurred and who was involved.

Response: Tribal consultation was performed in accordance with the State's tribal consultation policy as approved in SPA 17-0065, and documentation of such is included with this submission. To date, no feedback has been received from any tribal representative in response to the proposed change in this SPA.