DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services Center for Medicaid & CHIP Services 233 North Michigan Ave., Suite 600 Chicago, Illinois 60601



Financial Management Group/ Division of Reimbursement Review

March 3, 2020

Donna Frescatore Medicaid Director NYS Department of Health One Commerce Plaza Suite 1211 Albany, NY 12210

RE: TN 19-0018

Dear Ms Frescatore:

We have reviewed the proposed New York State Plan Amendment (SPA) to Attachment 4.19-B, NY-19-0018, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on March 29, 2019. This plan amendment revises the rate setting methodology for NYS Office of Alcoholism and Substance Abuse Services (OASAS) freestanding Chemical Dependence Rehabilitation (IPR) facilities.

Based upon the information provided by the State, we have approved the amendment with an effective date of January 1, 2019. We are enclosing the approved CMS-179 and a copy of the new state plan page.

If you have any additional questions or need further assistance, please contact Charlene Holzbaur at (609) 882-4796 or Charlene.holzbaur@cms.hhs.gov.

Sincerely,

Todd McMillion Acting Director

Enclosures

| | 1. TRANSMITTAL NUMBER 2. STATE | | | |
|--|--|--|--|--|
| TRANSMITTAL AND NOTICE OF APPROVAL OF | 1 9 — 0 0 1 8 New York | | | |
| STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICARD SERVICES | 3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID) TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID) | | | |
| TO: REGIONAL ADMINISTRATOR | 4. PROPOSED EFFECTIVE DATE | | | |
| CENTERS FOR MEDICARE & MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES | January 1, 2019 | | | |
| 5. TYPE OF PLAN MATERIAL (Check One) | | | | |
| ☐ NEW STATE PLAN ☐ AMENDMENT TO BE CONSI | DERED AS NEW PLAN AMENDMENT | | | |
| COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMEN | IDMENT (Separate transmittal for each amendment) | | | |
| 6. FEDERAL STATUTE/REGULATION CITATION | 7. FEDERAL BUDGET IMPACT | | | |
| Section: 42 CFR 440.130(d) | a. FFY 01/01/19-09/30/19 \$ 132.80 b. FFY 10/01/19-09/30/20 \$ 177.08 | | | |
| 8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT | 9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) | | | |
| Attachment: 4.19-B Pages: 10(a.6) | Attachment: | | | |
| e = = = = = = = = = = = = = = = = = = = | | | | |
| | | | | |
| 10. SUBJECT OF AMENDMENT | ac 1 | | | |
| OASAS Residential Rehabilitation (FMAP= 50%) | | | | |
| 11. GOVERNOR'S REVIEW (Check One) | The second secon | | | |
| ■ GOVERNOR'S OFFICE REPORTED NO COMMENT □ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED □ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL | OTHER, AS SPECIFIED | | | |
| 12. SIGNATURE OF STATE AGENCY OFFICIAL 1 | 6. RETURN TO | | | |
| l N | lew York State Department of Health | | | |
| 13. TYPED NAME | ision of Finance and Rate Setting Washington Ave – One Commerce Plaza te 1432 | | | |
| | any, NY 12210 | | | |
| 15. DATE SUBMITTED March 29, 2019 | | | | |
| FOR REGIONAL OFFICE USE ONLY | | | | |
| March 29 2019 | 8, DATE APPROVED 3/3/20 | | | |
| PLAN APPROVED - ONI | ************************************** | | | |
| | 0. SIGNATURE OF REGIONAL OFFICIAL | | | |
| 19. EFFECTIVE DATE OF APPROVED MATERIAL 20 | | | | |
| January 1: 2019 | 2. TITLE | | | |
| January 1: 2019 | 2. TITLE Acting Director, Division of Reimbursement Review | | | |

New York 10(a.6)

Chemical Dependence Freestanding Residential Rehabilitation Services

The New York State Office of Alcoholism and Substance Abuse Services (OASAS) establishes rates of reimbursement for the provision of rehabilitative services to persons in freestanding chemical dependence residential rehabilitation facilities. The fee methodology described here will apply only to freestanding (non-hospital) facilities that are certified solely under Article 32 of the New York State Mental Hygiene Law. This methodology will not apply to Article 28 facilities.

Medicaid fees will be based on both bed size and the county in which the facility is located. The fees will be inclusive of both operating and capital reimbursement. There will be no capital add-on to these fees or any separate Medicaid reimbursement for capital costs. These fees will be effective on and after January 1, 2019 and will replace those of all prior methodologies for this service.

For existing and new freestanding residential rehabilitation facilities, the "bed size" will be based on the OASAS-certified capacity of the program site. The statewide fee will be taken from the following table and then adjusted by the applicable regional factor. If the certified bed size changes, the fee will be revised accordingly and will be effective on the date of the bed size change. Facilities with fewer than 14 certified beds will use the 14 bed fee.

| <u>Bed</u> Size | Resid: Rehab Fees |
|--------------------|-------------------|
| <u>14</u> | <u>\$ 327.14</u> |
| <u>15</u> .5. | <u>\$ 324.07</u> |
| <u>16</u> | <u>\$ 321,21</u> |

The geographic regions and regional cost factors applicable to the statewide fees derived from the table above and used to determine the final facility-specific freestanding CD residential rehabilitation fees are as follows:

| Region | Factor | <u>Counties</u> |
|----------|---------------|--|
| <u>1</u> | 1.2267 | Bronx, Kings, New York, Richmond, Queens |
| 2 | <u>1.2001</u> | Westchester |
| 3 | 1.1825 | Nassau, Suffolk, Rockland, Orange, Putnam |
| 4 | 1.1009 | Dutchess |
| 5 | 1.0317 | <u>Erie, Niagara</u> |
| <u>6</u> | 0.9710 | Madison, Onondaga, Oswego, Tompkins, Jefferson, Herkimer, Oneida |
| Z | 0.9192 | Rest of State |

| TN #19-0018 | Approval Date | March 3, 2020 |
|-----------------------------|----------------|-----------------|
| Supersedes TN #NEW | Effective Date | January 1, 2019 |
| Supersedes in <u>#itali</u> | | |