

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

May 29, 2020

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

RE: NY-20-0011

Dear Ms. Frescatore:

We have reviewed the proposed amendment to Attachment 4.19-B of your Medicaid State plan submitted under transmittal number 20-0011. This amendment updates and extends the Ambulatory Patient Group (APG) methodology for hospital based clinics and ambulatory surgery services for the effective period January 1, 2020 thru December 31, 2020 and revise the APG methodology to reflect the recalculated weights with component updates.

Based upon the information provided by New York, we have approved the amendment with an effective date of January 1, 2020. 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 Division of Reimbursement Review (DRR) analyst Yvette Moore at (646) 694-0915 or Yvette.Moore@cms.hhs.gov

Sincerely,



Todd McMillion
Director
Division of Reimbursement Review

Enclosures

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES		1. TRANSMITTAL NUMBER <div style="text-align: center; border-bottom: 1px solid black;"> 2 0 — 0 0 1 1 </div>	2. STATE <div style="text-align: center; border-bottom: 1px solid black;"> New York </div>
		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID) TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE & MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE <div style="text-align: center; border-bottom: 1px solid black;"> January 1, 2020 </div>	
5. TYPE OF PLAN MATERIAL <i>(Check One)</i> <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT			
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT <i>(Separate transmittal for each amendment)</i>			
6. FEDERAL STATUTE/REGULATION CITATION §1902(a) of the Social Security Act, and 42 CFR 447		7. FEDERAL BUDGET IMPACT a. FFY 01/01/20-09/30/20 \$ 1,289.63 b. FFY 10/01/20-09/30/21 \$ 1,719.50	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Attachment: 4.19(B) Pages: 1(e)(1), 1(e)(2), 1(e)(2.1), 1(e)(2.2)		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT <i>(If Applicable)</i> Attachment: 4.19(B) Pages: 1(e)(1), 1(e)(2), 1(e)(2.1), 1(e)(2.2)	
10. SUBJECT OF AMENDMENT January 2020 APG Extension and Updates - Hospital OP (FMAP=50%)			
11. GOVERNOR'S REVIEW <i>(Check One)</i> <input checked="" type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> OTHER, AS SPECIFIED <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE OF STATE AGENCY OFFICIAL 		16. 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	
13. TYPED NAME Donna Frescatore			
14. TITLE Medicaid Director, Department of Health			
15. DATE SUBMITTED March 24, 2020			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED		18. DATE APPROVED 05/29/2020	
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL 1/1/2020		20. SIGNATURE OF REGIONAL OFFICIAL	
21. TYPED NAME Todd McMillion		22. TITLE Director, Division of Reimbursement Review	
23. REMARKS			

**New York
1(e)(1)**

Ambulatory Patient Group System: Hospital-Based Outpatient

For dates of service beginning December 1, 2008, for hospital outpatient clinic and ambulatory surgery services, and beginning January 1, 2009, for emergency department services, through December 31, [2019] 2020, the operating component of rates for hospital based outpatient services shall be reimbursed using a methodology that is prospective and associated with resource utilization to ensure that ambulatory services are economically and efficiently provided. The methodology is based upon the Ambulatory Patient Group (APG) classification and reimbursement system. This methodology incorporates payments for the separate covered Medicaid benefits in accordance with the payment methods for these services. Reimbursement for the capital component of these rates shall be made as an add-on to the operating component as described in the APG Rate Computation section.

If a clinic is certified by the Office of People with Developmental Disabilities (OPWDD), reimbursement will be as specified in the OPWDD section of the State Plan.

The Ambulatory Patient Group patient classification system is designed to explain the amount and type of resources used in an ambulatory visit by grouping patients with similar clinical characteristics and similar resource use into a specific APG. Each procedure code associated with a patient visit is assigned to an APG using the grouping logic developed by 3M Health Information Systems. When evaluation and management codes are coded, the APG grouping logic also uses the diagnosis code to make the APG assignment. Ultimately, the procedures and diagnoses coded for a patient visit will result in a list of APGs that correspond on a one-for-one basis with each procedure coded for the visit.

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APG Reimbursement Methodology – Hospital Outpatient

The following links direct users to the various definitions and factors that comprise the APG reimbursement methodology, which can also be found in aggregate on the APG website at http://www.health.ny.gov/health_care/medicaid/rates/apg/index.htm. In addition, prior period information associated with these links is available upon request to the Department of Health.

Contact Information:

http://www.health.ny.gov/health_care/medicaid/rates/apg/index.htm Click on “Contacts.”

3M APG Crosswalk, version [3.14] 3.15; updated as of [07/01/19 and 10/01/19] 01/01/20 and 04/01/20:

http://www.health.ny.gov/health_care/medicaid/rates/crosswalk/index.htm

<http://dashboard.emedny.org/CrossWalk/html/cwAgreement.html> Click on “Accept” at bottom of page to gain access.

APG Alternative Payment Fee Schedule; updated as of 01/01/11:

http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm Click on “Alternative Payment Fee Schedule.”

APG Consolidation Logic; logic is from the version of 4/01/08, updated as of 01/01/19:

http://www.health.ny.gov/health_care/medicaid/rates/bundling/ Click on “2019”

APG 3M Definitions Manual Versions; updated as of [07/01/19 and 10/01/19] 01/01/20 and 04/01/20:

http://www.health.ny.gov/health_care/medicaid/rates/crosswalk/index.htm

APG Investments by Rate Period; updated as of 01/01/11:

http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm Click on “Investments by Rate Period.”

APG Relative Weights; updated as of [07/01/19] 01/01/20:

http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm Click on “Weights, Proc Weights, and APG Fee Schedule Amounts” file.

Associated Ancillaries; updated as of [07/01/15] 01/01/20:

http://www.health.ny.gov/health_care/medicaid/rates/apg/index.htm Click on “Ancillary Policy.”

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Carve-outs; updated as of 10/01/12:

http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm Click on "Carve Outs."

Coding Improvement Factors (CIF); updated as of 07/01/12:

http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm Click on "CIFs by Rate Period."

If Stand Alone, Do Not Pay APGs; updated as of 01/01/15:

http://www.health.state.ny.us/health_care/medicaid/rates/methodology/index.htm Click on "If Stand Alone, Do Not Pay APGs."

If Stand Alone, Do Not Pay Procedures; updated as of 01/01/19:

http://www.health.state.ny.us/health_care/medicaid/rates/methodology/index.htm Click on "If Stand Alone, Do Not Pay Procedures."

Modifiers; updated as of 07/01/18:

http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm Click on "Modifiers."

Never Pay APGs; updated as of [01/01/19] 01/01/20:

http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm Click on "Never Pay APGs."

Never Pay Procedures; updated as of [07/01/19] 01/01/20:

http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm Click on "Never Pay Procedures."

No-Blend APGs; updated as of [04/01/10] 01/01/20:

http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm Click on "No Blend APGs."

No-Blend Procedures; updated as of 01/01/11:

http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm Click on "No Blend Procedures."

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1(e)(2.2)

No Capital Add-on APGs; updated as of [07/01/13] 01/01/20:
http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm Click on "No
Capital Add-on APGs."

No Capital Add-on Procedures; updated as of 07/01/17:
http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm Click on "No
Capital Add-on Procedures."

Non-50% Discounting APG List; updated as of [07/01/17] 01/01/20:
http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm Click on
"Non-50% Discounting APG List."

Rate Codes Carved Out of APGs; updated as of 01/01/15:
http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm Click on
"Rate Codes Carved Out of APGs for Article 28 facilities."

Rate Codes Subsumed by APGs; updated as of 10/01/12:
http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm Click on
"Rate Codes Subsumed by APGs – Hospital Article 28."

Statewide Base Rate APGs; updated as of [01/01/19] 01/01/20:
http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm Click on
"Statewide Base Rate APGs."

Packaged Ancillaries in APGs; updated as of [01/01/19] 01/01/20:
http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm Click on
"Packaged Ancillaries in APGs."

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