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State/Territory Name: NY

State Plan Amendment (SPA): NY-22-0018

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 Page

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

December 12, 2023

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

RE: New York Plan Amendment (SPA) Transmittal Number 22-0018

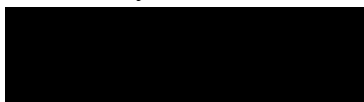
Dear Director Bassiri:

We have reviewed the proposed New York State Plan Amendment (SPA) to Attachment 4.19-B submitted under TN-22-0018, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on March 31st, 2022. This plan proposes a minimum wage adjustment for clinics.

Based upon the information provided by the State, we have approved the amendment with an effective date of January 1st, 2022. 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 Jerica Bennett at 1-410-786-1167 or jerica.bennett@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 <u>2 2</u> — <u>0 0 1 8</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, 2022

5. FEDERAL STATUTE/REGULATION CITATION **§ 1905(a)(9) Clinic Services**
~~§ 1902(a) of the Social Security Act and 42 CFR 447~~

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)
a. FFY 04/01/22-09/30/22 \$ 12,401
b. FFY 10/01/22-09/30/23 \$ 16,535

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Att 4.19-B- Page 2(t.7)

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)

Att 4.19-B- Page 2(t.7)

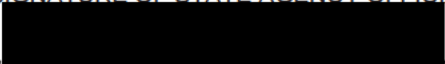
9. SUBJECT OF AMENDMENT

Article 16 Minimum Wage Update

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


12. TYPED NAME
Brett R. Friedman

13. TITLE
Acting Medicaid Director


14. DATE SUBMITTED
March 31, 2022

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 03/31/2022	17. DATE APPROVED December 12, 2023
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PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL 01/01/2022	19. SIGNATURE OF APPROVING OFFICIAL 
20. TYPED NAME OF APPROVING OFFICIAL Todd McMillion	21. TITLE OF APPROVING OFFICIAL Director, Division of Reimbursement Review

22. REMARKS **The State authorizes the following pen and ink changes:**
Box 5. Federal Statute/Regulation Citation: § 1905(a)(9) Clinic Services

**New York
2(t.7)**

1905(a)(9)Clinic Services**Minimum Wage – OPWDD-licensed Article 16 Clinics**

Adjustment for Minimum Wage Increases. Effective January 1, 2018, and every January 1, thereafter until the minimum wage reaches the state statutorily described per hour wage as shown below, a minimum wage add-on will be developed and applied to the Ambulatory Patient Group (APG) rate for OPWDD licensed Article 16 clinics.

Minimum Wage (MW) Region	12/31/2017	12/31/2018	12/31/2019	12/31/2020	12/31/2021
New York City (Large employers)	\$13.00	\$15.00	\$15.00	\$15.00	\$15.00
New York City (Small employers)	\$12.00	\$13.50	\$15.00	\$15.00	\$15.00
Nassau, Suffolk, & Westchester counties	\$11.00	\$12.00	\$13.00	\$14.00	\$15.00
Remainder of the State	\$10.40	\$11.10	\$11.80	\$12.50	\$13.20*

*Effective January 1, 2022, the minimum wage value for the Remainder of State will be \$13.20.

The APG capital rate that is adjusted for the minimum wage add-on will be posted to the Mental Hygiene Services Rates webpage.

https://www.health.ny.gov/health_care/medicaid/rates/mental_hygiene/apg/capital_add_on.htm

The minimum wage add-on will be developed and implemented as follows:

- a. Minimum wage costs will mean the additional costs incurred beginning January 1, 2018, and thereafter, as a result of New York state statutory increases to minimum wage until all regions of the State reach \$15.00 per hour.
 - i. Minimum wage cost development based on survey data collected.
 1. Survey data will be collected for facility specific wage data.
 2. Facilities will report, by specified wage bands, the total count of FTEs and total hours paid to employees earning less than the statutory minimum wage applicable for each MW Region.
 3. Facilities will report an average fringe benefit percentage for the employees directly affected by the minimum wage increase.
 4. The minimum wage costs are calculated by multiplying the total hours paid by the difference between the statutory minimum wage and the midpoint of each wage band where the facility has reported total hours paid. To this result, the facility's average fringe benefit percentage is applied and added to the costs.
 - ii. Minimum wage cost development based on the 2016 Consolidated Fiscal Report (CFR) cost report data.
 1. The average hourly wages of employees in occupational titles where the reported average hourly wage is below the regional statutory minimum wage are identified.
 2. The total payroll hours of the titles identified are then multiplied by the regional statutory minimum wage resulting in a projected payroll. The actual payroll as reported in the CFR cost report is then subtracted from the projected payroll resulting in the expected wage costs increase.

TN #22-0018

Approval Date December 12, 2023

Supersedes TN #18-0007

Effective Date January 1, 2022