



JAMES V. McDONALD, MD, MPH
Commissioner

JOHANNE E. MORNE, MS
Executive Deputy Commissioner

March 28, 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 #25-0005 Non-Institutional Services

#### Dear Director McMillion:

The State requests approval of the enclosed amendment #25-0005 to the Title XIX (Medicaid) State Plan for non-institutional services to be effective January 1, 2025 (Appendix I). This amendment is being submitted based on enacted legislation. A summary of the plan amendment is provided in Appendix II.

The State of New York reimburses these services through the use of rates that are consistent with efficiency, economy, and quality of care and are sufficient to enlist enough providers so that care and services are available under the plan at least to the extent that such care and services are available to the general population in the geographic area as required by § 1902(a)(30) of the Social Security Act and 42 CFR § 447.204.

A copy of pertinent sections of enacted legislation is enclosed for your information (Appendix III). A copy of the public notice of this plan amendment, which was given in the *New York State Register* on December 31, 2024, is also enclosed for your information (Appendix IV). In addition, responses to the five standard funding questions and the standard access questions are also enclosed (Appendix V and VI, respectively).

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	1. TRANSMITTAL NUMBER 2. STATE  2 5 0 0 0 5 N Y	
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES	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  January 01, 2025	
5. FEDERAL STATUTE/REGULATION CITATION	6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)	
§ 1905(a) 24 Personal Care Services	a FFY 01/01/25-09/30/25 \$ (31,640,000) b. FFY 10/01/25-09/30/26 \$ (35,280,000)	
7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT	8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)	
Attachment 3.1-K Supplement Page: 3 Attachment 4.19-B Pages: 6(a)(1)(ii), 6(a)(vi)	Attachment 3.1-K Supplement Page: 3 Attachment 4.19-B Pages: 6(a)(1)(ii), 6(a)(vi)	
9. SUBJECT OF AMENDMENT	<u> </u>	
Statewide Single FI		
10. GOVERNOR'S REVIEW (Check One)	O OTHER ASSESSED.	
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 15. RETURN TO		
N	w York State Department of Health	
	vision of Finance and Rate Setting	
Amii bassiii S	Washington Ave – One Commerce Plaza ite 1432	
	lbany, NY 12210	
14. DATE SUBMITTED		
March 28, 2025 FOR CMS US	E ONLY	
16. DATE RECEIVED	17. DATE APPROVED	
PLAN APPROVED - ONE	COPY ATTACHED	
18. EFFECTIVE DATE OF APPROVED MATERIAL 19	19. SIGNATURE OF APPROVING OFFICIAL	
20. TYPED NAME OF APPROVING OFFICIAL 2	1. TITLE OF APPROVING OFFICIAL	
22. REMARKS		

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

## State Plan under Title XIX of the Social Security Act State/Territory: New York

## AMOUNT, DURATION, AND SCOPE OF MEDICAL AND REMEDIAL CARE AND SERVICES PROVIDED TO THE CATEGORICALLY NEEDY

#### 1905(a)(24) Personal Care Services

Social Services, a managed care entity, or a non-profit organization, which includes not-for-profit corporations formed under New York State Law or authorized to do business in New York, may contract with home care agencies or providers to deliver CFCO services.

**X** Agency with Choice Model – this model is also based on the person-centered assessment of need and will be used when the individual seeking CFCO services wants to directly hire his or her own attendant. This attendant may be a relative other than a parent or a spouse, a neighbor, a friend or an independent attendant. In this delivery model, the individual will select, manage, train and, if necessary, dismiss his or her own attendant. A fiscal intermediary, contracted with the state, will be used to keep track of the attendant's hours, pay the attendant and deduct required amounts for taxes and insurance from the attendant's check. Fiscal intermediaries can be licensed home care services agencies, independent living centers, or other entities that pay attendants/direct care workers who are employed directly by the recipient of CFCO LTSS. CFCO participants must have a free choice of fiscal intermediaries.

	There	is no budget authority under either of these models.		
		irected Model with service budget – This Model is one in which the individual has both a SP and budget based on the person-centered assessment of need.		
		Direct Cash		
		Vouchers		
		Financial Management Services in accordance with 441.545(b)(1)		
		Other Service Delivery Model as described below:		
iii. Se	ervice P	Package		
A. The following are included CFCO services (including service limitations):				
	Service	es may be provided in the individual's home and in the community by direct care workers.		

1. Assistance with ADLs, IADLs and health-related tasks through hands-on assistance, supervision, and/or cueing.

The State will cover personal care services and supports related to core ADLs including: assistance with bathing/personal hygiene/grooming, dressing, eating, mobility (ambulation, transferring and positioning), and toileting.

TN <u>#25-0005</u>	5	Approval Date	
Supersedes TN _	#13-0035	Effective Date	January 01, 2025

## New York 6(a)(1)(ii)

#### 1905(a)(24) Personal Care Services

### Consumer Directed Personal Assistance Program (CDPAP) Fiscal Intermediary Reimbursement

Effective on or after April 1, 2021, and concluding on March 31, 2025, the Fiscal Intermediary reimbursement methodology for the Consumer Directed Personal Assistance Program (CDPAP) will be based on a tiered per member per month approach. CDPAP reimbursement will include two distinct rates:

- 1) The services rates will be calculated consistent with existing methodology (as defined in this Attachment 4.19 B, Page 6(a)(1)).
- 2) Under the CDPAP program, the Fiscal Intermediary provides the administrative services for the consumers.
- 3) The services rates require prior authorization.
- 4) The Fiscal Intermediary rates will be supported through a tiered reimbursement methodology based on the hours authorized for the services rate. The tiers shall will be as follows:

Tier	Direct Care Hours Authorized Per Month	Monthly Rate per Consumer	
Tier 1	1-159	\$145	
Tier 2	160-479	\$384	
Tier 3	480+	\$1,036	

Effective April 1, 2025, and thereafter, CDPAP Reimbursement will include a direct care component:

- a. The services rates require prior authorization.
- b. The services rates will be calculated on a regional basis, but otherwise consistent with existing methodology (as defined in this attachment).

TN <u>#25-0005</u>	Approval Date
	••
Supersedes TN <u>#19-0034</u>	Effective Date <u>January 01, 2025</u>

## New York 6(a)(vi)

#### 1905(a)(24) Personal Care Services

Rate Code	State Program	Current Rate	Methodology
2602, 2622, 2623, 2593, 2594, 2601, 2595, 2596, 2681, 2631, 2671, 2815, 2816, 3855, 3856, 3145, 9795, 9863	Personal Care	\$20.21/hr*	Provider specific fees are established based on provider reported costs two years prior to the rate year and are posted at: http://www.health.ny.gov/facilities/long_term_care/re imbursement/pcr/ and http://www.health.ny.gov/facilities/long_term_care/re imbursement/hhc/2015-01-01_lthhc_rates.htm
2422, 2423, 2402, 2401, 4764, 4769, 4770, 4771, 4772, 4777	Fiscal Intermediaries	\$17.41/hr* Varies by region	Provider specific fees are established based on provider reported costs two years prior to the rate year and are posted Fee schedule available at: http://www.health.ny.gov/facilities/long_term_care/re imbursement/pcr/  https://www.health.ny.gov/facilities/long_term_care/re imbursement/cdpap/  Or statewide fees based on the level of service provided as set forth in Appendix C of the OPWDD Comprehensive HCBS Waiver (NY 0238).
2611, 2695, 2810, 2825, 3850, 3865	Home Health Care (aide only)	\$23.18/hr*	Provider specific fees are established based on provider reported costs two years prior to the rate year and are posted at: http://www.health.ny.gov/facilities/long_term_care/re imbursement/chha/rates/index.htm
9997, 9994, 9991	Transportation	Varies depending on mode, region	Fee schedule available at: https://www.emedny.org/ProviderManuals/Transporta tion/index.aspx

<sup>\*</sup>Weighted average fee provided for informational purposes only. Actual payment rates will be the State established fee for each provider.

TN #25-0005		Approval Date	
Supersedes TN	#13-0035	Effective Date	January 01, 2025

#### Appendix II 2025 Title XIX State Plan First Quarter Amendment Summary

## **SUMMARY SPA** #25-0005

This State Plan Amendment proposes to modify CDPAP direct care rate methodology to be developed on a regional basis.

Appendix III 2025 Title XIX State Plan First Quarter Amendment Authorizing Provisions Chapter 57 of the Laws of 2024 PART HH

Section 1. Subparagraphs (i) and (ii) of paragraph (a) of subdivision 4-a of section 365-f of the social services law, as amended by section 3 of part G of chapter 57 of the laws of 2019, the opening paragraph of subparagraph (i) as amended by section 2 of part PP of chapter 57 of the laws of 2022, are amended, and three new subparagraphs (ii-a), (ii-b) and (ii-c) are added to read as follows:

- (i) "[Fiscal] Statewide fiscal intermediary" means an entity that provides fiscal intermediary services and has a contract for providing such services with the department of health and is selected through the procurement process described in [paragraphs] paragraph (b)[, (b-1), (b-2) and (b-3)] of this subdivision. [Eligible applicants for contracts shall be entities that are capable of appropriately providing fiscal intermediary services, performing the responsibilities of a fiscal intermediary, and complying with this section, including but not limited to entities that:
- 48 (A) are a service center for independent living under section one 49 thousand one hundred twenty-one of the education law; or
- 50 (B) have been established as fiscal intermediaries prior to January
  51 first, two thousand twelve and have been continuously providing such
  52 services for eligible individuals under this section.

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- (ii) Fiscal intermediary services shall include the following services, performed on behalf of the consumer to facilitate [his or her] the consumer's role as the employer:
- (A) wage and benefit processing for consumer directed personal assistants;
  - (B) processing all income tax and other required wage withholdings;
- (C) complying with workers' compensation, disability and unemployment requirements;
- (D) maintaining personnel records for each consumer directed personal assistant, including time records and other documentation needed for wages and benefit processing and a copy of the medical documentation required pursuant to regulations established by the commissioner;
- (E) ensuring that the health status of each consumer directed personal assistant is assessed prior to service delivery pursuant to regulations issued by the commissioner;
  - (F) maintaining records of service authorizations or reauthorizations;
- (G) monitoring the consumer's or, if applicable, the designated representative's continuing ability to fulfill the consumer's responsibilities under the program and promptly notifying the authorizing entity of any circumstance that may affect the consumer's or, if applicable, the designated representative's ability to fulfill such responsibilities;
- (H) complying with regulations established by the commissioner specifying the responsibilities of fiscal intermediaries providing services under this title;
- (I) entering into a department approved memorandum of understanding with the consumer that describes the parties' responsibilities under this program; and
- (J) other related responsibilities which may include, as determined by the commissioner, assisting consumers to perform the consumers' responsibilities under this section and department regulations in a manner that does not infringe upon the consumer's responsibilities and self-direction.
- (ii-a) The commissioner shall require any managed care plans, managed long-term care plans, local social service districts, and other appro-

priate long-term service programs offering consumer directed personal assistance services to contract with the statewide fiscal intermediary set forth in subparagraph (i) of this paragraph to provide all fiscal intermediary services to consumers.

(ii-b) The statewide fiscal intermediary shall subcontract to facilitate the delivery of fiscal intermediary services to an entity that is a service center for independent living under section one thousand one hundred twenty-one of the education law that has been providing fiscal intermediary services since January first, two thousand twenty-four or earlier. The statewide fiscal intermediary shall further subcontract to facilitate the delivery of fiscal intermediary services with at least one entity per rate setting region that has a proven record of delivering services to individuals with disabilities and the senior population, and has been providing fiscal intermediary services since January first, two thousand twelve; provided that such subcontractor shall be required to provide any delegated fiscal intermediary services with cultural and linguistic competency specific to the population of consumers and those of the available workforce, and shall comply with the requirements for registration as a fiscal intermediary set forth in subdivision four-aone of this section. For purposes of this section, "delegated fiscal intermediary services" are defined as fiscal intermediary services as set forth in subparagraph (ii) of paragraph (a) of this subdivision that S. 8307--C

the statewide fiscal intermediary includes in a subcontract and which shall include services designed to meet the needs of consumers of the program, which may include assisting consumers with navigation of the program by providing individual consumer assistance and support as needed, consumer peer support, and education and training to consumers on their duties under the program.

(ii-c) The statewide fiscal intermediary shall be responsible for payment to subcontractors for delegated fiscal intermediary services. The payment shall not require a certification by the commissioner if payments are reasonably related to the costs of efficient delivery of such services.

- § 2. Paragraph (b) of subdivision 4-a of section 365-f of the social services law, as amended by section 4 of part G of chapter 57 of the laws of 2019 and subparagraph (vi) as amended by section 1 of part LL of chapter 57 of the laws of 2021, is amended to read as follows:
- (b) Notwithstanding [any inconsistent provision of section one hundred sixty-three of the state finance law, section one hundred twelve of the state finance law, or section one hundred forty-two of the economic development law the commissioner shall enter into [contracts] a contract under this subdivision with an eligible [contractors] contractor that [submit] submits an offer for a contract, provided, however, that:
  - (i) the department shall post on its website:
- (A) a description of the proposed <u>statewide fiscal intermediary</u> services to be provided pursuant to [<u>sontracts</u>] <u>a contract</u> in accordance with this subdivision;
- (B) [that the selection of contractors shall be based on criteria reasonably related to the contractors' ability to provide fiscal intermediary services including but not limited to: ability to appropriately serve individuals participating in the program, geographic distribution that would ensure access in rural and underserved areas, demonstrated cultural and language competencies specific to the population of consumers and those of the available workforce, ability to provide timely consumer assistance, experience serving individuals with disabilities, the availability of consumer peer support, and demonstrated compliance with all applicable federal and state laws and regulations, including but not limited to those relating to wages and labor] the criteria for selection of the statewide fiscal intermediary, which shall include at a minimum that the eligible contractor is capable of performing statewide

fiscal intermediary services with demonstrated cultural and language competencies specific to the population of consumers and those of the available workforce, has experience serving individuals with disabilities, and as of April first, two thousand twenty-four is providing services as a fiscal intermediary on a statewide basis with at least one other state;

- (C) the manner by which prospective contractors may seek such selection, which may include submission by electronic means;
- (ii) all [reasonable and responsive] offers that are received from prospective contractors in a timely fashion and that meet the criteria set forth in clause (B) of subparagraph (i) of this paragraph shall be reviewed by the commissioner; and
- (iii) the commissioner shall award such [contracts] contract to the [contractors] contractor that [best meet] meets the criteria for selection and [are best suited to serve the purposes of] offers the best value for providing the services required pursuant to this section and the needs of consumers[;

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(iv) all entities providing fiscal intermediary services on or before April first, two thousand nineteen, shall submit an offer for a contract under this section within sixty days after the commissioner publishes the initial offer on the department's website. Such entities shall be deemed authorized to provide such services unless: (A) the entity fails to submit an offer for a contract under this section within the sixty days; or (B) the entity's offer for a contract under this section is depied:

- (v) all decisions made and approaches taken pursuant to this paragraph shall be documented in a procurement record as defined in section one hundred sixty-three of the state finance law; and
- (vi) the commissioner is authorized to either reoffer contracts or utilize the previous offer, to ensure that all provisions of this section are met].
- § 3. Section 365-f of the social services law is amended by adding a new subdivision 4-a-1 to read as follows:
- 4-a-1. (a) Fiscal intermediary registration. Except for the statewide fiscal intermediary and its subcontractors, as of April first, two thousand twenty-five, no entity shall provide, directly or through contract, fiscal intermediary services. All subcontractors of the statewide fiscal intermediary, shall register with the department within thirty days of being selected as a subcontractor.
- (b) In selecting its subcontractors, the statewide fiscal intermediary shall consider demonstrated compliance with all applicable federal and state laws and regulations, including but not limited to, marketing and labor practices, cost reporting, and electronic visit verification requirements.
- § 4. Paragraphs (b-1), (b-2) and (b-3) of subdivision 4-a of section 365-f of the social services law are REPEALED.
- $\S$  5. Subdivision 4-b of section 365-f of the social services law, as amended by section 8 of part G of chapter 57 of the laws of 2019, is amended to read as follows:
- 4-b. Actions involving the [authorization] registration of a fiscal intermediary.
- (a) [The department may terminate a fiscal intermediary's contract under this section or suspend or limit the fiscal intermediary's rights and privileges under the contract upon thirty day's written notice to the fiscal intermediary, if the commissioner finds that the fiscal intermediary has failed to comply with the provisions of this section or regulations promulgated hereunder. The written notice shall include:
- (i) A description of the conduct and the issues related thereto that have been identified as failure of compliance; and
- (ii) the time frame of the conduct that fails compliance ] A fiscal intermediary's registration may be revoked, suspended, limited, or

annulled by the commissioner upon thirty days' written notice to the fiscal intermediary, if the commissioner finds that the fiscal intermediary has failed to comply with the provisions of this section or regulations promulgated hereunder.

- (b) [Notwithstanding the foregoing, upon determining that the public health or safety would be imminently endangered by the continued operation or actions of the fiscal intermediary, the commissioner may terminate the fiscal intermediary's contract or suspend or limit the fiscal intermediary's rights and privileges under the contract immediately upon written notice.] The commissioner may issue orders and take other actions as necessary and appropriate to prohibit and prevent the provision of fiscal intermediary services by an unregistered entity.

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- (c) All orders or determinations under this subdivision shall be subject to review as provided in article seventy-eight of the civil practice law and rules.
- § 6. Paragraph (d) of subdivision 4-d of section 365-f of the social services law is REPEALED.
- § 7. Paragraph (b) of subdivision 5 of section 365-f of the social services law, as added by chapter 81 of the laws of 1995, is amended to read as follows:
- (b) Notwithstanding any other provision of law, the commissioner is authorized to waive any provision of section three hundred sixty-seven-b of this title related to payment and may promulgate regulations necessary to carry out the objectives of the program including minimum safety, and health and immunization criteria and training requirements for personal assistants, and which describe the responsibilities of the eligible individuals in arranging and paying for services and the protections assured such individuals if they are unable or no longer desire to continue in the program, the fiscal intermediary registration process, standards, and time frames, and those regulations necessary to ensure adequate access to services.
- 8 8. This act shall take effect immediately and shall be deemed to have been in full force and effect on and after April 1, 2024.

#### Appendix IV 2025 Title XIX State Plan First 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 Civil Service

PURSUANT to the Open Meetings Law, the New York State Civil Service Commission hereby gives public notice of the following:

Please take notice that the regular monthly meeting of the State Civil Service Commission for January 2025 will be conducted on January 15 and January 16 commencing at 10:00 a.m. This meeting will be conducted at NYS Media Services Center, Suite 146, South Concourse, Empire State Plaza, Albany, NY with live coverage available at https://www.cs.ny.gov/commission/.

For further information, contact: Office of Commission Operations, Department of Civil Service, Empire State Plaza, Agency Bldg. 1, Albany, NY 12239, (518) 473-6598

#### 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 non-institutional services to comply with Part HH of Chapter 57 of the Laws of 2024. The following changes are proposed:

Non-Institutional Services

Effective on or after January 1, 2025, the Consumer Directed Personal Assistance Program (CDPAP) will begin transitioning to a single statewide fiscal intermediary (FI). The administrative reimbursement for CDPAP will transition from a three-tiered per Member per Month (PMPM) rate structure to a rate established through the Single FI contracting process.

The estimated net aggregate decrease in gross Medicaid expenditures attributable to this initiative contained in the budget for state fiscal year 2025 is (\$28 million).

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 non-institutional services to comply with the 2024-2025 enacted budget. The following changes are proposed:

Non-Institutional Services

The following is a clarification to the March 27, 2024, noticed provision to increase provider rates for early intervention services. With clarification, this provision now includes a decrease to provider rates for early intervention services delivered via telehealth.

The estimated net aggregate increase in gross Medicaid expenditures attributable to this initiative contained in the budget for state fiscal year 2024-2025 is now \$2.9 million.

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

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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 non-institutional services to comply with the federal statutory requirements in Section 5121 of the Consolidated Appropriations Act, 2023 (CAA, 2023) (P.L. 117-328). The following changes are proposed:

Non-Institutional Services

Effective on or after January 1, 2025, State Medicaid programs are federally required to have a plan in place and, in accordance with such plan, provide any screenings and diagnostic services which meet reasonable standards of medical and dental practice, as determined by the state, or as otherwise indicated as medically necessary, in accordance with the Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) requirements, including a behavioral health screening or diagnostic service, for an eligible individual who is within 30 days of their scheduled date of release from a public carceral setting following adjudication

Effective on or after January 1, 2025, State Medicaid programs are also federally required to have a plan in place and, in accordance with such plan, provide Targeted Case Management (TCM) services in the 30 days prior to release, and for at least 30 days following release, including referrals to appropriate care and services available in the geographic region of the home or residence of the eligible juvenile.

The estimated annual net aggregate increase in gross Medicaid expenditures attributable to this initiative is \$1.5 million for screenings and diagnostic services, and \$3 million for TCM services.

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 non-institutional services to comply with PHL 2999-D and SSL § 367-u. The following changes are proposed:

Non-Institutional Services

Effective on or after January 1, 2025, The Department of Health will reimburse Federally Qualified Health Centers and Rural Health Clinics a separate payment in lieu of the Prospective Payment System rate for non-visit services, such as eConsults and remote patient monitoring.

The estimated annual net aggregate increase in gross Medicaid expenditures attributable to this initiative is \$86,000.

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

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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

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

#### NON-INSTITUTIONAL SERVICES State Plan Amendment #25-0005

#### **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-B 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 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 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.

- 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 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 government 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 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.

		4/1/24 - 3	3/31/25
Payment Type	Non-Federal Share Funding	Non-Federal	Gross
Normal Per Diem	General Fund; County Contribution	\$1.015B	\$2.03B

- A. General Fund: Revenue resources for the State's General Fund includes taxes (e.g., income, sales, etc.), and miscellaneous fees (including audit recoveries). 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 Medical 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.

#### B. 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 precent 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	\$5.210B
Suffolk County	\$243M
Nassau County	\$231M
Westchester County	\$215M
Erie County	\$205M
Rest of State (53 Counties)	\$1.260B
Total	\$7.364B

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.

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

4. For clinic or outpatient hospital services 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 Medicaid payments authorized under this State Plan Amendment do not impact the UPL demonstrations.

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. <u>Maintenance of Effort (MOE)</u>. Under section 1902(gg) of the Social Security Act (the Act), as amended by the Affordable Care Act, as a condition of receiving <u>any</u> Federal payments under the Medicaid program <u>during the MOE period</u> indicated below, the State shall <u>not</u> 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.

<u>Prior to January 1, 2014</u> States may potentially require contributions by local political subdivisions toward the non-Federal share of the States' expenditures at percentages <u>greater than</u> were required on December 31, 2009. <u>However</u>, 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 <u>anticipate potential violations and/or appropriate corrective actions</u> 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.

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

#### <u>Tribal Assurance:</u>

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.

#### Appendix VI 2025 Title XIX State Plan First Quarter Amendment Responses to Standard Access Questions

#### APPENDIX VI NON-INSTITUTIONAL SERVICES State Plan Amendment # 25-0005

#### **CMS Standard Access Questions**

The following questions have been asked by CMS and are answered by the State in relation to all payments made to all providers under Attachment 4.19-B of the state plan.

1. Specifically, how did the State determine that the Medicaid provider payments that will result from the change in this amendment are sufficient to comply with the requirements of 1902(a)(30)?

**Response:** This amendment does not impact the rates for direct Consumer Directed Personal Assistance Program (CDPAP) services. This amendment only enables the State to contract for the administrative components of the CDPAP program, as such no services would be impacted.

2. How does the State intend to monitor the impact of the new rates and implement a remedy should rates be insufficient to guarantee required access levels?

**Response:** The State has various ways to ensure that access levels in the Medicaid program are retained and is currently not aware of any access issues. The State monitors and considers requests in the context of access as they approve/deny changes in services. Finally, providers cannot discriminate based on source of payment.

For providers that are not subject to an approval process, the State will continue to monitor provider complaint hotlines to identify geographic areas of concern and/or service type needs. If Medicaid beneficiaries begin to encounter access issues, the Department would expect to see a marked increase in complaints. These complaints will be identified and analyzed in light of the changes proposed in this State Plan Amendment.

Finally, the State ensures that there is sufficient provider capacity for Medicaid Managed Care plans as part of its process to approve managed care rates and plans. Should sufficient access to services be compromised, the State would be alerted and would take appropriate action to ensure retention of access to such services.

3. How were providers, advocates and beneficiaries engaged in the discussion around rate modifications? What were their concerns and how did the State address these concerns?

**Response:** This change was enacted by the State Legislature as part of the negotiation of the 2024-25 Budget. The impact of this change was weighed in the

context of the overall Budget in the State. The legislative process provides opportunities for all stakeholders to lobby their concerns, objections, or support for various legislative initiatives. In addition, NY published notice in the state register of the proposed policy and did not receive any comment. Finally, this change has no impact on service delivery, it only enables the State to streamline the administrative needs of the program to a Statewide contract.

4. What action(s) does the State plan to implement after the rate change takes place to counter any decrease to access if the rate decrease is found to prevent sufficient access to care?

<u>Response:</u> The impact associated with this change is solely related to the implementation of a Statewide administrative function for this program, and does not represent a decrease in direct service rates. Should any essential community provider experience Medicaid or other revenue issues that would prevent access to needed community services, per usual practice, the State would meet with them to explore the situation and discuss possible solutions, if necessary.

5. Is the State modifying anything else in the State Plan which will counterbalance any impact on access that may be caused by the decrease in rates (e.g. increasing scope of services that other provider types may provide or providing care in other settings)?

**Response:** The State continues to implement Medicaid reform initiatives to better align reimbursement and to ensure access to quality of care in the appropriate setting.