

**Federally Qualified Health Center (FQHC)
Ambulatory Patient Group (APG) Medicaid Reimbursement
Option Declaration**

FQHC is a designation by the Federal Government

New York State's Medicaid Program implemented the Ambulatory Patient Group (APG) reimbursement methodology effective December 1, 2008, for hospital outpatient departments and ambulatory surgery services and effective January 1, 2009 for hospital emergency departments. Implementation of the APG reimbursement methodology in Diagnostic and Treatment Centers (DTCs), was approved with a September 1, 2009 implementation date.

FQHCs may participate in the APG reimbursement methodology as an "alternative rate setting methodology" as authorized by Public Health Law Section 2807(8)(f). If a facility is currently being reimbursed using their Federal Prospective Payment System (PPS) rate and would like to participate in the APG reimbursement methodology, complete, sign and return the FQHC Medicaid Reimbursement Option Declaration Form by November 1 of the year prior to the calendar year the FQHC wishes to participate in APGs to be effective the following January 1.

FQHCs that choose APG reimbursement will remain under this rate methodology until such time as they notify the Department in writing that they no longer wish to participate in APG reimbursement and want to be placed back on the PPS reimbursement method. Such notification must be filed no later than November 1 of each year to be effective for dates of services on and after the following January 1. Requests should be mailed to the same address as displayed on the Option Declaration Form.

Similarly, FQHCs that do not initially choose APG reimbursement may do so later by submitting a signed copy of the Option Declaration Form prior to November 1 of each year, to be effective for dates of service on and after the following January 1. Please be advised that FQHCs that do not choose APG reimbursement will be forgoing the opportunity to bill for certain primary care enhancements that are built into APG rates for specific purposes such as diabetes, asthma education and expanded hours access.

As a "hold harmless" provision, FQHCs that choose APG reimbursement will be eligible to receive a supplemental payment reflecting the difference between total APG reimbursement and the aggregate amount that would have otherwise been paid under the PPS rate, if the latter is higher. Under the Federal and State law, the PPS rate is an all-inclusive cost-based threshold visit rate based on the average of each facility's 1999 and 2000 reported base year costs, trended forward annually using the Medicare Economic Index.

Supplemental payments will be initially calculated on a calendar year basis. All payments will be based on date of service data available to the Department four months after the close of the period. Supplemental payments will be made on a lump-sum basis.

Thank you in advance.



Michael Ogborn
Director
Bureau of Acute and Managed Care Rate Setting

FQHC Medicaid Reimbursement Option Declaration Form

FQHC Name:

Operating Certificate #:

The undersigned hereby agrees to be reimbursed according to the Department of Health's Ambulatory Patient Group Methodology. This request is to be effective January 1, _____.
(Please note the effective year)

Authorization of Chief Executive or Operating Officer:

Print Name

Title

Signature

Date

Please submit the signed declaration form to the following:

Michael Ogborn
Director
Bureau of Acute and Managed Care Rate Setting
One Commerce Plaza – Room 1405
99 Washington Avenue
Albany, NY 12210