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State/Territory Name: NY

State Plan Amendment (SPA): NY-23-0086

This file contains the following documents in the order listed:

Approval Letter
CMS 179 Form/Summary Form (with 179-like data)
Approved SPA Pages

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



Financial Management Group

September 20, 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 23-0086

Dear Director Bassiri:

We have reviewed the proposed New York State Plan Amendment (SPA) to Attachment 4.19-B submitted under TN-23-0086, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on June 30th, 2023. This plan proposes to increase the operating cost component of hospital based Federally Qualified Health Center (FQHC) and Rural Health clinic (RHC) rates by 6.5%.

Based upon the information provided by the State, we have approved the amendment with an effective date of April 1st, 2023. 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 Jerica Bennett at 1-410-786-1167 or jerica.bennett@cms.hhs.gov.

Sincerely,

Todd McMillion Director Division of Reimbursement Review

Enclosures

	1. TRANSMITTAL NUMBER	2. STATE		
TRANSMITTAL AND NOTICE OF APPROVAL OF	2 3 _ 0 0 8 6	NY		
STATE PLAN MATERIAL				
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES	3. PROGRAM IDENTIFICATION: TITLE OF	THE SOCIAL		
	SECURITY ACT O XIX			
TO: CENTER DIRECTOR	4. PROPOSED EFFECTIVE DATE	\smile		
CENTERS FOR MEDICAID & CHIP SERVICES				
DEPARTMENT OF HEALTH AND HUMAN SERVICES	April 1, 2023			
5. FEDERAL STATUTE/REGULATION CITATION	6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)			
1905(a)(2)(B) Rural Health Clinic (RHC) Svcs and 1905(a)(2)(C) Federally Qualif § 1905(a)(2)(A) Outpatient Hosp Svc; 1905(a)(9) Clinic Svc Health C	a FFY 04/01/23-09/30/23 \$ 1,000,000 b FFY 10/01/23-09/30/24 \$ 2,000,000			
	D. FF1			
7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT	8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION			
	OR ATTACHMENT (If Applicable)			
Attachment 4.19-B: Page 2(c)(iv), 2(c)(iv)(1)	Attachment 4.19-B: Page 2(c)(iv)			
/ addition 4.10 B. 1 age 2(0)(17), 2(0)(17)(1)				
9. SUBJECT OF AMENDMENT				
6.5% Investment-FQHC(Hospital) -NI				
10. GOVERNOR'S REVIEW (Check One)	-			
O OTHER, AS SPECIFIED:				
COMMENTS OF GOVERNOR'S OFFICE ENCLOSED				
O NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL				
<u>C</u> Y OFFICIAL	RETURN TO			
	ew York State Department of Health			
	vision of Finance and Rate Setting			
12. TYPED NAME	Washington Ave – One Commerce Plaza			
Amir bassin Si	ite 1432			
13. TITLE Addisorid Director	any, NY 12210			
Medicaid Director				
14. DATE SUBMITTED June 30, 2023				
FOR CMS US	EONLY			
	DATE APPROVED			
06/30/23	September 20, 2023			
PLAN APPROVED - ONE	COPY ATTACHED			
18. EFFECTIVE DATE OF APPROVED MATERIAL	9. SIGNATURE OF APPROVING OFFICIAL			
04/01/23				
20. TYPED NAME OF APPROVING OFFICIAL	TITLE OF APPROVING OFFICIAL			
Todd McMillion	Director, Division of Reimbursement Review			
	Director, Division of Reinbursement Revie	544		
22. REMARKS				
Pen and ink changes				

Centers (FQHC) Services

New York 2(c)(iv)

1905(a)(2)(B) Rural Health Clinic (RHC) Services and 1905(a)(2)(C) Federally Qualified Health Centers (FQHC) Services

Prospective Payment System Reimbursement as of January 1, 2001 for and Rural Health Clinics including FQHCs located on Native American reservations and operated by Native American tribes or Tribal Organizations pursuant to applicable Federal Law and for which State licensure is not required.

For services provided on and after January 1, 2001 and prior to October 1, 2001, allinclusive rates shall be calculated by the Department of Health, based on the lower of the facilities' allowable operating cost per visit or the peer group ceiling plus allowable capital cost per visit. The base for this calculation shall be the average of cost data submitted by facilities for both the 1999 and 2000 base years.

For each twelve month period following September 30, 2001, the operating cost component of such rates of payment shall reflect the operating cost component in effect on September 30th of the prior period as increased by the percentage increase in the Medicare Economic Index and as adjusted pursuant to applicable regulations to take into account any increase or decrease in the scope of services furnished by the facility. Effective May 1, 2015 and each October 1 thereafter, rates of payment for the group psychotherapy and individual off-site services will be increased by the percentage increase in the Medicare Economic Index.

Supplementary increases in Medicaid rates of payment for these providers which is paid for the purpose of recruitment and retention of non-supervisory workers or workers with direct patient care responsibility, in accordance with the provisions of the Workforce Recruitment and Retention section of this Attachment, are in addition to the standard Medicaid operating cost component calculation. As such, they are not subject to trend adjustments. These supplementary increases shall be in effect through June 30, 2005.

Rates of payments to facilities which first qualify as federally qualified health centers on or after October 1, 2000 shall be computed as above provided, however, that the operating cost component of such rates shall reflect an average of the operating cost components of rates of payments issued to other FQHC facilities during the same rate period and in the same geographic region, and with similar case load, and further provided that the capital cost component of such rates shall reflect the most recently available capital cost data for such facility as reported to the Department of Health. Effective May 1, 2011, the geographic regions will consist of the Downstate Region, which includes the five counties comprising New York City and the counties of Nassau, Suffolk, Westchester, Rockland, Orange, Putnam, and Dutchess and the Upstate Region, which includes all counties in the State other than those counties included in the Downstate Region. For each twelve-month period following the rate period in which such facilities commence operation, the operating cost components of rates of payment for such facilities shall be computed as described above.

Effective for the dates of service on or after April 1, 2022, the operating cost component of all-inclusive rates and the rates of payment for the group psychotherapy and individual offsite services will be increased by one percent. Also, effective for the dates of service on or after April 1, 2023, the operating cost component of all-inclusive rates and the rates of payment for the group psychotherapy and individual off-site services for hospital based FQHCs and Rural Health Clinics will be increased by six and one-half percent (6.5%). The increases in Medicaid rates of payment for these providers are in addition to the standard Medicaid operating cost component calculation, which is increased by the percentage increase in the Medicare Economic Index every October 1.

TN <u>#23-00</u>)86	Approval Date	September 20, 2023
Supersedes TN	#22-0067	Effective Date	April 01, 2023

New York 2(c)(iv)(1)

1905(a)(2)(B) Rural Health Clinic (RHC) Services and 1905(a)(2)(C) Federally Qualified Health Centers (FQHC) Services

For services provided on and after April 1, 2016 the cost of long acting reversible contraceptives (LARC) will be separated from the PPS reimbursement. Reimbursement for LARC will be based on actual acquisition cost. The facility must submit a separate claim to be reimbursed for the actual acquisition cost of the LARC device.

TN <u>#23-0086</u>

Approval Date <u>September 20, 2023</u> Effective Date <u>April 01, 2023</u>

Supersedes TN <u>#22-0067</u>