

## **Table of Contents**

**State/Territory Name: NY**

**State Plan Amendment (SPA): NY-22-0027-B**

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 Pages

**DEPARTMENT OF HEALTH & HUMAN SERVICES**

Centers for Medicare & Medicaid Services  
Center for Medicaid & CHIP Services  
230 Dearborn, 33rd Floor  
Chicago, Illinois 60604



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**Financial Management Group**

February 7, 2024

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 22-0027-B**


Dear Director Bassiri:

We have reviewed the proposed New York State Plan Amendment (SPA) to Attachment 4.19-B submitted under TN-NY-22-0027-B, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on June 23<sup>rd</sup>, 2022. This plan proposes to provide Physician Supplemental UPL Payments to Roswell Park Cancer Institute.

Based upon the information provided by the State, we have approved the amendment with an effective date of April 1<sup>st</sup>, 2022. 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](mailto: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</u> <u>2 7</u> <u>B</u>	2. STATE <u>N Y</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 <b>April 01, 2022</b>
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5. FEDERAL STATUTE/REGULATION CITATION <del>1905(a)(5)(A) Physician Services</del> <del>§ 1902(a) of the Social Security Act and 42 CFR 447</del>	6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars) a. FFY <u>04/01/22-09/30/22</u> \$ <u>0</u> b. FFY <u>10/01/22-09/30/23</u> \$ <del>18,950,000</del> <u>108,838.00</u>
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7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT  <b>Attachment 4.19-B Pages: 1.1, 1.6, <del>1.9</del> 1.7(a)</b>	8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)  <b>Attachment 4.19-B Pages: 1.1, 1.6, <del>1.9</del></b>
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9. SUBJECT OF AMENDMENT  
  
~~Physician Supplemental Payments-UPL~~ **Physician Supplemental UPL Payments-Roswell**

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 	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
12. TYPED NAME <b>Amir Bassiri</b>	
13. TITLE <b>Acting Medicaid Director</b>	
14. DATE SUBMITTED <b>June 23, 2022</b>	

<b>FOR CMS USE ONLY</b>	
16. DATE RECEIVED <b>06/23/2022</b>	17. DATE APPROVED <b>February 7, 2024</b>

<b>PLAN APPROVED - ONE COPY ATTACHED</b>	
18. EFFECTIVE DATE OF APPROVED MATERIAL <b>04/01/2022</b>	19. SIGNATURE OF APPROVING OFFICIAL 
20. TYPED NAME OF APPROVING OFFICIAL <b>Todd McMillion</b>	21. TITLE OF APPROVING OFFICIAL <b>Director, Division of Reimbursement Review</b>

22. REMARKS

The State authorizes the following pen and ink changes to the 179:

Box 1. Transmittal Number: 22-0027B  
 Box 5. Federal Statute/Regulation Citation: 1905(a)(5)(A) Physician Services  
 Box 6. Federal Budget Impact (Amount in WHOLE dollars)

a. FFY 04/01/22-09/30/22 \$0.00  
 b. FFY 10/01/22-09/30/23 \$108,838.00

Box 7. Page Number of The Plan Section or Attachment: Attachment 4.19-B Pages: 1.6, 1.7(a)  
 Box 8. Page Number of the Superseded Plan Section or Attachment (If applicable): Attachment 4.19-B Pages: 1.6  
 Box 9. Subject of Amendment: Physician Supplemental UPL Payments-Roswell

**New York**  
**1.6**

**1905(a)(5)(A) Physician Services**

(e) Supplemental payments will be made as an annual aggregate lump sum payment, based on the Medicaid data applicable to dates of service in the calendar year. Initial payments will be based on claims processed within 3 months after the calendar year for those dates of service. A completion factor will be added to the payment to approximate all incurred claims applicable to the base period. Supplemental payments will not be made prior to the delivery of services.

**(f) Calculating the Average Commercial Rate (ACR) For Matched Procedures.**

- (1) The ACR will be calculated for Roswell based on applicable rates for the appropriate region, utilizing the top 5 commercial payers based on volume.
- (2) The ACR will be calculated annually before each state fiscal year using commercial payer data from the most recently completed twelve-month period by Date of Service between July and June. The initial calculation, effective beginning April 1, 2011, will be based on commercial payer data from the period of July 1, 2010, through June 30, 2011, Date of Service.
- (3) For Eligible Service procedures (additionally distinguished by modifier and point of service) that are billed to Medicaid using codes that correspond to those recognized by commercial payers ("Matched Procedures"), a Procedure-Specific ACR will be calculated for each Matched Procedure by dividing the sum of total commercial payments for the Matched Procedure by the total number of the Matched Procedures paid by commercial payers. For services where physician extenders will be used the applicable percentage of the ACR will be applied.

**(g) Calculating ACR for Non-Matched Procedures**

- (1) For Eligible Service procedures that are billed to Medicaid using codes that do not correspond to those recognized by commercial payers ("Non-Matched Procedures"), a Procedure-Specific ACR will be calculated for each Non-Matched Procedure by calculating the overall average percentage of the matched procedures commercial payments to Medicaid payments.
- (2) This percentage is applied to the average Medicaid payments per unit for the non-matched services to establish an ACR proxy payment per unit. The units for each non-matched Medicaid service are multiplied by the ACR proxy, and then totaled to determine the payment ceiling.
- (3) The difference between the total Medicaid payments for the unmatched services and the ACR proxy total is the supplemental payment for unmatched services.

TN: #22-0027-BApproval Date: February 7, 2024Superseding TN: #11-007-BEffective Date: April 01, 2022

New York  
1.7(a)

1905(a)(5)(A) Physician Services

(I ) Determining the Completion factor value

The supplemental payment amount will include a Completion factor. The factor is added to the supplemental payment to account for the average amount of time it takes for a claim to be fully adjudicated by the payer. The completion factor is the percentage of estimated incurred claims (ultimate claim amount) already paid through a particular paid date.

The completion factor will be calculated and applied to the supplemental payment by practice plan. The completion factor is applied to cumulative paid claims as a multiplier to derive an estimate for incurred claims. It will be calculated by averaging the percent of 3 years of claims paid after 12months of the claim base period extraction (see page 1.6). The periods for the completion factor will be updated annually. The calculated completion factor will be multiplied by the rate year calculation for each practice plan.

Example 3:

Completion factor = (year1+year2+year3)/3

\*Average of 3 years of historical data used to calculate the completion factor. Done by Practice plan.

	Year 1 (% of Claims paid over 12mths after Year 1 DOS)	Year 2 (% of Claims paid over 12mths after Year 1 DOS)	Year 3 (% of Claims over paid 12mths after Year 1 DOS)	Completion factor (3-year avg)
Practice plan 1.	2.0%	3.4%	3.4%	2.9%
Practice plan 2.	1.8%	2.2%	1.1%	1.7%
Final				

payment to Practice plan = Rate year calculation x (1 + Completion factor)

	Supplemental payment amount - Rate year Calc total	Completion Factor%	Completion Factor value	Final supplemental payment amount
Practice plan 1.	\$ 4,060,769	2.9%	\$119,116	\$4,179,885
Practice plan 2.	\$ 3,159,071	1.7%	\$53,704	\$3,212,775

TN: #22-0027-B

Approval Date: February 7, 2024

Superseding TN: #NEW

Effective Date: April 01, 2022