



Refer to DMCH: SJ

Region II
Federal Building
26 Federal Plaza
New York, N.Y. 10278

May 18, 2011

Jason A. Helgerson
Deputy Commissioner
New York State Department of Health
Corning Tower, Empire State Plaza
Albany, New York 12237

Dear Commissioner Helgerson:

This is to notify you that New York State Plan Amendment (SPA) #08-29 has been approved for adoption into the State Medicaid Plan with an effective date of April 1, 2008. The SPA concerns rates of payment for non-institutional services related to services provided by hospital based ambulatory surgery facilities and freestanding ambulatory surgery centers. The SPA continues the case based rates of payment in effect as of March 31, 2003 until the implementation of the Ambulatory Patient Group methodology, for hospital based and freestanding ambulatory surgery services (December 1, 2008 and September 1, 2009, respectively).

This SPA approval consists of 2 Pages. As New York has requested, we are approving the following Attachment 4.19B Pages which were submitted by the State on May 5, 2011 to CMS, which replaced the Pages sent by electronic transmission on March 10, 2011 to the CMS SPA Mailbox: Attachment 4.19-B-Page 2(a)(i) and Page 2(a)(ii). These Pages replace the Attachment 4.19-B-Page 2(a)(i), which was provided with the State's original June 23, 2008 SPA submission.

This amendment satisfies all of the statutory requirements at sections 1902(a)(13) and (a)(30) of the Social Security Act, and the implementing regulations at 42 CFR 447.250 and 447.272. Enclosed are copies of SPA #08-29 and the HCFA-179 form, as approved. If you have any questions or wish to discuss this SPA further, please contact Ricardo Holligan or Shing Jew of this office. Mr. Holligan may be reached at (212) 616-2424, and Mr. Jew's telephone number is (212) 616-2426.

Sincerely,

/s/

Michael Melendez
Associate Regional Administrator
Division of Medicaid and Children's Health

Enclosure: SPA #08-29
HCFA-179 Form

CC: JUlberg
PMossman
KKnuth
SGaskins
RWeaver
LTavener
AHiggs
GCritelli
SFuentes
PMarra
MSamuel
SJew

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: HEALTH CARE FINANCING ADMINISTRATION	1. TRANSMITTAL NUMBER: 08-29	2. STATE New York
	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES		
4. PROPOSED EFFECTIVE DATE April 1, 2008		

5. TYPE OF PLAN MATERIAL (Check One):

NEW STATE PLAN
 AMENDMENT TO BE CONSIDERED AS NEW PLAN
 AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)


6. FEDERAL STATUTE/REGULATION CITATION: Section 1902(a) of the Social Security Act, and 42 CFR 447.204	7. FEDERAL BUDGET IMPACT: a. FFY 04/01/08-09/30/08 \$ 304,850 (Outpatient) \$ 45,150 (Clinic) b. FFY 10/01/08-09/30/09 \$ 729,628 (Outpatient) \$ 108,602 (Clinic)
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8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-B: pages 2(a)(i), 2(a)(ii) ** SEE REMARKS	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Attachment 4.19-B: page 2(a)(i)
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10. SUBJECT OF AMENDMENT:
Ambulatory Surgery Case-based Rates of Payment
 (FMAP = 50% (4/1/08-9/30/08); 58.78% (10/1/08-3/31/09); 60.19% (4/1/09-6/30/09); 61.59% (7/1/09-9/30/09))

11. GOVERNOR'S REVIEW (Check One):

GOVERNOR'S OFFICE REPORTED NO COMMENT OTHER, AS SPECIFIED:
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL: 	16. RETURN TO: New York State Department of Health Corning Tower Empire State Plaza Albany, New York 12237
13. TYPED NAME: Jason A. Helgerson	
14. TITLE: Medicaid Director & Deputy Commissioner Department of Health	
15. DATE SUBMITTED: May 5, 2011	

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED	18. DATE APPROVED
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PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL

21. TYPED NAME: Michael Melendez	22. TITLE: Assistant Regional Administrator Division of Medicaid and State Operations
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23. REMARKS:

Originally submitted pages were replaced by revised pages that were submitted electronically by the State on May 5, 2011. These revised pages are Attachment 4.19-B-Page 2(a)(i) and Page 2(a)(ii).

**Hospital Based Ambulatory Surgery Facilities Certified Under Article
28 of the Public Health Law**

Case based rates of payment have been calculated for the Products of Ambulatory Surgery Payment groups. All procedures within the same payment group are reimbursed at a single discrete base price. The applicable base price for each payment group is adjusted for regional differences in wage levels, space occupancy, and plant over-head costs. An economic trend factor is applied to make the prices prospective. Rates of payment in effect on March 31, 2003, shall continue in effect for the period April 1, 2003 through [March 31, 2009] November 30, 2008, provided however that, effective May 1, 2005, such rates may be adjusted to include additional capital costs not previously included in the corresponding rate.

For dates of service beginning December 1, 2008, for hospital outpatient ambulatory surgery facilities, services will be reimbursed through the Ambulatory Patient Group (APG) classification and reimbursement system.

Freestanding-Diagnostic and Treatment Centers

**Facilities Certified Under Article 28 of the Public Health Law as
Freestanding Ambulatory Surgery Centers**

Case based rates of payment have been calculated for the Products of Ambulatory Surgery Payment groups. All procedures within the same payment group are reimbursed at a single discrete base price. The applicable base price for each payment group is adjusted for regional differences in wage levels, space occupancy, and plant over-head costs. An economic trend factor is applied to make the prices prospective. Rates in effect on March 31, 2003, shall continue in effect for the period April 1, 2003 through March 31, [2009], 2011, provided however that, effective May 1, 2005, such rates may be adjusted to include additional capital costs not previously included in the corresponding rate. [The agency may pay the usual and customary rates of such medical facilities or approved services but must not pay more than the prevailing rates for comparable services in the geographic area.]

TN #08-29

Approval Date MAY 18 2011

Supersedes TN #07-06

Effective Date APR 01 2008

New York
2(a)(ii)

OFFICIAL

Attachment 4.19-B
(04/08)

Freestanding-Diagnostic and Treatment Center[s]Facilities Certified Under Article 28 of the Public Health Law as Freestanding Ambulatory Surgery Centers – Products of Ambulatory Surgery Payment Groups

Case based rates of payment have been calculated for the Products of Ambulatory Surgery Payment groups. All procedures within the same payment group are reimbursed at a single discrete base price. The applicable base price for each payment group is adjusted for regional differences in wage levels, space occupancy, and plant over-head costs. An economic trend factor is applied to make the prices prospective. Rates in effect on March 31, 2003, shall continue in effect for the period April 1, 2003 through [March] August 31, 2009, provided however that, effective May 1, 2005, such rates may be adjusted to include additional capital costs not previously included in the corresponding rate. [The agency may pay the usual and customary rates of such medical facilities or approved services but must not pay more than the prevailing rates for comparable services in the geographic area.]

For dates of service beginning September 1, 2009, for freestanding-diagnostic and treatment ambulatory surgery facilities, services will be reimbursed through the Ambulatory Patient Group (APG) classification and reimbursement system.

TN #08-29 _____

Approval Date MAY 18 2011

Supersedes TN New

Effective Date APR 01 2008