



Refer to DMCH: SJ

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

February 9, 2011

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

Dear Commissioner Helgeson:

This is to notify you that New York State Plan Amendment (SPA) #08-40 has been approved for adoption into the State Medicaid Plan with an effective date of October 1, 2008. The SPA provides for supplemental payments to qualifying diagnostic and treatment center (D&TC) providers, for additional costs associated with the operation of electronic health record systems. The SPA also extends the supplemental payments made to qualifying dental clinic providers sponsored by a university or dental school.

This SPA approval consists of 5 Pages. As New York has requested, we are approving the following Attachment 4.19B Pages which were submitted with the State's December 10, 2010 electronic submission to the CMS SPA Mailbox: Page 2(c)(ii), 2(c)(iii), 2(c)(iii)(a), 2(c)(iii)(b), and 2(c)(iii)(c). These Pages replace the Attachment 4.19-B-Page 2(c)(ii), 2(c)(iii) and 2(c)(iii)(a), which were provided with the State's original June 30, 2008 SPA submission. The newly submitted Attachment 4.19B-Page 2(c)(iii)(b) and 2(c)(iii)(c) were not provided in the original 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 #08-40 and the HCFA-179 form, as approved. If you have any questions or wish to discuss this SPA further, please contact Michael Melendez or Shing Jew of this office. Mr. Melendez may be reached at (212) 616-2430, and Mr. Jew's telephone number is (212) 616-2426.

Sincerely,

/s/

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

Enclosure: SPA #08-40
HCFA-179 Form

CC: JUlberg
PMossman
KKnuth
SGaskins
RWeaver
LTavener
PMarra
MSamuel
SJew

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL		1. TRANSMITTAL NUMBER: 08-40	2. STATE New York
FOR: HEALTH CARE FINANCING ADMINISTRATION		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 October 1, 2008	
5. TYPE OF PLAN MATERIAL (Check One): <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT			
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)			
6. FEDERAL STATUTE/REGULATION CITATION: Section 1902(a)(30) of the Social Security Act, and 42 CFR 447.204		7. FEDERAL BUDGET IMPACT: a. FFY 10/1/08- 09/30/09 \$4,474,334 b. FFY 10/01/09-09/30/10 \$0	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-B: Pages 2(c)(ii), 2(c)(iii), 2(c)(iii)(a), 2(c)(iii)(b) & 2(c)(iii)(c) ** SEE REMARKS		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Attachment 4.19-B: Pages 2(c)(ii), 2(c)(iii), 2(c)(iii)(a) & 2(c)(iii)(b)	
10. SUBJECT OF AMENDMENT: Diagnostic and Treatment Center Transitional Supplemental Payments (FMAP = 58.78% as of 10/1/08)			
11. GOVERNOR'S REVIEW (Check One): <input checked="" type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> OTHER, AS SPECIFIED: <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> 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: Donna Frescatore			
14. TITLE: Medicaid Director & Deputy Commissioner Department of Health			
15. DATE SUBMITTED:			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED:		18. DATE APPROVED: FEB 10 2011	
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: OCT 01 2008		20. SIGNATURE OF REGIONAL OFFICIAL:	
21. TYPED NAME: Michael Melendez		22. TITLE: Acting Associate Regional Administrator Division of Medicaid and State Operations	
23. REMARKS:			

New York
2(c)(ii)

OFFICIAL

**Attachment 4.19-B
(10/08)**

Transitional Supplemental Payments

For the periods February 1, 2002 through March 31, 2002, October 1, 2002 through December 31, 2002, October 1, 2003 through December 31, 2003, April 1, 2005 through June 30, 2005, October 1, 2006 through December 31, 2006, and October 1, 2007 through December 31, 2007, the Commissioner of Health shall make supplemental medical assistance payments to qualified voluntary not-for-profit health care providers that are: freestanding diagnostic and treatment centers (D&TCs) that qualify for distributions under the state's comprehensive diagnostic and treatment centers indigent care program or indicate on the cost reports submitted to the state that they receive funding under section three hundred thirty-three of the Federal Public Health Services Act for health care for the homeless, freestanding diagnostic and treatment centers that operate approved programs under the state Prenatal Care Assistance Program, or licensed freestanding family planning clinics. These supplemental payments reflect additional costs associated with the transition to Managed Care and are for services rendered to Medicaid beneficiaries for the effective period. Payments made, as adjustments to fee for service rates, shall not be subject to subsequent adjustment or reconciliation. These providers will be eligible to receive a supplemental payment if the following criteria are met. The provider's number of Medicaid visits in the base year (2000) equals or exceeds 25 percent of its total number of visits and its number of visits for Medicaid Managed Care enrollees equals or exceeds three percent of its total number of Medicaid visits during the base year. Providers meeting these criteria shall receive a supplemental payment equal to a proportional share of the total funds available not to exceed fourteen million dollars for the period February 1, 2002 through March 31, 2002, nine million eight hundred twenty-four thousand dollars for the period October 1, 2002 through December 31, 2002, nine million eight hundred twenty-four thousand dollars (\$9,824,000) for the period October 1, 2003 through December 31, 2003, nine million eight hundred twenty-four thousand dollars (\$9,824,000) for the period April 1, 2005 through June 30, 2005, twenty nine million four hundred seventy-two thousand dollars (\$29,472,000) for the period October 1, 2006 through December 31, 2006, and nine million eight hundred twenty-four thousand dollars (\$9,824,000) for the period October 1, 2007 through December 31, 2007. This share shall be based upon the ratio of a provider's visits from medical assistance recipients enrolled in Managed Care during the 2000 base year to the total number of visits to all such qualified providers by medical assistance recipients enrolled in managed care during the base year. These amounts shall be divided by the medical assistance utilization data reported in each provider's annual cost report for the period two years prior to the rate period. The resulting amount will represent the per visit add-on to each eligible provider's fee for service medical assistance rates of payment.

TN #08-40 _____

Approval Date FEB 10 2011

Supersedes TN #07-46 _____

Effective Date OCT 01 2008

Electronic Health Record Systems Supplemental Payments

For the period October 1, 2008 through December 31, 2008, seven million three hundred eighty eight thousand dollars (\$7,388,000) shall be available to eligible covered providers as medical assistance payments for services provided to Medicaid beneficiaries to reflect additional costs associated with the development, training, maintenance, and support of electronic health record systems that meet such standards no later than January 1, 2008, as established by the Commissioner of Health. The State will conduct a survey and perform independent verification. Electronic health records standards are: the exchanging of health information with other computer systems according to national standards; be certified by the Certification Commission for Health Information Technology; be capable of and used for supporting electronic prescribing; and be capable of and used for providing relevant information to the clinicians to assist with decision making. Providers will be eligible to receive a supplemental payment for the period October 1, 2008 through December 31, 2008, if this criterion is met. In addition to meeting the electronic record standards criterion, a provider's number of Medicaid visits for patient care services during the base year must equal or exceed twenty-five percent of its total number of visits for patient care services in the base year or its number of Medicaid visits combined with its number of uninsured visits for patient care services in the base year equals or exceeds thirty percent of its total number of visits for patient care services during the base year. Each qualified provider shall receive a supplemental payment equal to such provider's proportional share of the total funds allocated, based upon the ratio of its visits from Medicaid recipients during the base year to the total number of Medicaid visits to all such qualified providers during the base year. The base year will be two years prior to the rate year, and the Commissioner of Health shall utilize data to determine Medicaid and uninsured visits reported by covered providers on certified 2006 AHCF-1 cost reports submitted to the Department of Health for such base year.

TN #08-40 _____

Approval Date FEB 10 2011

Supersedes TN #07-46 _____

Effective Date OCT 01 2008

New York
2(c)(iii)(a)

OFFICIAL

**Attachment 4.19-B
(10/08)**

Supplemental Payments - Dental Clinic - February 1, 2002 through March 31, 2002

Notwithstanding the provisions of the preceding section, for the period February 1, 2002 through March 31, 2002, facilities licensed under article twenty-eight of the public health law that are sponsored by a university or a dental school which has been granted an operating certificate and which provides dental services as its principal mission, shall receive up to five hundred thousand dollars, in the aggregate, for use as supplemental payments pursuant to the preceding section. These funds shall be allocated for distribution to such facilities pursuant to the statutorily defined methodology contained in §364-j-2 of the Social Services Law. Payments may be added to rates of payment or made as aggregate payments to eligible facilities for services rendered to Medicaid beneficiaries for the effective period. Payments made, as adjustments to fee for service rates, shall not be subject to subsequent adjustment or reconciliation.

TN #08-40 _____

Approval Date FEB 10 2011

Supersedes TN #07-46 _____

Effective Date OCT 01 2008

OFFICIAL

New York
2(c)(iii)(b)

Attachment 4.19-B
(10/08)

Supplemental Payments - Dental Clinic - October 1, 2002 through December 31, 2002, October 1, 2003 through December 31, 2003, April 1, 2005 through June 30, 2005, October 1, 2006 through December 31, 2006, and October 1, 2007 through December 31, 2007, and October 1, 2008 through December 31, 2008.

Notwithstanding the provisions of the first paragraph of this section titled Transitional Supplemental Payments, for the periods October 1, 2002 through December 31, 2002, October 1, 2003 through December 31, 2003, April 1, 2005 through June 30, 2005, October 1, 2006 through December 31, 2006, and October 1, 2007 through December 31, 2007, facilities licensed under article twenty-eight of the Public Health Law that are sponsored by a university or a dental school which has been granted an operating certificate and which provides dental services as its principal mission, shall receive up to two hundred twenty-five thousand dollars in the aggregate for the period October 1, 2002 through December 31, 2002, for the period October 1, 2003 through December 31, 2003, up to two hundred twenty-four thousand dollars in the aggregate, for the period April 1, 2005 through June 30, 2005, up to two hundred twenty-four thousand dollars in the aggregate, for the period October 1, 2006 through December 31, 2006, up to six hundred seventy-two thousand dollars (\$672,000) in the aggregate, and for the period October 1, 2007 through December 31, 2007, up to two hundred twenty-four thousand dollars (\$224,000) in the aggregate; and for the period October 1, 2008 through December 31, 2008, up to two hundred twenty-four thousand dollars (\$224,000) in the aggregate; for use as supplemental payments pursuant to the first paragraph of this section titled Transitional Supplemental Payments. Forty percent of these funds shall be allocated for equal distribution based upon the facilities losses reported from self-pay and free visits multiplied by the facility specific Medicaid payment rate for the applicable year. This amount shall be offset by any payments received from such patients during the applicable period. Sixty percent, plus any funds allocated but not distributed under provisions of the previous sentence, shall be allocated according to the following scale.

% of eligible BD&CC visits to total visits	% of nominal financial loss coverage
up to 15%	50%
15 - 30%	75%
30%+	100%

TN #08-40 _____

Approval Date FEB 10 2011

Supersedes TN #07-46 _____

Effective Date OCT 01 2008

New York
2(c)(iii)(c)

OFFICIAL

**Attachment 4.19-B
(10/08)**

The allocated amounts will be added to rates of payment [s] for eligible facilities for services rendered to Medicaid beneficiaries for the effective periods. These amounts shall be divided by the medical assistance utilization data reported in each provider's annual cost report for the period two years prior to the rate period. The resulting amount will represent the per visit add-on to each eligible provider's fee for service medical assistance rates of payment. Payments made, as adjustments to fee for service rates, shall not be subject to subsequent adjustment or reconciliation.

TN #08-40 _____

Approval Date FEB 10 2011

Supersedes TN New

Effective Date OCT 01 2008