



DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare &
Medicaid Services

Refer to DMCH: SJ

MAY 13 2010

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

Donna Frescatore
Deputy Commissioner
New York State Department of Health
Corning Tower, Empire State Plaza
Albany, New York 12237

Dear Commissioner Frescatore:

This is to notify you that New York State Plan Amendment (SPA) #09-49-A has been approved for adoption into the State Medicaid Plan with an effective date of December 1, 2009. The SPA provides that certain physician and nurse practitioner practices will be certified as patient centered medical homes in order to improve health outcomes and efficiency through patient care continuity and coordination of health services, and that they will be eligible for enhanced payments for services provided to recipients.


This SPA approval consists of 2 Pages. As New York has requested, we are approving the Attachment 4.19B-Page 1(A) and 1(A)(i), which were submitted with the State's April 23, 2010 electronic submission to the CMS SPA Mailbox, which replaced the Attachment 4.19-B-Page 1(A) and Page 1(A)(i) which were provided with the State's letter dated March 17, 2010. In that letter, New York requested that the original SPA 09-49 submission of September 24, 2009 be split into three separate SPAs: #09-49-A, #09-49-B and #09-49-C. This approval is for SPA 09-49-A only; the other SPAs are still under review and we will advise you about them upon completion of our review.

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 #06-28 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,

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Sue Kelly
Associate Regional Administrator
Division of Medicaid and Children's Health

Enclosure: SPA #09-49-A
HCFA-179 Form

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: HEALTH CARE FINANCING ADMINISTRATION		1. TRANSMITTAL NUMBER: 09-49-A	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 December 1, 2009	
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) of the Social Security Act, and 42 CFR 447.204		7. FEDERAL BUDGET IMPACT: a. FFY 12/01/09-09/30/10 \$ 1,018,580 b. FFY 10/01/10-09/30/11 \$ 3,084,001	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-B, pages 1(A), 1(A)(i)		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):	
** SEE REMARKS			
10. SUBJECT OF AMENDMENT: Patient Centered Medical Home Programs – 61.59% FMAP			
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/LOCAL OFFICIAL: 		16. RETURN TO: New York State Department of Health Corning Tower Empire State Plaza Albany, New York 12237	
13. TYPED NAME: Deborah Bachrach			
14. TITLE: Deputy Commissioner Department of Health			
15. DATE SUBMITTED: September 24, 2009			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED:		18. DATE APPROVED: MAY 13 2010	
PLAN APPROVED – ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL:		20. SIGNATURE: 	
21. TYPED NAME: Sue Kelly		22. TITLE: Associate Regional Administrator Division of Medicaid and State Operations	
23. REMARKS: Originally submitted pages Attachment 4.19B, page 1(A) & 1(A)(i) were replaced via State's e-mail of April 23, 2010.			

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Statewide Patient Centered Medical Home - Physicians and/or Nurse Practitioners

Fee schedules developed by the Department of Health and approved by the Division of Budget will be augmented by incentive payments to physicians and/or nurse practitioners certified by the Department as patient centered medical homes.

Effective for periods on and after December 1, 2009, the Commissioner of Health is authorized to certify certain physicians' and nurse practitioners' practices as patient centered medical homes to improve health outcomes and efficiency through patient care continuity and coordination of health services. Certified providers will be eligible for incentive payments for primary care services provided to recipients eligible for Medicaid Fee-For-Service (FFS).

To improve access to high quality primary care services, the statewide Medicaid Patient Centered Medical Home initiative will provide incentive payments to providers who meet "medical home" standards established by the Department. Those standards will be consistent with the National Committee for Quality Assurance's Physician Practice Connections (®) -- Patient Centered Medical Home™ (PPC®-PCMH™) Recognition Program. Physicians and/or nurse practitioners achieving NCOA PPC®-PCMH™ recognition will be eligible for incentive payments for providing services to Medicaid FFS patients.

Per visit incentive payments will be made to physicians' and/or nurse practitioners' practices that meet the Department standards for certification as a patient centered medical homes, consistent with the NCOA PPC®-PCMH™ Program . There are three levels of "medical home" recognition: Levels 1, 2 and 3. Eligible providers will receive a per visit incentive payment commensurate with their level of "medical home" recognition. Incentive payments will be added to claims from NCOA recognized providers for visits with evaluation and management codes identified by the Department as "primary care."

To determine appropriate incentive payment amounts, the NY Medicaid Program conducted a review of "medical home" incentive payments nationally. Most programs paid medical home incentive payments on a per member per month (PMPM) basis. To work in the fee-for-service payment context, PMPM benchmark amounts used by programs in several other states (\$2, \$4, and \$6) were converted to per-visit payment amounts by first multiplying the PMPM payment by twelve (12) to calculate an annual per member payment, and then dividing the annual amount by the average number of annual primary care visits to practitioners' offices to arrive at a per-visit incentive payment amount for each level of medical home recognition.

TN#: #09-49-A

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Supersedes TN#: New

Effective Date: DEC 01 2009

NEW

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**New York
1(A)(i)**

**Attachment 4.19-B
(10/09)**

Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers recognized as patient centered medical homes. The agency's fee schedule rates were set as of December 1, 2009 and are effective for services provided on or after that date. All rates are published on the State Department of Health's website.

Once a physician and/or nurse practitioner practice advances to a higher level of "medical home" recognition he/she will no longer be eligible for the lower level incentive payment per Evaluation and Management visit. A physician and/or nurse practitioner practice may only receive one level of incentive payment at a time for each eligible visit. Medical home incentive payments are only applicable to claims when Medicaid is the primary payer.

To maintain eligibility for incentive payments physicians' and/or nurse practitioners' practices must: (a) renew their "patient centered medical home" certification at a frequency determined by the Commissioner; and b) provide data to the Department of Health to permit the Commissioner to evaluate the impact of patient centered medical homes on quality, outcomes and cost.

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