

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Jacob K. Javits Federal Building
26 Federal Plaza
Room 37-100
New York, New York 10278-0063



December 19, 2011

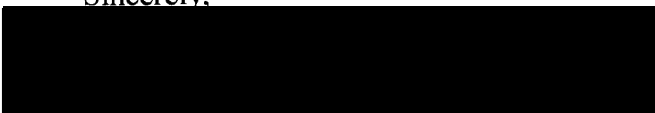
Jason A. Helgeson, Deputy Commissioner
Office of Health Insurance Programs
New York State Department of Health
Corning Tower—Room 1441
Empire State Plaza
Albany, New York 12237

Dear Mr. Helgeson:

We have completed our review of New York State Plan Amendment submittal 11-32, "Align Medicare Part B Clinic Coinsurance with Medicaid Coverage and Rates. (Supplement 1 to Attachment 4.19-B, Pages 3 and 4) and find it acceptable for incorporation into New York's Medicaid Plan, effective October 1, 2011. Enclosed please find copies of State Plan Amendment 11-32 and form CMS-179.

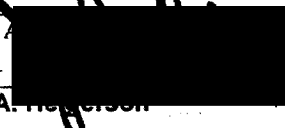

If you have any questions or wish to discuss this further, please contact Patricia Ryan of my staff at 212-616-2436.

Sincerely,



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

Enclosures

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: HEALTH CARE FINANCING ADMINISTRATION		1. TRANSMITTAL NUMBER: #11-32	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 October 1, 2011	
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		7. FEDERAL BUDGET IMPACT: a. FFY 10/01/11 - 09/30/12 (\$ 8.6) million b. FFY 10/01/12 - 09/30/13 (\$15.30) million	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Supplement 1 to Attachment 4.19-B: Pages 3 & 4 ** SEE REMARKS		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Supplement 1 to Attachment 4.19-B: Pages 3 & 4	
10. SUBJECT OF AMENDMENT: Align Medicare Part B Clinic Coinsurance With Medicaid Coverage and Rates FMAP = 50% (7/1/11 forward)			
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: 		16. RETURN TO: New York State Department of Health Corning Tower Empire State Plaza Albany, New York 12237	
13. TYPED NAME: Jason A. Peterson			
14. TITLE: Medicaid Director & Deputy Commissioner Department of Health			
15. DATE SUBMITTED: September 20, 2011			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED:		18. DATE APPROVED: December 19, 2011	
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: October 1, 2011		20. EFFECTIVE DATE OF SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): 	
21. TYPED NAME: Michael Melendez		22. TITLE: Associate Regional Administrator Division of Medicaid and State Operations	
23. REMARKS: **By means of this SPA, New York State proposes to limit Medicaid cost sharing for dual eligible recipients resulting in a negative fiscal impact due to cost savings. For services provided by Article 28 certified hospital outpatient departments and free-standing diagnostic and treatment centers, Medicaid will limit cost sharing payments. If the Medicare payment is greater than the amount that Medicaid would have paid for that service, then Medicaid will pay \$0. If the Medicare payment is less than the amount than Medicaid would have paid for that service, then Medicaid will pay the lower of the difference between the Medicaid rate and the Medicare payment. Additionally, Medicaid will no longer reimburse practitioners for the Medicare B coinsurance for those services that are not covered for a Medicaid-only enrollee.			

OFFICIAL

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State/Territory: New York

**METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES –
OTHER TYPES OF CARE**

Payment of Medicare Part A and Part B Deductible/Coinsurance

Explanation of Medicare Part B Coinsurance Payment for Medicaid Recipients

This Medicare coinsurance policy applies to:

- Qualified Medicare Beneficiaries (QMBs)
- Qualified Medicare Beneficiaries Plus (QMBs+)
- Any other persons who have both full Medicaid and Medicare

For all recipients noted above [(except for number 5 below, which applies only to QMB and QMB+ persons),] New York State Medicaid will pay as follows:

1. If the Medicare payment amount exceeds the regular Medicaid fee for the service, Medicaid will pay 20% of the Medicare coinsurance liability.
2. If the Medicare payment amount is equal to or lower than the regular Medicaid fee for the service, Medicaid will pay the full Medicare coinsurance liability.
3. If a procedure is designated "inactive" on the procedure code file, i.e., procedures that are not covered by Medicaid and have been assigned a \$0 amount, Medicaid will not reimburse any portion of the Medicare Part B coinsurance amount for these procedures.
- [3]4. If the service is an outpatient service certified under Articles 16, 31, or 32 of the Mental Hygiene Law, [or Article 28 of the Public Health Law,] or is an ambulance or psychologist service, Medicaid will pay the full Medicare coinsurance liability.
5. If the service is an outpatient service certified under Article 28 of the Public Health Law, Medicaid will pay as follows:
 - a. If the Medicare payment is greater than the amount that Medicaid would have paid for that service, then Medicaid will pay \$0.
 - b. If the Medicare payment is less than the amount that Medicaid would have paid for that service, then Medicaid will pay the lower of the difference between the Medicaid rate and the Medicare payment, or the Medicare coinsurance amount.
 - c. If the Medicare payment is equal to the amount that Medicaid would have paid for that service, Medicaid will pay \$0.
- [4]6. If the service is a Products of Ambulatory Care Clinic, a clinic primarily serving the developmentally disabled, or a Mental Health comprehensive outpatient program services (COPS) program, Medicaid will pay up to the regular Medicaid fee, even if that fee is higher than the Medicare approved amount.

TN #11-32
Supersedes TN #03-38

Approval Date DEC 19 2011
Effective Date OCT 01 2011

OFFICIAL

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State/Territory: New York

**METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES –
OTHER TYPES OF CARE**

Payment of Medicare Part A and Part B Deductible/Coinsurance

- [5]. For QMB and QMB+ persons only, if the service has no regular Medicaid fee (because it is not covered under the New York State Medicaid State Plan), Medicaid will pay the full Medicare coinsurance liability.

- [6]7. Any Medicaid payments made to physicians and durable medical equipment providers for Medicare Part B services during the period April 1, 2005 through June 30, 2005, which are made subject to the 20% of the coinsurance payment provisions cited on Supplement 1 to Attachment 4.19-B page 3, will be the basis of a supplemental payment not to exceed \$5,000,000 pursuant to the following methodology:

For each physician and durable medical equipment provider that received such payments during the period April 1, 2005 through June 30, 2005, the Department of Health will determine the ratio of each physician's and durable medical equipment provider's payments to the total of such payments made during the period, expressed as a percentage.

For each physician, the Department of Health will multiply this percentage by \$4,700,000 and for each durable medical equipment provider the Department of Health will multiply this percentage by \$300,000, respectively. The result of such calculation will represent the "2005 coinsurance enhancement".

- [7]8. Any Medicaid payments made to psychiatrists for Medicare Part B services during the period April 1, 2006 through March 31, 2007, which are made subject to 20 percent of the coinsurance payment provisions cited on Supplement 1 to Attachment 4.19-B page 3, will be the basis of a supplemental payment not to exceed \$2,000,000 pursuant to the following methodology:

For each psychiatrist who received such Medicaid payments during the period April 1, 2006 through March 31, 2007, the Department of Health will determine the ratio of each psychiatrist's Medicaid payments to the total of such Medicaid payments made during the period, expressed as a percentage.

For each psychiatrist, the Department of Health will multiply this percentage by \$2,000,000. The result of such calculation will represent the "2006-2007 coinsurance enhancement".

TN #11-32

Supersedes TN #06-73

Approval Date DEC 19 2011

Effective Date OCT 01 2011