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**State/Territory Name: New York**

**State Plan Amendment (SPA)# 17-0040**

The file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS-179 Form
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
New York Regional Office  
26 Federal Plaza, Room 37-100  
New York, NY 10278



**REGIONAL OPERATIONS GROUP**

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ROG: SA: SPA NY 17-0040

May 3, 2019

Donna Frescatore  
Medicaid Director  
New York State Department of Health  
One Commerce Plaza, Suite 1211  
Albany, NY 12210.

Dear Ms. Frescatore:

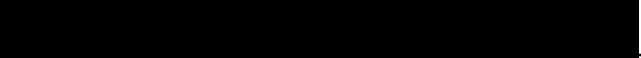

This is to notify you that New York State Plan Amendment (SPA) #17-0040 has been approved for adoption into the State Medicaid Plan with an effective date of April 1, 2017. This SPA authorizes supplemental payments for certain general hospitals for outpatient services furnished in the 2017 calendar year, with each hospital's payment made in a lump sum distribution that is proportionately allocable across the hospital's share of \$350,013,436 in outpatient services reimbursed all eligible hospitals in the 2017 calendar year.

If you have any questions, please contact me or Stephen Abbott of this office. I may be reached at (212) 264-2424, and Mr. Abbott at (518) 396-3810, ext. 113.

Sincerely,

  
Ricardo Holligan  
Acting Deputy Director  
Regional Operations Group

cc: R. Dayette  
R. Weaver  
S. Abbott  
M. Tabakov  
M. Lopez

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b> <b>FOR: CENTERS FOR MEDICARE &amp; MEDICAID SERVICES</b>		1. TRANSMITTAL NUMBER <u>1 7 — 0 0 4 0</u>	2. STATE New York
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE & MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID) TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
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		4. PROPOSED EFFECTIVE DATE April 1, 2017	
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate transmittal for each amendment)			
6. FEDERAL STATUTE/REGULATION CITATION § 1902(a) of the Social Security Act and 42 CFR 447		7. FEDERAL BUDGET IMPACT a. FFY <u>04/01/17-09/30/17</u> \$ 5,909.00 b. FFY <u>10/01/17-09/30/18</u> \$ 5,909.00	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT  Attachment: 4.19-B: Page 2(c)(v.2)		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (if Applicable)  Attachment: 4.19-B: Page 2(c)(v.2)	
10. SUBJECT OF AMENDMENT 2017 Voluntary UPL Payments - Outpatient (FMAP=50%)			
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 Division of Finance and Rate Setting 99 Washington Ave – One Commerce Plaza Suite 1432 Albany, NY 12210	
13. TYPED NAME Donna Frescatore			
14. TITLE Medicaid Director, Department of Health			
15. DATE SUBMITTED FEB 04 2019			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED		18. DATE APPROVED MAY 03, 2019	
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL APRIL 01, 2017		20. SIGNATURE OF REGIONAL OFFICIAL 	
21. TYPED NAME RICARDO HOLLIGAN		Acting Deputy Director Regional Operations Group	
23. REMARKS			

**New York  
2(c)(v.2)**

**Hospital Outpatient Supplemental Payments – Non-government Owned or Operated General Hospitals**

Effective for the period April 1, [2016] 2017 through March 31, [2017] 2018, supplemental payments are authorized for certain general hospitals for outpatient services furnished in the [2016] 2017 calendar year. Payments under this provision shall not exceed [\$19,345,603] \$23,636,291.

To receive payment under this provision, a general hospital, as defined in Attachment 4.19-A of the state plan, must meet all of the following:

- (i) must be non-government owned or operated;
- (ii) must operate an emergency room; and
- (iii) must have received an Indigent Care Pool payment for the [2016] 2017 rate year; and/or must have a facility specific projected disproportionate share hospital payment ceiling for the [2016] 2017 rate year that is greater than zero.

The amount paid to each eligible hospital shall be determined based on an allocation methodology utilizing data reported in eligible hospitals' most recent Institutional Cost Report submitted to the New York State Department of Health as of October 1, [2015] 2016:

- (a) Thirty percent of the payments under this provision shall be allocated to eligible general hospitals classified as a safety net hospital, based on each hospital's proportionate share of all safety net hospitals' Medicaid discharges for inpatient hospital services, including both Medicaid fee-for-service and managed care discharges for acute and exempt services.

For this purpose, a safety net hospital is defined as an eligible general hospital having either: a Medicaid share of total inpatient hospital discharges of at least 35%, including both fee-for-service and managed care discharges for acute and exempt services; or a Medicaid share of total discharges of at least 30%, including both fee-for-service and managed care discharges for acute and exempt services, and also providing obstetrical services.

- (b) Seventy percent of the payments under this provision shall be allocated to eligible general hospitals based on each hospital's proportionate share of all eligible hospitals' Medicaid discharges for inpatient hospital services, including both Medicaid fee-for-service and managed care discharges for acute and exempt services.

Eligible Hospitals shall receive payment under (a) and/or (b), as eligible, with each hospital's payment made in a lump sum distribution that is proportionately allocable across the hospital's share of the [\$400,796,649] \$350,013,436 in outpatient services reimbursed all eligible hospitals in the [2016] 2017 calendar year.

**TN #17-0040** \_\_\_\_\_ **Approval Date** 05/03/2019  
**Supersedes TN # 16-0045** \_\_\_\_\_ **Effective Date** 04/01/2017