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State/Territory Name: NY

State Plan Amendment (SPA): NY-19-0029

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form (with 179-like data)
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services
Center for Medicaid & CHIP Services
230 South Dearborn Street
Chicago, Illinois 60604



Financial Management Group

September 25, 2024

Amir Bassiri
New York State Medicaid Director
Department of Health (DOH)
99 Washington Ave-One Commerce Plaza Suite 1432
Albany, NY 12210

RE: TN 19-0029

Dear Director Bassiri:

The Centers for Medicare & Medicaid Services (CMS) has reviewed the proposed New York state plan amendment (SPA) to Attachment 4.19-B of NY-19-0029, which was submitted to CMS on June 28, 2019. This plan amendment eliminates the existing sunset date for Certified Home Health Agencies (CHHA) episodic payment methodology.

We reviewed your SPA submission for compliance with statutory requirements including in sections 1902(a)(2), 1902(a)(13), 1902(a)(30), and 1903 as it relates to the identification of an adequate source for the non-federal share of expenditures under the plan, as required by 1902(a)(2), of the Social Security Act and the applicable implementing Federal regulations.

Based upon the information provided by the state, we have approved the amendment with an effective date of April 1, 2019. We are enclosing the approved CMS-179 and a copy of the new state plan pages.

If you have any additional questions or need further assistance, please contact Jerica Bennett at 410-786-1167 or via email at jerica.bennett@cms.hhs.gov.

Sincerely,



Todd McMillion
Director
Division of Reimbursement Review

Enclosures

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES	1. TRANSMITTAL NUMBER <u>1 9 — 0 0 2 9</u>	2. STATE New York
	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID) TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE & MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE April 1, 2019	

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 § 1902(a) of the Social Security Act and 42 CFR 447 1905(a)(7) Home Healthcare Services	7. FEDERAL BUDGET IMPACT a. FFY <u>04/01/19-09/30/19</u> \$ <u>0.00</u> b. FFY <u>10/01/19-09/30/20</u> \$ <u>0.00</u>
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Attachment 4.19-B: Pages 4(5), 4(8)	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) Attachment 4.19-B: Pages 4(5), 4(8)

10. SUBJECT OF AMENDMENT
~~CHHA Episodic Rebasng~~ Eliminate the Existing Sunset Date on the CHHA Episodic Payment Methodology (FMAP=50%)

11. GOVERNOR'S REVIEW (Check One)

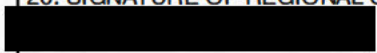
GOVERNOR'S OFFICE REPORTED NO COMMENT OTHER, AS SPECIFIED
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL 	16. RETURN TO New York State Department of Health 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 June 28, 2019	

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED 06/28/2019	18. DATE APPROVED September 25, 2024
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PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL 04/01/2019	20. SIGNATURE OF REGIONAL OFFICIAL 
21. TYPED NAME Todd McMillion	22. TITLE Director, Division of Reimbursement Review

23. REMARKS

Pen and ink changes

Box 6: Federal Statute/Regulation Citation § 1905 (a) (7) Home Healthcare Services

Box 10 Subject of Amendment: Eliminate the Existing Sunset Date on the CHHA Episodic Payment Methodology

**New York
4(5)**

1905(a)(7) Home Healthcare Services

such agency to the state and will be recouped through reductions in the Medicaid payments due to the agency. In those instances where an interim payment adjustment was applied to an agency, and such agency's actual per-patient Medicaid claims are determined to be less than the agency's adjusted ceiling, the amount by which such Medicaid claims are less than the agency's adjusted ceiling will be remitted to each such agency by the Department in a lump sum amount.

- (f) Interim payment adjustments pursuant to this section will be based on Medicaid paid claims for services provided by agencies in the base year 2009. Amounts due from reconciling payment adjustments will be based on Medicaid paid claims for services provided by agencies in the base year 2009 and Medicaid paid claims for services provided by agencies in the reconciliation period April 1, 2011 through March 31, 2012. The interim methodology will conclude on March 31, 2012.
- (g) The payment adjustments will not result in an aggregate annual decrease in Medicaid payments to providers in excess of \$200 million. If upon reconciliation it is determined that application of the calculated ceilings would result in an aggregate annual decrease of more than \$200 million, all providers' ceilings would be adjusted proportionately to reduce the decrease to \$200 million. Such reconciliation will not be subject to subsequent adjustment.
- (h) The Commissioner may require agencies to collect and submit any data required to implement the provisions of this subdivision.
- (i) Effective May 2, 2012 and thereafter, Medicaid payments for services provided by certified home health agencies, except as otherwise noted in the plan, will be based on payment amounts calculated for 60-day episodes of care. The Commissioner will establish a base price for 60-day episodes of care, and this price will be adjusted for the case mix index, which applies to each patient, and for regional wage differences. Effective May 2, 2012 and thereafter, such case mix adjustments will include an adjustment factor for CHHAs providing care to Medicaid-eligible patients, more than 50%, but no fewer than two hundred, of whom are eligible for OPWDD services.

The initial statewide episodic base price to be effective May 2, 2012, will be calculated based on paid Medicaid claims, as determined by the Department, for services provided by all certified home health agencies during the base year period of January 1, 2009 through December 31, 2009. The base price will be calculated by grouping all paid claims in the base period into 60-day episodes of care. All such 2009 episodes, which include episodes beginning in November or December of 2008 or ending in January or

TN #19-0029

Approval Date September 25, 2024

Supersedes TN #15-0029

Effective Date April 1, 2019

**New York
4(8)**

1905(a)(7) Home Healthcare Services

For services provided on and after May 1, 2012, please see the website below for detailed information, which includes information related to the following components of payments for 60-day episodes of care including (as posted on March 14, 2012):

- Definition of 60-day episode of care
- Base price
- Resource groups
- Case mix indices
- Outlier thresholds
- Regional wage index factors
- Weighted average rates used to calculate total costs

www.health.ny.gov/facilities/long_term_care/reimbursement/chha/index.htm

For periods on and after March 1, 2014, the Commissioner of Health will increase Medicaid rates of payment for services provided by certified home health agencies (CHHA) to address cost increases stemming from the wage increases required by implementation of the provisions of section 3614-c of the Public Health Law.

The payment increase for CHHA episodic rates will equal the difference between the minimum per hour rate and the weighted average home health aide rate reflected in the 2009 episodic expenditure base and subsequently determined episodic base periods. This amount will be further adjusted for accurate application to the episodic bundled payment to ensure the adjustment is applied to the estimated home health aide portion of the episodic payment and not to the estimated professional nursing and therapy services portions of the payment. An adjustment is also made to reflect the weighted average minimum home health aide rate for the low utilization and outlier components of the rate calculation.

For CHHA non-episodic rates (the payment for qualified individuals under 18 years of age), an add-on will be provided which represents the difference between the home health hourly rate in the current rate and the minimum home health aide hourly rate.

TN **#19-0029**

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Effective Date **April 1, 2019**