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State/Territory Name: NY

State Plan Amendment (SPA) #: 21-0064

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
233 North Michigan Ave., Suite 600
Chicago, Illinois 60601



Financial Management Group

June 6, 2022

Brett R. Friedman
Acting Medicaid Director
99 Washington Ave – One Commerce Plaza Suite 1432
Albany, NY 12210

RE: TN 21-0064

Dear Mr. Friedman:

We have reviewed the proposed New York State Plan Amendment (SPA) to Attachment 4.19-B NY 21-0064, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on December 30, 2021. This plan amendment updates the rehabilitation rates for addiction services and adds residential reintegration program to the rehabilitation program.

Based upon the information provided by the State, we have approved the amendment with an effective date of November 1, 2021. 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 Kristina Mack-Webb at 617-565-1225 or Kristina.Mack-Webb@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

2 1 0 0 6 4

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

November 1, 2021

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

7. FEDERAL BUDGET IMPACT

a. FFY 11/01/21-09/30/22 \$ 11,940,568.00 115,120.00

b. FFY 10/01/22-09/30/23 \$ 0.00 495,908.00

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Attachment 4.19-B: Pages 10(a.1), 10(a.3) 10(a.3.i)

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (*If Applicable*)

Attachment 4.19-B: Pages 10(a.1), 10(a.3)

10. SUBJECT OF AMENDMENT

Rate Increases for Outpatient and Residential Addiction Services (OASAS)
Enhanced FMAP

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

13. TYPED NAME

Brett R. Friedman

14. TITLE

Acting Medicaid Director, Department of Health

15. DATE SUBMITTED

December 30, 2021

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

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED

December 30, 2021

18. DATE APPROVED

June 6, 2022

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL

November 1, 2021

20. SIGNATURE OF REGIONAL OFFICIAL

21. TYPED NAME

Todd McMillion

22. TITLE

Director, Division on Reimbursement Review

23. REMARKS

**New York
10(a.1)**

1905(a)(13) Other Diagnostic, Screening, Preventive, and Rehabilitative Services

Rehabilitative Services - Addiction Services

Addiction Residential Services

The New York State Office of Alcoholism and Substance Abuse Services establishes rates of reimbursement for the provision of rehabilitative services to persons in non-hospital freestanding residential addiction facilities under part 818. Allowable base year treatment costs are determined by application of principles developed for determining reasonable cost payments for direct and indirect costs consistent with 2 CFR 200 and 45 CFR 75. Utilizing only allowable treatment related costs; a provider-specific Medicaid treatment rate will be established. Room and board related costs are not Medicaid reimbursable. All rates are published on the State website at:

<https://www.oasas.ny.gov/manicare/documents/IPRArt32.xlsx>

Reimbursement for all other non-hospital freestanding residential addiction facilities under Part 820 are paid based upon a Medicaid fee schedule established by the State of New York. The State developed fee schedule is the same for both governmental and private individual providers. The agency's fee schedule for stabilization and rehabilitation services was set as of July 1, 2016 and is effective for services provided on or after that date. The reintegration service element rates are revised effective July 1, 2022, with the rates shown in the table below. All rates are published on the State website at:

<https://oasas.ny.gov/reimbursement/non-ambulatory>

Service Element	7-1-22 Fee	
	Upstate	Downstate
Residential Stabilization	\$151.53	\$165.27
Residential Rehabilitation	\$142.01	\$163.56
Residential Reintegration	\$115.42	\$135.03

The fee development methodology will build residential fees considering each component of provider costs as outlined below. These reimbursement methodologies will produce rates sufficient to enlist enough providers so that services under the plan are available to beneficiaries at least to the extent that these services are available to the general population. as required by 42 CFR 447.204. These rates comply with the requirements of Section 1902(a)(3) of the Social Security Act and 42 CFR 447.200, regarding payments and consistent with economy, efficiency, and quality of care. Provider enrollment and retention will be reviewed periodically to ensure that access to care and adequacy of payments are maintained. The Medicaid fee schedule will be equal to or less than the maximum allowable under the same Medicare rate. where there is a comparable Medicare rate. Room and board costs are not included in the Medicaid fee schedule.

A unit of service is defined according to the Healthcare Common Procedure Coding System approved code set per the national correct coding initiative unless otherwise specified.

TN #21-0064

Approval Date June 6, 2022

Supersedes TN #16-0004

Effective Date November 1, 2021

**New York
10(a.3.i)**

1905(a)(13) Other Diagnostic, Screening, Preventive, and Rehabilitative Services

Reimbursement methodology (cont.)

OASAS freestanding APG base rates effective July 1, 2022, are as follows.

Service Type	7-1-22 Fee	
	Upstate	Downstate
Outpatient Addiction Rehab	\$150.11	\$175.64
Outpatient Addiction Day Rehab	\$150.52	\$176.12
Opioid Treatment Program	\$138.31	\$161.82

OASAS freestanding APG base rates for in-community services effective July 1, 2022, with all three services sharing the same in-community APG base rates, are as follows:

Service Type	7-1-22 Fee	
	Upstate	Downstate
Outpatient Addiction Rehab - In-Community	\$150.52	\$176.12
Outpatient Addiction Day Rehab - In-Community	\$150.52	\$176.12
Opioid Treatment Program - In-Community	\$150.52	\$176.12

TN #21-0064 _____

Approval Date June 6, 2022

Supersedes TN #NEW _____

Effective Date November 1, 2021