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State/Territory Name: New York

State Plan Amendment (SPA) NY: 22-0009

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

November 8, 2022

Amir Bassiri
State Medicaid Director
New York State Department of Health
99 Washington Ave
One Commerce Plaza, Suite 1605
Albany, NY 12237

RE: TN 22-0009

Dear Director Bassiri:

We have reviewed the proposed New York State Plan Amendment (SPA) to Attachment 4.19-B NY 22-0009, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on March 31st, 2022. This plan amendment updates the Ambulatory Patient Group (APG) for Clinic Free Standing Clinics.

Based upon the information provided by the State, we have approved the amendment with an effective date of January 1, 2022. 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 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>2 2</u> — <u>0 0 0 9</u>	2. STATE <u>NY</u>
3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT <input checked="" type="radio"/> XIX <input type="radio"/> XXI	

TO: CENTER DIRECTOR CENTERS FOR MEDICAID & CHIP SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE January 01, 2022
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5. FEDERAL STATUTE/REGULATION CITATION 1905(a)(9) Clinic Services § 1902(a) of the Social Security Act and 42 CFR 447	6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars) a. FFY <u>01/01/22-09/30/22</u> \$ <u>0</u> b. FFY <u>10/01/22-09/30/23</u> \$ <u>0</u>
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7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Attachment 4.19-B Pages: 2(g)(1), 2(g)(2), 2(g)(3), 2(g)(3.1)	8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) Attachment 4.19-B Pages: 2(g)(1), 2(g)(2), 2(g)(3), 2(g)(3.1)
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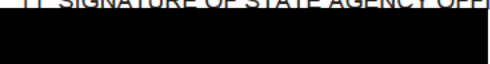
9. SUBJECT OF AMENDMENT

January 2022 APG Updates for Freestanding Clinics

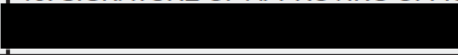
10. GOVERNOR'S REVIEW (Check One)

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

OTHER, AS SPECIFIED:

11. SIGNATURE OF STATE AGENCY OFFICIAL 	15. 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
12. TYPED NAME Brett R. Friedman	
13. TITLE Acting Medicaid Director	
14. DATE SUBMITTED March 31, 2022	

FOR CMS USE ONLY	
16. DATE RECEIVED March 31, 2022	17. DATE APPROVED November 8, 2022

PLAN APPROVED - ONE COPY ATTACHED	
18. EFFECTIVE DATE OF APPROVED MATERIAL January 1, 2022	19. SIGNATURE OF APPROVING OFFICIAL 
20. TYPED NAME OF APPROVING OFFICIAL Todd McMillon	21. TITLE OF APPROVING OFFICIAL Director, Division of Reimbursement Review

22. REMARKS

Pen and ink change to block 7 and 8 to reflect 4.19-B page 2(g)(3.1) was authorized via email from New York on April 5, 2022.

Technical Correction-1/10/22-update to Box 5 to change citation to 1905(a)(9) Clinic Services-J. Bennett

**New York
2(g)(1)**

1905(a)(9) Clinic Services

APG Reimbursement Methodology – Freestanding Clinics

For the purposes of sections pertaining to the Ambulatory Patient Group, and excepted as otherwise noted, the term freestanding clinics will mean freestanding Diagnostic and Treatment Centers (D&TCs) and will include freestanding ambulatory surgery centers.

For dates of service beginning September 1, 2009, through December 31, 2022, for freestanding Diagnostic and Treatment Center (D&TC) and ambulatory surgery center services, the operating component of rates will be reimbursed using a methodology that is prospective and associated with resource utilization to ensure that ambulatory services are economically and efficiently provided. The methodology is based upon the Ambulatory Patient Group (APG) classification and reimbursement system. This methodology incorporates payments for the separate covered Medicaid benefits in accordance with the payment methods for these services. Reimbursement for the capital component of these rates will be made as an add-on to the operating component as described in the APG Rate Computation section.

The Ambulatory Patient Group patient classification system is designed to explain the amount and type of resources used in an ambulatory visit by grouping patients with similar clinical characteristics and similar resource use into a specific APG. Each procedure code associated with a patient visit is assigned to an APG using the grouping logic developed by 3M Health Information Systems (3M). When evaluation and management codes are coded, the APG grouping logic also uses the diagnosis code to make the APG assignment. Ultimately, the procedures and diagnoses coded for a patient visit will result in a list of APGs that correspond on a one-for-one basis with each procedure coded for the visit.

TN **#22-0009**
Supersedes TN **#21-0010**

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**New York
2(g)(2)**

1905(a)(9) Clinic Services**APG Reimbursement Methodology – Freestanding Clinics**

The following links direct users to the various definitions and factors that comprise the APG reimbursement methodology, which can also be found in aggregate on the APG website at http://www.health.ny.gov/health_care/medicaid/rates/apg/index.htm. In addition, prior period information associated with these links is available upon request to the Department of Health.

Contact Information:

http://www.health.ny.gov/health_care/medicaid/rates/apg/index.htm Click on "Contacts."

3M APG Crosswalk*:

http://www.health.ny.gov/health_care/medicaid/rates/apg/index.htm Click on "3M Versions and Crosswalks," then on "3M APG Crosswalk" toward bottom of page, and finally on "Accept" at bottom of page.

APG Alternative Payment Fee Schedule; updated as of 01/01/11:

http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm Click on "Alternative Payment Fee Schedule."

APG Consolidation Logic; logic is from version 3.17.22.1 and 3.17.22.2, updated as of 01/01/22 and 04/01/22:

http://www.health.ny.gov/health_care/medicaid/rates/bundling/ Click on "2022"

APG 3M Definitions Manual; version 3.17 updated as of and 01/01/22 and 04/01/22:

http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm Click on "3M Versions and Crosswalk."

APG Investments by Rate Period; updated as of 07/01/10:

http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm Click on "Investments by Rate Period."

APG Relative Weights; updated as of 01/01/22:

http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm Click on "Weights, Proc Weights, and APG Fee Schedule Amounts."

Associated Ancillaries; updated as of 01/01/20:

http://www.health.ny.gov/health_care/medicaid/rates/apg/index.htm Click on "Ancillary Policy."

*Older 3M APG crosswalk versions available upon request.

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2(g)(3)**

1905(a)(9) Clinic Services

Carve-outs; updated as of 10/01/12. The full list of carve-outs is contained in Never Pay APGs and Never Pay Procedures:

http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm Click on "Carve Outs."

Coding Improvement Factors (CIF); updated as of 04/01/12 and 07/01/12:

http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm Click on "CIFs by Rate Period."

If Stand Alone, Do Not Pay APGs; updated 01/01/15:

http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm Click on "If Stand Alone, Do Not Pay APGs."

If Stand Alone, Do Not Pay Procedures; updated 01/01/19:

http://www.health.state.ny.us/health_care/medicaid/rates/methodology/index.htm Click on "If Stand Alone, Do Not Pay Procedures."

Modifiers; updated as of 07/01/18:

http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm Click on "Modifiers."

Never Pay APGs; updated as of 07/01/21:

http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm Click on "Never Pay APGs."

Never Pay Procedures; updated as of 01/01/22:

http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm Click on "Never Pay Procedures."

No-Blend APGs; updated as of 01/01/20:

http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm Click on "No Blend APGs."

No-Blend Procedures; updated as of 01/01/11:

http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm Click on "No-Blend Procedures."

No Capital Add-on APGs; updated as of 01/01/20:

http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm Click on "No Capital Add-on APGs."

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**New York
2(g)(3.1)**

1905(a)(9) Clinic Services

No Capital Add-on Procedures; updated as of 07/01/17:

http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm Click on "No Capital Add-on Procedures."

Non-50% Discounting APG List; updated as of 07/01/20:

http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm Click on "Non-50% Discounting APG List."

Rate Codes Carved Out of APGs; updated as of 01/01/15:

http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm Click on "Rate Codes Carved Out of APGs for Article 28 facilities."

Rate Codes Subsumed by APGs; updated as of 01/01/11 and 07/01/11:

http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm Click on "Rate Codes Subsumed by APGs – Freestanding Article 28."

Statewide Base Rate APGs; updated as of 01/01/20:

http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm Click on "Statewide Base Rate APGs."

Packaged Ancillaries in APGs; updated as of 01/01/22:

http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm Click on "Packaged Ancillaries in APGs."

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