



Department of Health

KATHY HOCHUL
Governor

JAMES V. McDONALD, M.D., M.P.H.
Acting Commissioner

MEGAN E. BALDWIN
Acting Executive Deputy Commissioner

May 4, 2023

Dear Health Clinic Administrator:

Pursuant to our tribal consultation policy, enclosed please find a summary of each proposed amendment to the New York State Plan. We encourage you to review the enclosed information and use the link below to also view the plan pages and Federal Public Notices for each proposal. Please provide any comments or request a personal meeting to discuss the proposed changes within two weeks of the date of this letter.

https://www.health.ny.gov/regulations/state_plans/tribal/

We appreciate the opportunity to share this information with you and if there are any comments or concerns please feel free to contact Regina Deyette, Medicaid State Plan Coordinator, Office of Health Insurance Programs at 518-473-3658.

Sincerely,

/S/

Amir Bassiri
Medicaid Director
Office of Health Insurance Programs

Enclosures

cc: Sean Hightower
US Dept. of Health and Human Services

Nancy Grano
CMS Native American Contact

Michele Hamel
NYSDOH American Indian Health Program

SUMMARY
SPA #23-0039

This State Plan Amendment proposes to establish an Alternative Payment Methodology (APM) for Federally Qualified Health Centers (FQHCs) and Rural Health Clinics (RHCs) and to clarify the reimbursement methodology for the Supplemental Payment Wrap Program.

DRAFT

New York
2(c)(iv)(f)

1905(a)(2)(B) Rural Health Clinic (RHC) Services and 1905(a)(2)(C) Federally Qualified Health Centers(FQHC)

APM: Payment in Addition to Pre-existing PPS Rate

Effective April 1, 2023, eligible Federally Qualified Health Centers (FQHCs) and Rural Health Clinics (RHCs) will be designated as eligible by the Department to receive the additional payment under this section in order to preserve and improve beneficiary access to care and avoid loss of services in areas of concern.

The Department will routinely review eligible providers under this section and obtain information as it deems necessary to evaluate and determine need and effectiveness of previous payments.

For eligible providers, the annual amount of the additional payment that will be paid each state fiscal year, which runs April 1st through March 31st, on or before June 30th will be listed in the table which follows and will not be subject to subsequent adjustment or reconciliation. Furthermore, the FQHC/RHC payments made pursuant to this section are considered an alternative payment methodology (APM) and will be made in addition to the FQHC/RHC Prospective Payment System (PPS) rate. The APM will be agreed to by the Department of Health and the FQHC/RHC and will result in payment to the FQHC/RHC of an amount that is at least equal to the PPS rate. FQHCs/RHCs that do not choose an APM will be paid at their PPS per visit rate.

Additional payments have been approved for the following providers for the amounts listed:

<u>Provider Name</u>	<u>Gross APM Payment Amount</u>
<u>Anthony L Jordan Health Ctr</u>	<u>\$6,515,434.43</u>
<u>Apicha Comm Hlth Ctr</u>	<u>\$9,800,000.00</u>
<u>Beacon Christian</u>	<u>\$50,000.00</u>
<u>Beacon Christian Community Health Center</u>	<u>\$100,000.00</u>
<u>Bed Stuy Family Hlth Ctr</u>	<u>\$2,268,696.78</u>
<u>Betances Health Center</u>	<u>\$4,112,760.34</u>
<u>Brooklyn Plaza Medical Ctr</u>	<u>\$1,269,587.58</u>
<u>Brownsville Multi-Srv Fam H C</u>	<u>\$6,020,157.32</u>
<u>Care For Homeless, Inc.</u>	<u>\$1,077,951.00</u>
<u>Comm Hlth Ctr Buffalo Inc</u>	<u>\$2,255,800.00</u>
<u>Community Health Center Of Richmond, Inc.</u>	<u>\$165,000.00</u>
<u>Community Health Initiatives Inc</u>	<u>\$424,823.00</u>
<u>Community Health Project</u>	<u>\$16,833,184.55</u>

TN #23-0039

Approval Date _____

Supersedes TN NEW

Effective Date April 1, 2023

New York
2(c)(iv)(g)**1905(a)(2)(B) Rural Health Clinic (RHC) Services and 1905(a)(2)(C) Federally Qualified Health Centers (FQHC)****Providers (continued)**

<u>Provider Name</u>	<u>Gross APM Payment Amount</u>
<u>Community Healthcare Network</u>	<u>\$4,900,059.42</u>
<u>Cornerstone Family Healthcare</u>	<u>\$3,807,391.81</u>
<u>Cumberland Dtc</u>	<u>\$2,247,276.86</u>
<u>Damian Family Care Center</u>	<u>\$12,047,724.11</u>
<u>East Harlem Council Hum Serv</u>	<u>\$2,380,215.86</u>
<u>East Hill Family Medical</u>	<u>\$399,946.08</u>
<u>East New York Dtc</u>	<u>\$3,231,301.64</u>
<u>Ehs, Inc. D/B/A Evergreen Health Services</u>	<u>\$15,251,688.05</u>
<u>Ezras Choilim Hlth Ctr Inc</u>	<u>\$1,132,228.17</u>
<u>Finger Lakes Migrant Hlth</u>	<u>\$863,409.74</u>
<u>Floating Hospital</u>	<u>\$1,100,000.00</u>
<u>Gouverneur Dtc</u>	<u>\$5,598,364.58</u>
<u>Harmony Healthcare of Long Island</u>	<u>\$500,000.00</u>
<u>Heritage Health Care</u>	<u>\$3,100,000.00</u>
<u>His Branches</u>	<u>\$173,130.00</u>
<u>Housing Works East New York</u>	<u>\$10,805,223.00</u>
<u>Hudson Headwaters Hlth Network</u>	<u>\$7,198,392.39</u>
<u>Jericho Road Community Hlth Ctr</u>	<u>\$5,230,204.31</u>
<u>Joseph P Addabbo Family Hlth</u>	<u>\$5,759,415.57</u>
<u>Lasante Health Center, Inc</u>	<u>\$584,736.43</u>
<u>Long Island Select Healthcare</u>	<u>\$3,889,256.51</u>
<u>L'Refauh Med & Rehab Ctr., Inc</u>	<u>\$2,404,086.96</u>
<u>Martin Luther King Hlth Ctr</u>	<u>\$6,292,863.53</u>
<u>Morris Heights Health Center</u>	<u>\$8,114,863.90</u>
<u>Morrisania Dtc</u>	<u>\$1,886,219.55</u>
<u>Mt Vernon Neigh Hlth Ctr Inc</u>	<u>\$313,500.00</u>
<u>Northern Oswego Cnty Hlth Svc</u>	<u>\$4,012,949.00</u>
<u>Northwest Buffalo Comm H C</u>	<u>\$4,945,114.91</u>
<u>Oak Orchard Comm Hlth Ctr Inc</u>	<u>\$2,559,330.00</u>
<u>Oda Primary Health Care Center</u>	<u>\$2,365,531.36</u>
<u>Open Door Family Medical Center, Inc.</u>	<u>\$3,150,473.99</u>

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Supersedes TN NEWEffective Date April 1, 2023

New York
2(c)(iv)(h)**1905(a)(2)(B) Rural Health Clinic (RHC) Services and 1905(a)(2)(C) Federally Qualified Health Centers (FQHC)****Providers (continued)**

<u>Provider Name</u>	<u>Gross APM Payment Amount</u>
<u>P R O M E S A</u>	<u>\$1,740,748.91</u>
<u>Premium Health Inc</u>	<u>\$1,500,000.00</u>
<u>Rambam Family Health Center</u>	<u>\$330,000.00</u>
<u>Refuah Health Center Inc</u>	<u>\$5,922,198.93</u>
<u>Renaissance Health Care Network</u>	<u>\$1,166,977.53</u>
<u>Schenectady Family Hlth Svc</u>	<u>\$2,765,458.17</u>
<u>Segundo Ruiz Belvis Dtc</u>	<u>\$959,252.54</u>
<u>Settlement Health</u>	<u>\$1,016,650.60</u>
<u>Southern Tier Community Health Center Network</u>	<u>\$50,000.00</u>
<u>Sun River Health, Inc</u>	<u>\$16,165,930.92</u>
<u>Syracuse Comm Health Ctr Inc</u>	<u>\$2,975,869.92</u>
<u>The Chautauqua Center</u>	<u>\$2,333,954.35</u>
<u>The Institute For Family Health</u>	<u>\$11,654,474.56</u>
<u>Trillium Health, Inc</u>	<u>\$9,764,541.94</u>
<u>Union Community</u>	<u>\$2,889,188.86</u>
<u>Upper Room Aids Ministry</u>	<u>\$5,569,424.71</u>
<u>Upstate Family Health Center Inc</u>	<u>\$2,654,774.00</u>
<u>Urban Health Plan Inc</u>	<u>\$7,651,721.15</u>
<u>VIP Community Services</u>	<u>\$2,408,659.95</u>
<u>Whitney M Young Health Center</u>	<u>\$5,386,500.00</u>
<u>William F Ryan Comm Hlth Ctr</u>	<u>\$8,054,307.96</u>

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Supersedes TN NEWEffective Date April 1, 2023

New York
2(c)(iv.1)

1905(a)(2)(B) Rural Health Clinic (RHC) Services and 1905(a)(2)(C) Federally Qualified Health Centers (FQHC)

For services provided on or after January 1, 2001, until such time as the new methodology is implemented, facilities ~~shall~~ will be paid via the methodology in place as of December 31, 2000. The difference between the two methodologies ~~shall~~ will be calculated and the sum ~~shall~~ will be paid, on a per visit basis, in the fiscal year immediately following implementation of this new methodology.

~~For services provided on or after January 1, 2001 by FQHC's participating in managed care, supplemental payments will be made to these FQHC's that will be equal to 100% of the difference between the facilities reasonable cost per visit rate and the amount per visit reimbursed by the managed care plan.~~

The reimbursement methodology that the Department of Health will use for FQHCs located out-of-state will be the currently approved FQHC rate of the provider's home state.

Supplemental Payment (Wrap) Program

For services provided by Federally Qualified Health Centers (FQHCs) and Rural Health Clinics (RHCs) participating in Medicaid managed care, supplemental payments will be made to these FQHCs/RHCs that will be equal to 100% of the difference between the facility's reasonable cost per visit rate and the amount per visit reimbursed by the Medicaid managed care health plan.

The Supplemental Payment (Wrap) Program utilizes data submitted on an annual basis by FQHCs/RHCs via the Managed Care Visit and Revenue (MCVR) report which provides calendar year managed care cost experience for the FQHCs/RHCs. This information is used to calculate an average managed care payment received by FQHCs/RHCs which is then compared to the blended Medicaid FQHC/RHC fee-for-service prospective payment system (PPS), group psychotherapy and individual offsite rates. The difference between the average amount received by the FQHCs/RHCs from the Medicaid managed care health plans and the amount that fee-for-service would have paid is the prospective per-visit Wrap rate amount. Using this methodology, a unique Wrap rate is calculated for each FQHC/RHC.

For newly established FQHCs/RHCs that do not have managed care experience, the Department of Health will use the regional managed care per-visit average rate to calculate the initial Wrap rate. This rate will remain in effect until the newly established FQHC/RHC has twelve months of experience to complete the MCVR report.

Additionally, annual audits of the underlying data used in the MCVR report will occur to ensure the accuracy of the rates being paid to FQHCs/RHCs. Audits may result in retroactive changes to wrap rates if FQHC/RHC reported cost data is modified.

TN #23-0039

Approval Date _____

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Effective Date April 1, 2023

MISCELLANEOUS NOTICES/HEARINGS

Notice of Abandoned Property Received by the State Comptroller

Pursuant to provisions of the Abandoned Property Law and related laws, the Office of the State Comptroller receives unclaimed monies and other property deemed abandoned. A list of the names and last known addresses of the entitled owners of this abandoned property is maintained by the office in accordance with Section 1401 of the Abandoned Property Law. Interested parties may inquire if they appear on the Abandoned Property Listing by contacting the Office of Unclaimed Funds, Monday through Friday from 8:00 a.m. to 4:30 p.m., at:

1-800-221-9311
or visit our web site at:
www.osc.state.ny.us

Claims for abandoned property must be filed with the New York State Comptroller's Office of Unclaimed Funds as provided in Section 1406 of the Abandoned Property Law. For further information contact: Office of the State Comptroller, Office of Unclaimed Funds, 110 State St., Albany, NY 12236.

PUBLIC NOTICE Department of Health

Pursuant to 42 CFR Section 447.205, the Department of Health hereby gives public notice of the following:

The Department of Health proposes to amend the Title XIX (Medicaid) State Plan for institutional, non-institutional and long-term care services to comply with statutory provisions. The following changes are proposed:

All Services

Effective on or after April 1, 2023, the Department of Health will adjust rates statewide to reflect a 2.5% percent Cost of Living Adjustment for the following Office of Mental Health (OMH), Office of Addiction Services and Supports (OASAS), and Office for People With Developmental Disabilities (OPWDD) State Plan Services: OMH Outpatient Services, OMH Clinic Services, OMH Rehabilitative Services, Children Family Treatment Support Services, Health Home Plus, Psychiatric Residential Treatment Facilities for Children and Youth, OASAS Outpatient Addiction Services, OASAS Freestanding (non-hospital) Inpatient Rehabilitation Services, OASAS Freestanding Inpatient Detox Services, OASAS Addiction Treatment Centers, OASAS Part 820 Residential Services, OASAS Residential Rehabilitation Services for Youth, Intermediate Care Facility (ICF/IDD), Day Treatment, Article 16 Clinic Services, Specialty Hospital, Health Home Services Provided by Care Coordination Organizations, Independent Practitioner Services for Individual with Developmental Disabilities (IPSIDD), and OPWDD Crisis Services.

The estimated net aggregate increase in gross Medicaid expenditures attributable to this initiative contained in the budget for state fiscal year 2023-2024 is \$53.6 million.

Non-Institutional Services

Effective on and after April 1, 2023, the New York State Department of Health proposes to amend the State Plan to allow for reimbursement of Medicaid covered services provided by pharmacists within their lawful scope of practice, including pharmacist prescribing oral contraceptives and smoking cessation products.

The estimated net aggregate increase in gross Medicaid expenditures attributable to this initiative contained in the budget for state fiscal year 2023-2024 is \$1.6 million. In the out years the net aggregate in gross Medicaid expenditure for smoking cessation products will be a savings.

Effective on or after April 1, 2024, this proposal would eliminate Prescriber Prevals which applies to the Medicaid fee-for-service pharmacy program. Doing so would reduce inappropriate prescribing, remove barriers that limit the State's ability to manage pharmacy programs, and minimize the inappropriate influence of pharmaceutical manufacturers in the prior authorization process.

The estimated net aggregate decrease in gross Medicaid expenditures attributable to this initiative contained in the budget for state fiscal year 2024-2025 is (\$99 million).

Effective on or after April 1, 2023, the Department will remove copayments for over the counter (OTC) products and limit OTC products to those that are medically necessary. Clinically critical products such as aspirin and vitamins and minerals used for deficiencies will continue to be covered, as will less expensive OTC products that are in Preferred Drug Program (PDP) drug classes.

The estimated net aggregate decrease in gross Medicaid expenditures attributable to this initiative contained in the budget for state fiscal year 2023-2024 is (\$17.4 million).

Effective on and after April 1, 2023, the New York State Department of Health proposes to amend the State Plan to modify the specific drug class language for excluded drugs, to alternatively use current publicly available Department resources for coverage transparency.

There is no estimated change to annual gross Medicaid expenditures as a result of this proposed amendment.

Effective on or after April 1, 2023, this proposal continues the supplemental upper payment limit payments made to general hospitals, other than major public general hospitals under non-institutional services of \$339 million annually.

There is no estimated change to gross Medicaid expenditures as a result of this proposed amendment.

For state fiscal year beginning April 1, 2023, through March 31, 2024, this proposal continues hospital outpatient payment adjustments that increase the operating cost components of rates of payment for hospital outpatient and emergency departments on and after April 1, 2011, for public general hospitals other than those operated by the State of New York or the State University of New York, which are located in a city with a population of over one million. The amount to be paid will be up to \$287 million annually based on criteria and methodology set by the Commissioner of Health, which the Commissioner may periodically set through a memorandum of understanding with the New York City Health and Hospitals Corporation. Such adjustments shall be paid by means of one or more estimated payments. Payments may be added to rates of payment or made as aggregate payments.

There is no estimated change to gross Medicaid expenditures as a result of this proposed amendment.

For state fiscal year beginning April 1, 2023, through March 31, 2024, this proposal continues payment of up to \$5.4 million in additional annual Medicaid payments to county operated free-standing clinics, not including facilities operated by the New York City Health

and Hospitals Corporation, for services provided by such DTC and those provided by a county operated freestanding mental health or substance abuse DTC. Distributions shall be based on each eligible facility's proportionate share of the sum of all DTC and clinic visits for all eligible facilities receiving payments for the base year two years prior to the rate year. The proportionate share payments may be added to rates of payment or made as aggregate payments to eligible facilities.

There is no estimated change to gross Medicaid expenditures as a result of this proposed amendment.

Effective April 1, 2023, and each state fiscal year thereafter, this amendment proposes to revise the calculation to extract data later on in the calendar year for the applicable dates of service. The current authority to make supplemental payments for services provided by physicians, nurse practitioners and physician assistants will continue.

There is no estimated change to gross Medicaid expenditures as a result of this proposed amendment.

Effective on or after April 1, 2023, the Department of Health will adjust rates for Assisted Living Program (ALP) providers by a 5% across the board increase to the most recently active Operating rate in effect on March 31, 2023, for each provider.

The estimated net aggregate increase in gross Medicaid expenditures attributable to this initiative contained in the budget for state fiscal year 2023-2024 is \$18 million.

Effective on or after April 1, 2023, the Department of Health will adjust rates for Adult Day Health Care providers by a 5% across the board increase to the most recently active Operating rate in effect on March 31, 2023, for each provider.

The estimated net aggregate increase in gross Medicaid expenditures attributable to this initiative contained in the budget for state fiscal year 2023-2024 is \$838,000.

Effective on and after April 1, 2023, this notice provides for a temporary rate adjustment with an aggregate payment totaling no less than \$7.5 million annually for Critical Access Hospitals (CAHs), for the periods April 1, 2023, through March 31, 2024, and April 1, 2024, through March 31, 2025. Funding will be allocated to financially distressed hospitals with plans to reconfigure operations by improving financial management, improving quality of care and service delivery and/or improving operational efficiency and cost effectiveness.

The estimated net aggregate increase in gross Medicaid expenditures attributable to this initiative contained in the budget for state fiscal year 2023-2024 is \$7.5 million and contained in the budget for state fiscal year 2024-2025 is \$7.5 million.

Effective on and after April 1, 2023, this notice provides for a temporary rate adjustment with an aggregate payment amount totaling no less than \$10 million annually, for Essential Community Providers (ECPs) for the periods April 1, 2023, through March 31, 2024, and April 1, 2024, through March 31, 2025. Funding will be allocated to financially distressed hospitals with plans to reconfigure operations by improving financial management, improving quality of care and service delivery and/or improving operational efficiency and cost effectiveness.

The estimated net aggregate increase in gross Medicaid expenditures attributable to this initiative contained in the budget for state fiscal year 2023-2024 is \$10 million and contained in the budget for state fiscal year 2024-2025 \$10 million.

Effective on or after April 1, 2023, this notice proposes to establish Medical Assistance coverage and rates of payment for rehabilitative services for individuals residing in OMH-licensed residential settings who have been diagnosed with an eating disorder, in order to provide appropriate care and treatment to adults and children with eating disorders.

The estimated net aggregate increase in gross Medicaid expenditures attributable to this initiative contained in the budget for state fiscal year 2023-2024 is \$4 million.

Effective on or after May 1, 2023, the NYS Medicaid Program proposes to reimburse enrolled ambulance services for administration of vaccinations performed by Emergency Medical Technicians (EMT) / Paramedics employed by the ambulance service. This proposal is

intended to ensure ongoing access to vaccinations after the end of the federal COVID-19 Public Health Emergency.

The estimated net aggregate increase in gross Medicaid expenditures attributable to this initiative contained in the budget for state fiscal year 2023-24 is \$35,000.

Effective March 11, 2021 and ending on the last day of the first calendar quarter that begins one year after the last day of the emergency period described in section 1135(g)(1)(B) of the Social Security Act, the Medicaid program assures coverage of COVID-19 vaccines and administration of the vaccines, COVID-19 treatment, including specialized equipment and therapies (including preventive therapies), and COVID-19 testing consistent with the Centers for Disease Control and Prevention (CDC) recommendations.

There is no estimated change to annual gross Medicaid expenditures as a result of this proposed amendment.

Effective December 1, 2021 and ending on the last day of the first calendar quarter that begins one year after the last day of the emergency period described in section 1135(g)(1)(B) of the Social Security Act, the Medicaid program proposes to reimburse providers for medically necessary COVID-19 vaccine counseling for children under 21 at a fee of \$25.00 per session.

There is no estimated change to annual gross Medicaid expenditures as a result of this proposed amendment.

Effective on or after April 1, 2023, the Department of Health will adjust rates statewide to reflect up to a twenty-five percent rate increase for all services provided by School-based Mental Health Outpatient Treatment and Rehabilitative Service (SBMH MHOTRS) programs licensed by the Office of Mental Health.

The estimated net aggregate increase in gross Medicaid expenditures attributable to this initiative contained in the budget for state fiscal year 2023-2024 is \$9.2 million.

Effective on or after April 1, 2023, Medicaid will increase the APG Base Rates by ten percent for School Based Health Centers (SBHC).

The estimated net aggregate increase in gross Medicaid expenditures attributable to this initiative contained in the budget for state fiscal year 2023-2024 is \$2.8 million.

Effective on or after April 1, 2023, a Supplemental Payment Program will be established to reimburse eligible Federally Qualified Health Centers (FQHCs), Rural Health Clinics (RHCs) and Diagnostic and Treatment Centers (DTCs) for potential loss of funding associated with the 340B Drug Pricing Program due to State policy change. Additionally, this Amendment clarifies the reimbursement methodology for the Supplemental Payment Wrap Program for FQHCs and RHCs which provides supplemental payments that are equal to 100% of the difference between the facility's reasonable cost per visit rate and the amount per visit reimbursed by the Medicaid managed care health plan.

The estimated net aggregate increase in gross Medicaid expenditures attributable to this initiative contained in the budget for state fiscal year 2023-2024 is \$250 million.

Institutional Services

Effective on or after April 1, 2023, this proposal continues the supplemental upper payment limit payments made to general hospitals, other than major public general hospitals under institutional services of \$339 million annually.

There is no estimated change to gross Medicaid expenditures as a result of this proposed amendment.

For state fiscal year beginning April 1, 2023 through March 31, 2024, this proposal continues adjustments for hospital inpatient services provided on and after April 1, 2012, to public general hospitals, other than those operated by the State of New York or the State University of New York, located in a city with a population of over one million and receiving reimbursement of up to \$1.08 billion annually based on criteria and methodology set by the Commissioner of Health, which the Commissioner may periodically set through a memorandum of understanding with the New York City Health and Hospitals Corporation. Such adjustments will be paid by means of one or more estimated payments. Payments to eligible public general hospitals may be added to rates of payment or made as aggregate payments.