NEW YORK STATE OF OPPORTUNITY. Department of Health

KATHY HOCHUL
Governor

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

JOHANNE E. MORNE, M.S.
Executive Deputy Commissioner

June 28, 2024

James G. Scott, Director
Division of Program Operations
Centers for Medicare & Medicaid Services
601 E. 12th St., Room 355
Kansas City, Missouri 64106

RE: SPA #24-0030
Non-Institutional Services

Dear Mr. Scott:

The State requests approval of the enclosed amendment #24-0030 to the Title XIX (Medicaid) State Plan for non-institutional services to be effective April 1, 2024 (Appendix I). This amendment is being submitted based on enacted legislation. A summary of the plan amendment is provided in Appendix II.

The State of New York reimburses these services through the use of rates that are consistent with efficiency, economy, and quality of care and are sufficient to enlist enough providers so that care and services are available under the plan at least to the extent that such care and services are available to the general population in the geographic area as required by § 1902(a)(30) of the Social Security Act and 42 CFR § 447.204.

A copy of pertinent sections of enacted legislation is enclosed for your information (Appendix III). A copy of the public notice of this plan amendment, which was given in the New York State Register on September 27, 2023, is also enclosed for your information (Appendix IV). In addition, responses to the five standard funding questions are also enclosed (Appendix V).

If you have any questions regarding this State Plan Amendment submission, please do not hesitate to contact Regina Deyette, Medicaid State Plan Coordinator, Division of Finance and Rate Setting, Office of Health Insurance Programs at (518) 473-3658.

Sincerely,

[redacted]

Amir Bassiri
Medicaid Director
Office of Health Insurance Programs

Enclosures

DEPARTMENT OF HEALTH AND HUMAN SERVICES
CENTERS FOR MEDICARE & MEDICAID SERVICES

FORM APPROVED
OMB No. 0938-0193

# TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL

**FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER: 24 — 0030

2. STATE: NY

3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT: (●) XIX ( ) XXI

TO: CENTER DIRECTOR
CENTERS FOR MEDICAID & CHIP SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE
April 1, 2024

5. FEDERAL STATUTE/REGULATION CITATION
§1905(a)(5), 1905(a)(6) and 1905(a)(9)

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)
a. FFY 04/01/24-09/30/24 $ 369,564
b. FFY 10/01/24-09/30/25 $ 739,128

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT
Attachment 3.1-A: Page 2(a)(iv)(1)
Attachment 3.1-B: Page 2(a)(iv)(1)
Attachment 4.19-B: Pages 1.0, 2(y)

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT *(If Applicable)*
Attachment 3.1-A: Page 2(a)(iv)(1)
Attachment 3.1-B: Page 2(a)(iv)(1)
Attachment 4.19-B: Pages 1.0, 2(y)

9. SUBJECT OF AMENDMENT
Collaborative Care Rate Increases

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
[redacted]

12. TYPED NAME
Amir Bassiri

13. TITLE
Medicaid Director

14. DATE SUBMITTED
June 28, 2024

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

***FOR CMS USE ONLY***

16. DATE RECEIVED

17. DATE APPROVED

***PLAN APPROVED - ONE COPY ATTACHED***

18. EFFECTIVE DATE OF APPROVED MATERIAL

19. SIGNATURE OF APPROVING OFFICIAL

20. TYPED NAME OF APPROVING OFFICIAL

21. TITLE OF APPROVING OFFICIAL

22. REMARKS

**SPA 24-0030**

**Attachment A**

**Annotated Pages**

**Annotated Page:**

**Attachment 4.19-B:** Page 2(y)

New York
2(y)

~~**Collaborative Care Services**~~

~~**Reimbursement for Freestanding Clinics and Hospital Outpatient Departments**~~

~~Effective January 1, 2015, reimbursement will be provided to freestanding clinics and hospital outpatient departments licensed under Article 28 of the Public Health Law for Collaborative Care Services for patients diagnosed with depression in the form of a monthly case rate, specified below. Effective January 1, 2018, reimbursement with be provided to such providers for Collaborative Care Services for patients with other mental illness diagnoses at the same rates. Reimbursement shall be the same for both governmental and non-governmental providers.~~

| ~~Rate Code~~ | ~~Rate Code Description~~ | ~~Gross Rate~~ |
|---|---|---|
| ~~5246~~ | ~~Collaborative Care Monthly Case Rate – Year 1~~ | ~~$150.00*~~ |
| ~~5247~~ | ~~Collaborative Care Monthly Case Rate – Year 2~~ | ~~$100.00*~~ |
| ~~5248~~ | ~~Collaborative Care Retainage Monthly – Year 1~~ | ~~$37.50~~ |
| ~~5249~~ | ~~Collaborative Care Retainage Monthly – Year 2~~ | ~~$25.00~~ |

~~*Twenty five percent of the full monthly case rate will be withheld by the State and reimbursed to the provider in the form of a monthly retainage payment based on criteria specified below. The monthly withholding during year one is $37.50, resulting in a net monthly case payment of $112.50. The monthly withholding during year two is $25.00, resulting in a net monthly case payment of $75.00.~~

~~Providers shall be eligible to receive the monthly Collaborative Care Retainage withheld by the State after the patient has been enrolled in the Collaborative Care program for a minimum of three months and if one of the following criteria is met:~~

1. ~~Demonstrable clinical improvement as defined by a decrease in the patient's baseline score on the PHQ-9, GAD-7, or other applicable evidenced-based assessment tool as further described in OMH guidelines available at https://www.omh.ny.gov/omhweb/medicaid_reimbursement.~~
2. ~~In cases where there is no demonstrable clinical improvement as described in criterion 1, there must be documentation in the medical record of one of the following:~~
   a. ~~Psychiatric review of the case by the designated consulting psychiatrist with either the care manager or primary care provider and a recommendation to change the treatment plan; or~~
   b. ~~A change in treatment plan.~~

~~After completion of a patient's third month of enrollment, providers who have met one of the criteria above may be reimbursed a lump sum for the first three months of Collaborative Care Retainage withheld and the monthly retainage withheld in each additional month of treatment, up to the completion of 12 months of treatment.~~

~~If a provider receives approval to provide Collaborative Care Services for an additional 12 months, the provider shall not be eligible to receive the Collaborative Care Retainage withheld until after the completion of three months and subject to the same eligibility requirements as in the first 12 months.~~

**Appendix I**
**2024 Title XIX State Plan**
**Second Quarter Amendment**
**Amended SPA Pages**

**New York**
**2(a)(iv)(1)**

**1905(a)(9) Clinic Services**

**Collaborative Care Services: Freestanding Clinics**

Effective January 1, 2015, Freestanding Clinics licensed pursuant to Article 28 of the Public Health Law will provide Collaborative Care Services for purposes of providing integrated physical and mental health care to patients diagnosed with mental illness. Freestanding Clinics must obtain prior approval from the New York State Department of Health and the New York State Office of Mental Health to furnish Collaborative Care Services. Collaborative Care Services include screening, diagnostic, preventative and therapeutic services to treat the symptoms of mental illness.

Collaborative Care Services include a minimum of one clinical contact between the Collaborative Care Manager and the patient per month, and the completion of the screening tool for the patient's specific mental illness diagnosis specified by the New York State Office of Mental Health. The clinical contact with the Collaborative Care Manager may be by phone or in person. Collaborative Care Services also include a minimum of at least one face-to-face contact between a licensed provider and the patient once every three months.

A patient is limited to ~~12~~ 24 months of Collaborative Care Services, which are not required to be consecutive. ~~With the prior approval of the New York State Office of Mental Health, a patient may receive an additional 12 months of Collaborative Care Services, which are not required to be consecutive.~~ After six months without a service, the 24-month service limit will reset.

**New York**
**2(a)(iv)(1)**

**1905(a)(9) Clinic Services**

**Collaborative Care Services: Freestanding Clinics**

Effective January 1, 2015, Freestanding Clinics licensed pursuant to Article 28 of the Public Health Law will provide Collaborative Care Services for purposes of providing integrated physical and mental health care to patients diagnosed with mental illness. Freestanding Clinics must obtain prior approval from the New York State Department of Health and the New York State Office of Mental Health to furnish Collaborative Care Services. Collaborative Care Services include screening, diagnostic, preventative and therapeutic services to treat the symptoms of mental illness.

Collaborative Care Services include a minimum of one clinical contact between the Collaborative Care Manager and the patient per month, and the completion of the screening tool for the patient's specific mental illness diagnosis specified by the New York State Office of Mental Health. The clinical contact with the Collaborative Care Manager may be by phone or in person. Collaborative Care Services also include a minimum of at least one face-to-face contact between a licensed provider and the patient once every three months.

A patient is limited to ~~12~~ 24 months of Collaborative Care Services, which are not required to be consecutive. ~~With the prior approval of the New York State Office of Mental Health, a patient may receive an additional 12 months of Collaborative Care Services, which are not required to be consecutive.~~ After six months without a service, the 24-month service limit will reset.

**New York**
**1.0**

**1905(a)(5) Physicians' Services**

**1905(a)(6) Medical care furnished by licensed practitioners within scope of practice (Nurse Practitioner Services)**

**Collaborative Care Services: Reimbursement for Physicians' and Nurse Practitioners' Services**

Effective January 1, 2015 for physicians and April 1, 2021 for nurse practitioners, reimbursement will be provided for Collaborative Care Services provided to patients diagnosed with depression pursuant to the methodology for Collaborate Care Services for Freestanding Clinics outlined in Attachment 4.19-B~~, except reimbursement for Physicians' and Nurse Practitioners' Services do not include a retainage withholding or payment~~. Effective April 1, 2024, ~~R~~reimbursement will be a monthly case rate of $172.97~~$112.50~~ per month for each patient enrolled in Collaborative Care Services. ~~Reimbursement will be provided for a maximum of 12 months. With the approval of the New York State Office of Mental Health, reimbursement will be provided for an additional 12 months at a rate of $75.00 per month.~~ Physicians and Nurse Practitioners must provide the minimum amount of services to enrollees as set forth in item 9 of the Supplement to Attachment 3.1-A of the Plan. Effective January 1, 2018 for physicians and April 1, 2021 for Nurse Practitioners, reimbursement will be provided for Collaborative Care Services provided to patients with other mental illness diagnoses pursuant to the methodology described in this paragraph.

**1905(a)(9) Clinic Services**

**Collaborative Care Services**

**Reimbursement for Freestanding Clinics and Hospital Outpatient Departments**

Effective January 1, 2015, reimbursement will be provided to freestanding clinics and hospital outpatient departments licensed under Article 28 of the Public Health Law for Collaborative Care Services for patients diagnosed with depression in the form of a monthly case rate, specified below. Effective January 1, 2018, reimbursement will be provided to such providers for Collaborative Care Services for patients with other mental illness diagnoses at the same rates. Reimbursement will be the same for both governmental and non-governmental providers.

The agency's fee schedule rate was set as of April 1, 2024 and is effective for services provided on or after that date. All rates are published on the State's website at: https://omh.ny.gov/omhweb/medicaid_reimbursement/excel/collaborative-care-rates.xlsx

# Appendix II
# 2024 Title XIX State Plan
# Second Quarter Amendment
# Summary

**SUMMARY**
**SPA #24-0030**

This State Plan Amendment proposes to increase the rates for Collaborative Care services provided by Article 28 hospital outpatient departments and freestanding clinics and physicians and nurse practitioners designated by the Office of Mental Health to provide Collaborative Care services.

# Appendix III
# 2024 Title XIX State Plan
# Second Quarter Amendment
# Authorizing Provisions

**Authorizing Provisions (24-0030)**

New York State Mental Hygiene Law §7.15

(a) The commissioner shall plan, promote, establish, develop, coordinate, evaluate, and conduct programs and services of prevention, diagnosis, examination, care, treatment, rehabilitation, training, and research for the benefit of the mentally ill. Such programs shall include but not be limited to in-patient, out-patient, partial hospitalization, day care, emergency, rehabilitative, and other appropriate treatments and services. He or she shall take all actions that are necessary, desirable, or proper to implement the purposes of this chapter and to carry out the purposes and objectives of the department within the amounts made available therefor by appropriation, grant, gift, devise, bequest, or allocation from the mental health services fund established under section ninety-seven-f of the state finance law.

(b) The activities described in subdivision (a) of this section may be undertaken in cooperation and agreement with other offices of the department and with other departments or agencies of the state, local or federal government, or with other organizations and individuals.

New York State Mental Hygiene Law §43.02 (Fees for licensed providers)

(a) Notwithstanding any inconsistent provision of law, payment made by government agencies pursuant to title eleven of article five of the social services law for services provided by any facility licensed by the office of mental health pursuant to article thirty-one of this chapter or certified by the office of alcoholism and substance abuse services pursuant to this chapter to provide inpatient chemical dependence services, as defined in section 1.03 of this chapter, shall be at rates or fees certified by the commissioner of the respective office and approved by the director of the division of the budget, provided, however, the commissioner of mental health shall annually certify such rates or fees which may vary for distinct geographical areas of the state and, provided, further, that rates or fees for service for inpatient psychiatric services or inpatient chemical dependence services, at hospitals otherwise licensed pursuant to article twenty-eight of the public health law shall be established in accordance with section two thousand eight hundred seven of the public health law and, provided, further, that rates or fees for services provided by any facility or program licensed, operated or approved by the office for people with developmental disabilities, shall be certified by the commissioner of health; provided, however, that such methodologies shall be subject to approval by the office for people with developmental disabilities and shall take into account the policies and goals of such office.

(b) Operators of facilities licensed by the office of mental health pursuant to article thirty-one of this chapter, licensed by the office for people with developmental disabilities pursuant to article sixteen of this chapter or certified by the office of alcoholism and substance abuse services pursuant to this chapter to provide inpatient chemical dependence services shall provide to the commissioner of the respective office such financial, statistical and program information as the commissioner may determine to be necessary. The commissioner of the appropriate office shall have the power to conduct on-site audits of books and records of such facilities.

(c) The commissioner of the office of mental health, the commissioner of the office for people with developmental disabilities and the commissioner of the office of alcoholism and substance abuse services shall adopt rules and regulations to effectuate the provisions of this section. Such rules and regulations shall include, but not be limited to, provisions relating to:

(i) the establishment of a uniform statewide system of reports and audits relating to the quality of care provided, facility utilization and costs of providing services; such a uniform statewide system may provide for appropriate variation in the application of the system to different classes or subclasses of facilities licensed by the office of mental health pursuant to article thirty-one of this chapter or licensed or operated by the office for people with developmental disabilities pursuant to article sixteen of this chapter, or certified by the office of alcoholism and substance abuse services pursuant to this chapter to provide inpatient chemical dependence services; and

(ii) methodologies used in the establishment of the schedules of rates or fees pursuant to this section provided, however, that the commissioner of health shall adopt rules and regulations including methodologies developed by him or her for services provided by any facility or program licensed, operated or approved by the office for people with developmental disabilities; provided, however, that such rules and regulations shall be subject to the approval of the office for people with developmental disabilities and shall take into account the policies and goals of such office.

Chapter 60 of the Laws of 2014 Part C Section 12

§ 12. Notwithstanding any law, rule, or regulation to the contrary, the commissioner of health, in consultation with the commissioner of the office of mental health and the commissioner of the office of alcoholism and substance abuse services, is authorized to establish an evidence-based, collaborative care clinical delivery model in clinics licensed under article 28 of the public health law, for the purpose of improving the detection of depression and other diagnosed mental or substance use disorders and the treatment of individuals with such conditions in an integrated manner. Such commissioner shall be authorized to develop criteria for the designation of clinics to be providers of collaborative care services. At a minimum, such designated clinics shall provide screening for depression and substance use disorders, medical diagnosis of patients who screen positive, evidence-based depression care and substance use disorder referrals, ongoing tracking of patient progress, care management, and a designated behavioral health practitioner who consults with the care manager and primary care physician. The rates of

payment and billing rules for this service will be developed by the commissioner of health, in consultation with the commissioner of the office of mental health and the commissioner of the office of alcoholism and substance abuse services, and with the approval of the director of the budget. Such commissioners are authorized to waive any duplicative regulatory requirements as may be necessary to allow this service to function in an effective and efficient manner; provided, however, that regulations pertaining to patient safety may not be waived, nor shall any regulation be waived if such waiver would risk patient safety. Such waiver shall not exceed the life of the project, or such shorter time period as the authorizing commissioner may determine. The commissioner of health shall include details regarding the implementation of the collaborative care clinical delivery model, including any regulations waived and the frequency and rationale for such waivers, in the annual report under section 45-c of part A of chapter 56 of the laws of 2013.

**Appendix IV**
**2024 Title XIX State Plan**
**Second Quarter Amendment**
**Public Notice**

Queens County, Queens Center
3220 Northern Boulevard
Long Island City, New York 11101

Kings County, Fulton Center
114 Willoughby Street
Brooklyn, New York 11201

Bronx County, Tremont Center
1916 Monterey Avenue
Bronx, New York 10457

Richmond County, Richmond Center
95 Central Avenue, St. George
Staten Island, New York 10301

*For further information and to review and comment, please contact*: Department of Health, Division of Finance and Rate Setting, 99 Washington Ave., One Commerce Plaza, Suite 1432, Albany, NY 12210, spa_inquiries@health.ny.gov

## 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 services methods and standards for setting Medicaid payment rates for Office of People With Developmental Disabilities (OPWDD) Specialty Hospitals. The following changes are proposed:

Institutional Services

Effective on or after October 1, 2023, the Department of Health will make updates to the OPWDD Specialty Hospital rate methodology to facilitate expansion of the voluntary service provider network, and to more accurately reflect provider costs and to ensure the continuation of services.

The estimated annual net aggregate increase in gross Medicaid expenditures attributable to this initiative is $19.4 million.

The public is invited to review and comment on this proposed State Plan Amendment, a copy of which will be available for public review on the Department's website at http://www.health.ny.gov/regulations/state_plans/status. Individuals without Internet access may view the State Plan Amendments at any local (county) social services district.

For the New York City district, copies will be available at the following places:

New York County
250 Church Street
New York, New York 10018

Queens County, Queens Center
3220 Northern Boulevard
Long Island City, New York 11101

Kings County, Fulton Center
114 Willoughby Street
Brooklyn, New York 11201

Bronx County, Tremont Center
1916 Monterey Avenue
Bronx, New York 10457

Richmond County, Richmond Center
95 Central Avenue, St. George
Staten Island, New York 10301

*For further information and to review and comment, please contact*: Department of Health, Division of Finance and Rate Setting, 99 Washington Ave., One Commerce Plaza, Suite 1432, Albany, NY 12210, spa_inquiries@health.ny.gov

## 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 non-institutional services to implement coverage and reimbursement changes to NYS Office of Mental Health licensed Personalized Recovery Oriented Services (PROS) to better address the mental health needs of Medicaid beneficiaries. The following changes are proposed:

Non-Institutional Services

Effective on or after October 1, 2023, the New York State Department of Health proposes to amend the State Plan to modernize and simplify the Personalized Recovery Oriented Services (PROS) program to improve access to services and quality of care. The proposed amendment will amend PROS provider qualifications and service definitions and add new services.

The proposed amendment will also amend the reimbursement methodology for PROS to reduce the number of the base rate tiers from five to three and remove program participation time from the definition of service units.

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

The public is invited to review and comment on this proposed State Plan Amendment, a copy of which will be available for public review on the Department's website at http://www.health.ny.gov/regulations/state_plans/status. Individuals without Internet access may view the State Plan Amendments at any local (county) social services district.

For the New York City district, copies will be available at the following places:

New York County
250 Church Street
New York, New York 10018

Queens County, Queens Center
3220 Northern Boulevard
Long Island City, New York 11101

Kings County, Fulton Center
114 Willoughby Street
Brooklyn, New York 11201

Bronx County, Tremont Center
1916 Monterey Avenue
Bronx, New York 10457

Richmond County, Richmond Center
95 Central Avenue, St. George
Staten Island, New York 10301

*For further information and to review and comment, please contact*: Department of Health, Division of Finance and Rate Setting, 99 Washington Ave., One Commerce Plaza, Suite 1432, Albany, NY 12210, spa_inquiries@health.ny.gov

## 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 non-institutional services. The following changes are proposed:

Non-Institutional Services

Effective on or after October 1, 2023, the Department of Health will update rates paid to both clinics licensed under the Article 28 of the Public Health Law and private practitioners that have been designated by the Office of Mental Health to provide collaborative care services. The rates for Article 28 clinics will be simplified to eliminate certain supplemental payments (i.e., retainer payment), eliminating the need for an additional claim submission. The resulting rate will then be trended from the inception of the program to CY 2023 using the Medicare Economic Index, a net 14% increase. Private practitioner rates, will also be increased to be equivalent to the Article 28 rates.

The estimated net aggregate increase in gross fee-for-service Medicaid expenditures attributable to this initiative contained in the budget for state fiscal year 2023-2024 is $739,000. The estimated net aggregate increase in gross fee-for-service Medicaid expenditures attributable to this initiative contained in the budget for state fiscal year 2024-2025 is $1.5 million.

The public is invited to review and comment on this proposed State Plan Amendment, a copy of which will be available for public review on the Department's website at http://www.health.ny.gov/regulations/state_plans/status. Individuals without Internet access may view the State Plan Amendments at any local (county) social services district.

For the New York City district, copies will be available at the following places:

New York County
250 Church Street
New York, New York 10018

Queens County, Queens Center
3220 Northern Boulevard
Long Island City, New York 11101

Kings County, Fulton Center
114 Willoughby Street
Brooklyn, New York 11201

Bronx County, Tremont Center
1916 Monterey Avenue
Bronx, New York 10457

Richmond County, Richmond Center
95 Central Avenue, St. George
Staten Island, New York 10301

*For further information and to review and comment, please contact*: Department of Health, Division of Finance and Rate Setting, 99 Washington Ave., One Commerce Plaza, Suite 1432, Albany, NY 12210, spa_inquiries@health.ny.gov

## PUBLIC NOTICE

Department of State
F-2023-0565
Date of Issuance – September 27, 2023

The New York State Department of State (DOS) is required by Federal regulations to provide timely public notice for the activities described below, which are subject to the consistency provisions of the Federal Coastal Zone Management Act of 1972, as amended.

The applicant has certified that the proposed activity complies with and will be conducted in a manner consistent with the approved New York State Coastal Management Program.

In F-2023-0565, Pouya Toobian, is proposing to install a 200-ft long by 4-ft wide, straight timber pier on fixed piles. Additionally, a singular 4-pile 12.5' x 16' boat lift will be installed at the offshore end of the pier along its western side. The proposal would be located at 27 arbour Road, Village of Kings Point, Nassau County, on Manhasset Bay.

The stated purpose of the proposed action is to "Construct overwater structures to provide safe dockage and access for water dependent uses including recreational boating."

The applicant's consistency certification and supporting information are available for review at: https://dos.ny.gov/system/files/documents/2023/09/f-2023-0565.pdf or at https://dos.ny.gov/public-notices

Original copies of public information and data submitted by the applicant are available for inspection at the New York State Department of State offices located at One Commerce Plaza, 99 Washington Avenue, in Albany, New York.

Any interested parties and/or agencies desiring to express their views concerning any of the above proposed activities may do so by filing their comments, in writing, no later than 4:30 p.m., 30 days from the date of publication of this notice, or October 27, 2023.

*Comments should be addressed to*: Consistency Review Unit, Department of State, Office of Planning, Development and Community Infrastructure, One Commerce Plaza, 99 Washington Ave., Albany, NY 12231, (518) 474-6000, Fax (518) 473-2464. Electronic submissions can be made by email at: CR@dos.ny.gov

This notice is promulgated in accordance with Title 15, Code of Federal Regulations, Part 930.

# Appendix V
# 2024 Title XIX State Plan
# Second Quarter Amendment
# Responses to Standard Funding Questions

**NON-INSTITUTIONAL SERVICES**
**State Plan Amendment #24-0030**

## CMS Standard Funding Questions

The following questions are being asked and should be answered in relation to all payments made to all providers reimbursed pursuant to a methodology described in Attachment 4.19-B of the state plan.

1. **Section 1903(a)(1) provides that Federal matching funds are only available for expenditures made by States for services under the approved State plan. Do providers receive and retain the total Medicaid expenditures claimed by the State (includes normal per diem, supplemental, enhanced payments, other) or is any portion of the payments returned to the State, local governmental entity, or any other intermediary organization? If providers are required to return any portion of payments, please provide a full description of the repayment process. Include in your response a full description of the methodology for the return of any of the amount or percentage of payments that are returned and the disposition and use of the funds once they are returned to the State (i.e., general fund, medical services account, etc.)**

   **Response:** Providers receive and retain 100 percent of total Medicaid expenditures claimed by the State and the State does not require any provider to return any portion of such payments to the State, local government entities, or any other intermediary organization.

2. **Section 1902(a)(2) provides that the lack of adequate funds from local sources will not result in lowering the amount, duration, scope, or quality of care and services available under the plan. Please describe how the state share of each type of Medicaid payment (normal per diem, supplemental, enhanced, other) is funded. Please describe whether the state share is from appropriations from the legislature to the Medicaid agency, through intergovernmental transfer agreements (IGTs), certified public expenditures (CPEs), provider taxes, or any other mechanism used by the state to provide state share. Note that, if the appropriation is not to the Medicaid agency, the source of the state share would necessarily be derived through either an IGT or CPE. In this case, please identify the agency to which the funds are appropriated. Please provide an estimate of total expenditure and State share amounts for each type of Medicaid payment. If any of the non-federal share is being provided using IGTs or CPEs, please fully describe the matching arrangement including when the state agency receives the transferred amounts from the local government entity transferring the funds. If CPEs are used, please describe the methodology used by the state to verify that the total expenditures being certified are eligible for Federal matching funds in accordance with 42 CFR 433.51(b). For any payment funded by CPEs or IGTs, please provide the following:**
   - **(i) a complete list of the names of entities transferring or certifying funds;**
   - **(ii) the operational nature of the entity (state, county, city, other);**

**(iii) the total amounts transferred or certified by each entity;**
**(iv) clarify whether the certifying or transferring entity has general taxing authority: and,**
**(v) whether the certifying or transferring entity received appropriations (identify level of appropriations).**

**Response:** The Non-Federal share Medicaid provider payment is funded by a combination of the following funds/funding sources through enacted appropriations authority to the Department of Health (DOH) for the New York State Medicaid program.

| | | 4/1/24 – 3/31/25 | |
|---|---|---|---|
| **Payment Type** | **Non-Federal Share Funding** | **Non-Federal** | **Gross** |
| Normal Per Diem | General Fund; County Contribution | $1.5M | $3.0M |

A. **General Fund:** Revenue resources for the State's General Fund includes taxes (e.g., income, sales, etc.), and miscellaneous fees (including audit recoveries). Medicaid expenditures from the State's General Fund are authorized from Department of Health Medicaid.

1) New York State Audit Recoveries: The Department of Health collaborates with the Office of the Medical Inspector General (OMIG) and the Office of the Attorney General (AG) in recovering improperly expended Medicaid funds. OMIG conducts and coordinates the investigation, detection, audit, and review of Medicaid providers and recipients to ensure they are complying with all applicable laws and regulation. OMIG recovers any improper payments through cash collections and voided claim recoveries. Cash collections are deposited into the State's General Fund to offset Medicaid costs.

In addition to cash collections, OMIG finds inappropriately billed claims within provider claims. To correct an error, OMIG and DOH process the current accurate claim, and reduce this claim by the inappropriate claim value to recoup the previous overclaim and decrease state spending.

**B. Additional Resources for Non-Federal Share Funding:**

County Contribution: In State Fiscal Year 2006, through enacted State legislation (Part C of Chapter 58 of the laws of 2005), New York State "capped" the amount localities contributed to the non-Federal share of providers claims. This was designed to relieve pressure on county property taxes and the NYC budget by limiting local contributions having New York State absorb all local program costs above this fixed statutory inflation rate (3% at the time).

However, in State Fiscal Year 2013 New York State provided additional relief to Localities by reducing local contributions annual growth from three precent to zero over a three-year period. Beginning in State Fiscal Year 2016, counties began paying a fixed cost in perpetuity as follows:

| Entity | Annual Amount |
|---|---|
| New York City | $5.210B |
| Suffolk County | $243M |
| Nassau County | $231M |
| Westchester County | $215M |
| Erie County | $205M |
| Rest of State (53 Counties) | $1.260B |
| **Total** | **$7.364B** |

By eliminating the growth in localities Medicaid costs, the State has statutorily capped total Statewide County Medicaid expenditures at 2015 levels. All additional county Medicaid costs are funded by the State through State funding as described above. DOH provides annual letters to counties providing weekly contributions. Contributions are deposited directly into State escrow account and used to offset 'total' State share Medicaid funding.

NOTE: The Local Contribution is not tied to a specific claim or service category and instead is a capped amount based on 2015 county spending levels as stated above.

3. **Section 1902(a)(30) requires that payments for services be consistent with efficiency, economy, and quality of care. Section 1903(a)(1) provides for Federal financial participation to States for expenditures for services under an approved State plan. If supplemental or enhanced payments are made, please provide the total amount for each type of supplemental or enhanced payment made to each provider type.**

   **Response:** The Medicaid payments authorized under this State Plan Amendment are not supplemental payments.

4. **For clinic or outpatient hospital services please provide a detailed description of the methodology used by the state to estimate the upper payment limit (UPL) for each class of providers (state owned or operated, non-state government owned or operated, and privately owned or operated). Please provide a current (i.e., applicable to the current rate year) UPL demonstration. Under regulations at 42 CFR 447.272, States are prohibited from setting payment rates for Medicaid inpatient services that exceed a reasonable estimate of the amount that would be paid under Medicare payment principals.**

   **Response:** The outpatient UPL demonstration utilizes a cost-to-payment methodology to estimate the upper payment limit for each class of providers. The Medicaid payments under this State Plan Amendment will be included in the 2024 outpatient UPL when it is submitted to CMS.

5. **Does any governmental provider receive payments that in the aggregate (normal per diem, supplemental, enhanced, other) exceed their reasonable costs of providing services? If payments exceed the cost of services, do you recoup the excess and return the Federal share of the excess to CMS on the quarterly expenditure report?**

**Response:** Providers do not receive payments that in the aggregate exceed their reasonable costs of providing services. If any providers received payments that in the aggregate exceeded their reasonable costs of providing services, the State would recoup the excess and return the Federal share of the excess to CMS on the quarterly expenditure report.

**ACA Assurances:**

1. **Maintenance of Effort (MOE). Under section 1902(gg) of the Social Security Act (the Act), as amended by the Affordable Care Act, as a condition of receiving any Federal payments under the Medicaid program during the MOE period indicated below, the State shall not have in effect any eligibility standards, methodologies, or procedures in its Medicaid program which are more restrictive than such eligibility provisions as in effect in its Medicaid program on March 10, 2010.**

   **MOE Period.**
   - **Begins on: March 10, 2010, and**
   - **Ends on: The date the Secretary of the Federal Department of Health and Human Services determines an Exchange established by a State under the provisions of section 1311 of the Affordable Care Act is fully operational.**

   **Response:** This SPA complies with the conditions of the MOE provision of section 1902(gg) of the Act for continued funding under the Medicaid program.

2. **Section 1905(y) and (z) of the Act provides for increased FMAPs for expenditures made on or after January 1, 2014 for individuals determined eligible under section 1902(a)(10)(A)(i)(VIII) of the Act. Under section 1905(cc) of the Act, the increased FMAP under sections 1905(y) and (z) would not be available for States that require local political subdivisions to contribute amounts toward the non-Federal share of the State's expenditures at a greater percentage than would have been required on December 31, 2009.**

   **Prior to January 1, 2014 States may potentially require contributions by local political subdivisions toward the non-Federal share of the States' expenditures at percentages greater than were required on December 31, 2009. However, because of the provisions of section 1905(cc) of the Act, it is important to determine and document/flag any SPAs/State plans which have such greater percentages prior to the January 1, 2014 date in order to anticipate potential violations and/or appropriate corrective actions by the States and the Federal government.**

   **Response:** This SPA would [ ] / would not [✓] violate these provisions, if they remained in effect on or after January 1, 2014.

3. **Please indicate whether the State is currently in conformance with the requirements of section 1902(a)(37) of the Act regarding prompt payment of claims.**

**Response:** The State complies with the requirements of section 1902(a)(37) of the Act regarding prompt payment of claims.

**Tribal Assurance:**

**Section 1902(a)(73) of the Social Security Act the Act requires a State in which one or more Indian Health Programs or Urban Indian Organizations furnish health care services to establish a process for the State Medicaid agency to seek advice on a regular ongoing basis from designees of Indian health programs whether operated by the Indian Health Service HIS Tribes or Tribal organizations under the Indian Self Determination and Education Assistance Act ISDEAA or Urban Indian Organizations under the Indian Health Care Improvement Act.**

**IHCIA Section 2107(e)(I) of the Act was also amended to apply these requirements to the Children's Health Insurance Program CHIP. Consultation is required concerning Medicaid and CHIP matters having a direct impact on Indian health programs and Urban Indian organizations.**

a) **Please describe the process the State uses to seek advice on a regular ongoing basis from federally recognized tribes Indian Health Programs and Urban Indian Organizations on matters related to Medicaid and CHIP programs and for consultation on State Plan Amendments waiver proposals waiver extensions waiver amendments waiver renewals and proposals for demonstration projects prior to submission to CMS.**
b) **Please include information about the frequency inclusiveness and process for seeking such advice.**
c) **Please describe the consultation process that occurred specifically for the development and submission of this State Plan Amendment when it occurred and who was involved.**

**Response:** Tribal consultation was performed in accordance with the State's tribal consultation policy as approved in SPA 17-0065, and documentation of such is included with this submission. To date, no feedback has been received from any tribal representative in response to the proposed change in this SPA.