DEPARTMENT OF HEALTH & HUMAN SERVICES Centers for Medicare & Medicaid Services 7500 Security Boulevard, Mail Stop S2-26-12 Baltimore, MD 21244-1850



## **Financial Management Group**

JAN 20 2017

Jason A. Helgerson State Medicaid Director Deputy Commissioner Office of Health Insurance Programs NYS Department of Health Corning Tower (OCP – 1211) Albany, NY 12237



RE: State Plan Amendment (SPA) 15-0033

Dear Commissioner Helgerson:

We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid State Plan submitted under transmittal number (TN) 15-0033. Effective April 1, 2015 this amendment proposes to continue supplemental payments to private hospitals for inpatient services.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30), 1903(a) and 1923 of the Social Security Act and the implementing Federal regulations at 42 CFR Part 447. This letter is to inform you SPA 15-0033 is approved effective April 1, 2015. We are enclosing the CMS-179 and the amended approved plan page.

If you have any questions, please contact Charlene Holzbaur at 609-882-4103 Ext. 104.

Sincerely,

Kristin Fan Director

Enclosures

| AUTH CARE FINANCING ADMINISTRATION   | 1 TRANSPORTED TO SUCCESS   | OMB NO. 09.                              |
|--|--|--|
| TRANSMITTAL AND NOTICE OF APPROVAL OF<br>STATE PLAN MATERIAL   | 1. TRANSMITTAL NUMBER:<br>15-0033  | 2. STATE<br>New York                     |
| DR: HEALTH-CARE FINANCING ADMINISTRATION   | 3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)   |  |
| O: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES   | 4. PROPOSED EFFECTIVE DATE<br>April 1, 2015  |  |
| TYPE OF PLAN MATERIAL (Check One):  NEW STATE PLAN   AMENDMENT TO BE CONS  | SIDERED AS NEW PLAN  |  |
| COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENI  | DMENT (Separate Transmittal for each   | amendment)                               |
| FEDERAL STATUTE/REGULATION CITATION:<br>1902(a) of the Social Security Act and 42 CFR 447  | 7. FEDERAL BUDGET IMPACT: (in thousands)<br>a. FFY 04/01/15-09/30/15 S 66.229<br>b. FFY 10/01/15-03/31/16 S 66.229   |  |
| PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-A: Page 161(1)  | 9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):   |  |
|  | 1  |  |
| D. SUBJECT OF AMENDMENT:<br>015 Voluntary UPL Payments   |  |  |
| 015 Voluntary UPL Payments FMAP = 50%)  1. GOVERNOR'S REVIEW (Check One):  SOVERNOR'S OFFICE REPORTED NO COMMENT COMMENTS OF GOVERNOR'S OFFICE ENCLOSED  | OTHER. AS SI   | PECIFIED:                                |
| ### 1015 Voluntary UPL Payments    FMAP = 50%     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  |  | PECIFIED:                                |
| 015 Voluntary UPL Payments  FMAP = 50%)  1. GOVERNOR'S REVIEW (Check One):  SOVERNOR'S OFFICE REPORTED NO COMMENT COMMENTS OF GOVERNOR'S OFFICE ENCLOSED NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL  2. SIGNATURE OF STATE AGENCY OFFICIAL:   | 16. RETURN TO: New York State Department of He   | ealth                                    |
| ### 1015 Voluntary UPL Payments    FMAP = 50%     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  | 16. RETURN TO: New York State Department of Horizon of Finance and Rate Setting Washington Ave – One Common  | ealth<br>ag                              |
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| OLS Voluntary UPL Payments  FMAP = 50%)  1. 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  2. SIGNATURE OF STATE AGENCY OFFICIAL:  3. TYPED NAME: Jason A. Helgerson  4. TITLE: Medicaid Director Department of Health  5. DATE SUBMITTED:  JUN 2 6 2015  FOR REGIONAL OFF          | 16. RETURN TO: New York State Department of He Division of Finance and Rate Setti 99 Washington Ave – One Commo Suite 1432 Albany, NY 12210  ICE USE ONLY  18. DATE APPROVED: JAN 2              | ealth<br>ag                              |
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## New York 161(1)

## **Voluntary Supplemental Inpatient Payments**

Effective for the period July 1, 2010 through March 31, 2011, additional inpatient hospital payments are authorized to voluntary sector hospitals, excluding government general hospitals, for inpatient hospital services after all other medical assistance payments, of \$235.5M for the period July 1, 2010 through March 31, 2011; \$314M for the period April 1, 2011 through March 31, 2012; \$281,778,852 for the period April 1, 2012 through March 31, 2013; \$298,860,732 for the period April 1, 2013 through March 31, 2014; and \$226,443,721 for the period April 1, 2014 through March 31, 2015; and \$264,916,150 for the period April 1, 2015 through March 31, 2016 subject to the requirements of 42 CFR 447.272 (upper payment limit). Such payments [may be added to rates of payment, made as aggregate payments or] are paid monthly to eligible voluntary sector owned or operated general hospitals, excluding government general hospitals.

Eligibility to receive such additional payments, and the allocation amount paid to each hospital, will be based on data from the period two years prior to the rate year, as reported on the Institutional Cost Report (ICR) submitted to the Department as of October 1 of the prior rate year.

- (a) Thirty percent of such payments will be allocated to safety net hospitals based on each eligible hospital's proportionate share of all eligible safety net hospitals' Medicaid discharges for inpatient hospital services, including both Medicaid fee-for-service and managed care discharges for acute and exempt services;
  - (i) Safety net hospitals are defined as non-government owned or operated hospitals which provide emergency room services having either: a Medicaid share of total inpatient hospital discharges of at least 35%, including both fee-for-service and managed care discharges for acute and exempt services; or a Medicaid share of total discharges of at least 30%, including both fee-for-service and managed care discharges for acute and exempt services, and also providing obstetrical services.
- (b) Seventy percent of such payments will be allocated to eligible general hospitals, which provide emergency room services, based on each such hospital's proportionate share of all eligible hospitals' Medicaid discharges for inpatient hospital services, including both Medicaid fee-for-service and managed care discharges for acute and exempt services;
- (c) No payment will be made to a hospital described in (i) and (ii). Payment amounts will be reduced as necessary not to exceed the limitations described in (iii).
  - (i) did not receive an Indigent Care Pool (ICP) payment;
  - (ii) the hospital's facility specific projected disproportionate share hospital payment ceiling is zero; or,
  - (iii) the annual payments amount to eligible hospitals exceeds the Medicaid customary charge limit at 42 CFR 447.271.
- (d) Any amounts calculated under paragraphs (a) and (b) but not paid to a hospital because of the requirements in paragraph (c) will be allocated proportionately to those eligible general hospitals that provide emergency room services and which would not be precluded by paragraph (c) from receiving such additional allocations.

| TN #15-0033              | Approval Date  | JAN 20 2017 |
|--------------------------|----------------|-------------|
| Supersedes TN #14-0004-B | Effective Date | APR 01 2015 |