

NEW YORK
state department of
HEALTH

Nirav R. Shah, M.D., M.P.H.
Commissioner

Sue Kelly
Executive Deputy Commissioner

November 6, 2013

National Institutional Reimbursement Team
Attention: Mark Cooley
CMS, CMCS
7500 Security Boulevard, M/S S3-14-28
Baltimore, MD 21244-1850

Re: SPA #13-50
Inpatient Hospital Services

Dear Mr. Cooley:

The State requests approval of the enclosed amendment #13-50 to the Title XIX (Medicaid) State Plan for inpatient hospital services to be effective November 1, 2013 (Appendix I). This amendment is being submitted based upon current regulations. A summary of the proposed amendment is contained in Appendix II.

This amendment is submitted pursuant to §1902(a) of the Social Security Act (42 USC 1396a(a)) and Title 42 of the Code of Federal Regulations (CFR), Part 447, Subpart C.

The State of New York pays for inpatient general hospital services using rates determined in accordance with methods and standards specified in an approved State Plan, following a public process, which complies with Social Security Act §1902(a)(13)(A).

Notice of the changes in the methods and standards for setting payment rates for general hospital inpatient services were given in the New York State Register on October 30, 2013 and will be clarified on November 20, 2013.

It is estimated that the changes represented by 2013 payment rates for inpatient general hospital services will have no noticeable short-term or long-term effect on the availability of services on a statewide or geographic area basis, the type of care furnished, or the extent of provider participation.

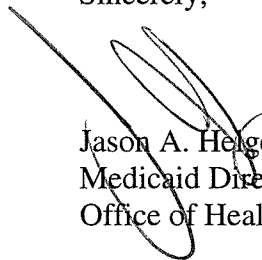
In accordance with 42 CFR §447.272(c), New York assures that its aggregate disproportionate share hospital payments do not exceed the disproportionate share hospital payment limit.

In accordance with §1923(g) of the Social Security Act, New York assures that it has calculated facility specific limits for disproportionate share payments for each disproportionate share hospital. New York assures that it will not make disproportionate share payments to a hospital in excess of the facility specific limits established for such hospital.

Copies of pertinent sections of enacted state statute are enclosed for your information (Appendix III). In addition, responses to the five standard funding questions are also enclosed (Appendix V).

If you have any questions regarding this matter, please do not hesitate to contact John E. Ulberg, Jr., Medicaid Chief Financial Officer, Division of Finance and Rate Setting at (518) 474-6350.

Sincerely,

A handwritten signature in black ink, appearing to read "Jason A. Helgeson", is written over the typed name and title.

Jason A. Helgeson
Medicaid Director
Office of Health Insurance Programs

Enclosures

cc: Mr. Michael Melendez
Mr. Tom Brady

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**

1. TRANSMITTAL NUMBER:
#13-50

2. STATE
New York

FOR: HEALTH CARE FINANCING ADMINISTRATION

3. PROGRAM IDENTIFICATION: **TITLE XIX OF THE
SOCIAL SECURITY ACT (MEDICAID)**

TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE
November 1, 2013

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:
Section 1902(a) of the Social Security Act, and 42 CFR 447

7. FEDERAL BUDGET IMPACT:
a. FFY 11/01/13-09/30/14 \$12,225,000
b. FFY 10/01/14-09/30/15 \$ 925,000

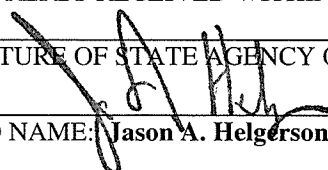
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:
Attachment 4.19-A: Page 136(b)

9. PAGE NUMBER OF THE SUPERSEDED PLAN
SECTION OR ATTACHMENT (*If Applicable*):
Attachment 4.19-A: Page 136(b)

10. SUBJECT OF AMENDMENT:
**Safety Net/VAP – IP (Interfaith, Kingsbook Jewish & Montefiore)
(FMAP = 50%)**

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: **Jason A. Helgerson**

14. TITLE: **Medicaid Director
Department of Health**

15. DATE SUBMITTED: **November 6, 2013**

16. RETURN TO:
**New York State Department of Health
Bureau of Federal Relations & Provider Assessments
99 Washington Ave – One Commerce Plaza
Room 1430
Albany, NY 12210**

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

18. DATE APPROVED:

PLAN APPROVED – ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

20. SIGNATURE OF REGIONAL OFFICIAL:

21. TYPED NAME:

22. TITLE:

23. REMARKS:

Appendix I
2013 Title XIX State Plan
Fourth Quarter Amendment
Inpatient Hospital Services
Amended SPA Pages

**New York
136(b)**

- b. Temporary rate adjustments have been approved for the following hospital providers in the amounts and for the effective periods listed:

Hospital:

Provider Name	Gross Medicaid Rate Adjustment	Rate Period Effective
Niagara Falls Memorial Medical Center	\$228,318	4/1/2012 – 3/31/2013
	\$228,317	4/1/2013 – 3/31/2014
	\$228,317	4/1/2014 – 3/31/2015
NuHealth (Nassau County Medical Center)	\$4,000,000	4/1/2012 – 3/31/2013
	\$6,500,000	4/1/2013 – 3/31/2014
	\$7,000,000	4/1/2014 – 3/31/2015
Lincoln Medical & Mental Health Center	\$963,687	4/1/2012 – 3/31/2013
	\$963,687	4/1/2013 – 3/31/2014
Richmond University	\$8,897,955	1/1/2013 – 3/31/2013
	\$2,355,167	4/1/2013 – 3/31/2014
	\$1,634,311	4/1/2014 – 3/31/2015
St. Barnabas Hospital	\$2,588,278	1/1/2013 – 3/31/2013
	\$1,876,759	4/1/2013 – 3/31/2014
	\$1,322,597	4/1/2014 – 3/31/2015
<u>Montefiore Medical Center</u>	<u>\$6,000,000</u>	<u>11/1/2013 – 3/31/2014</u>
<u>Kingsbrook Jewish Medical Center</u>	<u>\$3,700,000</u>	<u>11/1/2013 – 3/31/2014</u>
	<u>\$3,700,000</u>	<u>4/1/2014 – 3/31/2015</u>
<u>Interfaith Medical Center</u>	<u>\$12,900,000</u>	<u>11/1/2013 – 3/31/2014</u>

TN #13-50

Approval Date _____

Supersedes TN 11-24-A

Effective Date _____

Appendix II
2013 Title XIX State Plan
Fourth Quarter Amendment
Inpatient Hospital Services
Summary

SUMMARY
SPA #13-50

This State Plan Amendment proposes to modify the listing of hospitals previously approved to receive temporary rate adjustments under the closure, merger, consolidation, acquisition, or restructuring of a health care provider. The additional providers for which approval is being requested are Montefiore Medical Center, Interfaith Medical Center, and Kingsbrook Jewish Medical Center.

**Appendix III
2013 Title XIX State Plan
Fourth Quarter Amendment
Inpatient Hospital Services
Authorizing Provisions**

tice, published in the New York State Register invited comments and questions from the general public.

Job Impact Statement

A Job Impact Statement is not required pursuant to Section 201-a(2)(a) of the State Administrative Procedure Act. It is not expected that the proposed rule to accelerate capital reimbursement for costs related to the installation of automatic sprinkler systems will have a material impact on jobs or employment opportunities across the Nursing Home industry.

NOTICE OF ADOPTION

Hospital Temporary Rate Adjustments

I.D. No. HLT-14-12-00006-A

Filing No. 569

Filing Date: 2012-06-13

Effective Date: 2012-07-03

PURSUANT TO THE PROVISIONS OF THE State Administrative Procedure Act, NOTICE is hereby given of the following action:

Action taken: Amendment of section 86-1.31 of Title 10 NYCRR.

Statutory authority: Public Health Law, section 2807-c(35)

Subject: Hospital Temporary Rate Adjustments.

Purpose: No longer require that a merger, acquisition or consolidation needs to occur on or after the year the rate is based upon.

Text or summary was published in the April 4, 2012 issue of the Register, I.D. No. HLT-14-12-00006-P.

Final rule as compared with last published rule: No changes.

Text of rule and any required statements and analyses may be obtained from: Katherine Ceroalo, DOH, Bureau of House Counsel, Reg. Affairs Unit, Room 2438, ESP Tower Building, Albany, NY 12237, (518) 473-7488, email: regsqna@health.state.ny.us

Assessment of Public Comment

The agency received no public comment.

NOTICE OF ADOPTION

Temporary Rate Adjustment (TRA) - Residential Health Care Facilities (RHCF) (Nursing Homes)

I.D. No. HLT-14-12-00007-A

Filing No. 570

Filing Date: 2012-06-13

Effective Date: 2012-07-03

PURSUANT TO THE PROVISIONS OF THE State Administrative Procedure Act, NOTICE is hereby given of the following action:

Action taken: Addition of section 86-2.39 to Title 10 NYCRR.

Statutory authority: Public Health Law, section 2808(2-c)(d)

Subject: Temporary Rate Adjustment (TRA) - Residential Health Care Facilities (RHCF) (Nursing Homes).

Purpose: To provide a TRA to eligible RHCFs subject to or impacted by closure, merger, acquisition, consolidation, or restructuring.

Text or summary was published in the April 4, 2012 issue of the Register, I.D. No. HLT-14-12-00007-P.

Final rule as compared with last published rule: No changes.

Text of rule and any required statements and analyses may be obtained from: Katherine Ceroalo, DOH, Bureau of House Counsel, Reg. Affairs Unit, Room 2438, ESP Tower Building, Albany, NY 12237, (518) 473-7488, email: regsqna@health.state.ny.us

Assessment of Public Comment

The agency received no public comment.

NOTICE OF ADOPTION

Temporary Rate Adjustment (TRA) - Licensed Ambulatory Care Facilities (LACF)

I.D. No. HLT-14-12-00008-A

Filing No. 571

Filing Date: 2012-06-13

Effective Date: 2012-07-03

PURSUANT TO THE PROVISIONS OF THE State Administrative Procedure Act, NOTICE is hereby given of the following action:

Action taken: Addition of section 86-8.15 to Title 10 NYCRR.

Statutory authority: Public Health Law, section 2807(2-a)(e)

Subject: Temporary Rate Adjustment (TRA) - Licensed Ambulatory Care Facilities (LACF).

Purpose: Expand TRA to include Article 28 LACFs subject to or affected by closure, merger, acquisition, consolidation, or restructuring.

Text or summary was published in the April 4, 2012 issue of the Register, I.D. No. HLT-14-12-00008-P.

Final rule as compared with last published rule: No changes.

Text of rule and any required statements and analyses may be obtained from: Katherine Ceroalo, DOH, Bureau of House Counsel, Reg. Affairs Unit, Room 2438, ESP Tower Building, Albany, NY 12237, (518) 473-7488, email: regsqna@health.state.ny.us

Assessment of Public Comment

The agency received no public comment.

Department of Motor Vehicles

PROPOSED RULE MAKING NO HEARING(S) SCHEDULED

Genesee County Motor Vehicle Use Tax

I.D. No. MTV-27-12-00007-P

PURSUANT TO THE PROVISIONS OF THE State Administrative Procedure Act, NOTICE is hereby given of the following proposed rule:

Proposed Action: This is a consensus rule making to amend Part 29 of Title 15 NYCRR.

Statutory authority: Vehicle and Traffic Law, sections 215(a) and 401(6)(d)(ii); and Tax Law, section 1202(c)

Subject: Genesee County motor vehicle use tax.

Purpose: To impose a Genesee County motor vehicle use tax.

Text of proposed rule: Section 29.12 is amended by adding a new subdivision (aj) to read as follows:

(aj) Genesee County. The Genesee County Legislature adopted a local law on November 9, 2011, to establish a Genesee County Motor Vehicle Use Tax. The Chairman of the Genesee County Legislature entered into an agreement with the Commissioner of Motor Vehicles for the collection of the tax in accordance with the provisions of this Part, for the collection of such tax on original registrations made on and after October 1, 2012 and upon the renewal of registrations expiring on and after December 1, 2012. The County Treasurer is the appropriate fiscal officer, except that the County Attorney is the appropriate legal officer of Genesee County referred to in this Part. The tax due on passenger motor vehicles for which the registration fee is established in paragraph (a) of subdivision (6) of Section 401 of the Vehicle and Traffic Law shall be \$5.00 per annum on such motor vehicles weighing 3,500 lbs. or less and \$10.00 per annum for such motor vehicles weighing in excess of 3,500 lbs. The tax due on trucks, buses and other commercial motor vehicles for which the registration fee is established in subdivision (7) of Section 401 of the Vehicle and Traffic Law used principally in connection with a business carried on within Genesee County, except for vehicles used in connection with the operation of a farm by the owner or tenant thereof shall be \$10.00 per annum.

Text of proposed rule and any required statements and analyses may be obtained from: Heidi Bazicki, DMV, 6 Empire State Plaza, Albany, NY 12228, (518) 474-0871, email: heidi.bazicki@dmv.ny.gov

Data, views or arguments may be submitted to: Ida. L. Traschen, DMV, same as above.

Public comment will be received until: 45 days after publication of this notice.

Consensus Rule Making Determination

This proposed regulation would create a new 15 NYCRR Part 29.12(aj) to provide for the collection of a Genesee County motor vehicle use tax by the Department of Motor Vehicles. Pursuant to the authority contained in Tax Law section 1202(c) and Vehicle and Traffic Law section 401(6)(d)(ii), the Commissioner must collect a motor vehicle use tax if a county has enacted a local law requiring the collection of such tax.

On November 9, 2011, the Genesee County Legislature enacted a local law requiring that a motor vehicle use tax be imposed on passenger and commercial vehicles. Pursuant to this law, the Commissioner is required to collect the tax on behalf of the county and transmit the revenue to the

**Appendix IV
2013 Title XIX State Plan
Fourth Quarter Amendment
Inpatient Hospital Services
Public Notice**

12. Project Sponsor and Facility: New Holland Borough Authority, New Holland Borough, Lancaster County, Pa. Application for renewal of groundwater withdrawal of up to 0.576 mgd (30-day average) from Well 2 (Docket No. 19830501).

13. Project Sponsor: New Oxford Municipal Authority. Project Facility: Oxen Country Meadows, Oxford Township, Adams County, Pa. Application for groundwater withdrawal of up to 0.144 mgd (30-day average) from Oxen Country Meadows (OCM) Well 1.

14. Project Sponsor: Old Dominion Electric Cooperative. Project Facility: Rock Springs Expansion, Rising Sun District, Cecil County, Md. Application for consumptive water use of up to 7.900 mgd (peak day).

15. Project Sponsor and Facility: Old Dominion Electric Cooperative (Susquehanna River), Fulton Township, Lancaster County, Pa. Application for surface water withdrawal of up to 8.700 mgd (peak day).

16. Project Sponsor and Facility: Seneca Resources Corporation (Arnot No. 5 Mine Discharge), Bloss Township, Tioga County, Pa. Application for renewal of surface water withdrawal of up to 0.499 mgd (peak day) (Docket No. 20090908).

17. Project Sponsor and Facility: Southwestern Energy Production Company (Lycoming Creek – Bodines), Lewis Township, Lycoming County, Pa. Application for renewal of surface water withdrawal of up to 1.500 mgd (peak day) (Docket No. 20091207).

18. Project Sponsor and Facility: Southwestern Energy Production Company (Lycoming Creek – Ralston), McIntyre Township, Lycoming County, Pa. Application for renewal of surface water withdrawal of up to 1.500 mgd (peak day) (Docket No. 20091210).

19. Project Sponsor and Facility: Talisman Energy USA Inc. (Choconut Creek), Choconut Township, Susquehanna County, Pa. Application for surface water withdrawal of up to 0.999 mgd (peak day).

20. Project Sponsor and Facility: Talisman Energy USA Inc. (Fall Brook – C.O.P. Tioga State Forest), Ward Township, Tioga County, Pa. Application for renewal of surface water withdrawal of up to 0.999 mgd (peak day) (Docket No. 20091204).

21. Project Sponsor and Facility: Talisman Energy USA Inc. (Fellows Creek – C.O.P. Tioga State Forest), Ward Township, Tioga County, Pa. Application for renewal of surface water withdrawal of up to 0.999 mgd (peak day) (Docket No. 20091205).

22. Project Sponsor and Facility: WPX Energy Appalachia, LLC (Turner Lake), Liberty Township, Susquehanna County, Pa. Application for renewal of surface water withdrawal of up to 0.393 mgd (peak day) (Docket No. 20090601).

23. Project Sponsor and Facility: Winner Water Services, Inc. (Manor #44 Deep Mine), Girard Township, Clearfield County, Pa. Application for surface water withdrawal of up to 0.144 mgd (peak day).

24. Project Sponsor and Facility: York Water Company (Susquehanna River and South Branch Codorus Creek), Lower Windsor and Spring Garden Townships, York County, Pa. Modification to authorize supply of water to Gettysburg Municipal Authority through an interconnection, subject to receipt by Gettysburg Municipal Authority of an interbasin diversion approval (Docket No. 20021023).

Public Hearing – Projects Scheduled for Action Involving a Diversion:

1. Project Sponsor: Gettysburg Municipal Authority. Project Facility: Hunterstown Wastewater Treatment Plant, Straban Township, Adams County, Pa. Modification to increase authorized diversion to accommodate occasional power plant surge (Docket No. 20100916).

2. Project Sponsor: Gettysburg Municipal Authority. Project Facility: York Water Company Interconnection, Straban Township, Adams County, Pa. Application for an out-of-basin diversion of up to 3.000 mgd (peak day) to the Potomac River Basin.

AUTHORITY: Pub. L. 91-575, 84 Stat. 1509 et seq., 18 CFR Parts 806-808.

Dated: October 11, 2013.

Stephanie L. Richardson
Secretary to the Commission.

PUBLIC NOTICE

Department of Civil Service

PURSUANT to the Open Meetings Law, the New York State Civil Service Commission hereby gives public notice of the following:

Please take notice that the regular monthly meeting of the State Civil Service Commission for November 2013 will be conducted on November 12 and November 13 commencing at 10:00 a.m. These meetings will be conducted at NYS Media Services Center, Suite 146, South Concourse, Empire State Plaza, Albany, NY.

For further information, contact: Office of Commission Operations, Department of Civil Service, Empire State Plaza, Agency Building One, Albany, NY 12239, (518) 473-6598

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 related to temporary rate adjustments to general hospitals that are undergoing a closure, merger, consolidation, acquisition or restructuring of themselves or other health care providers. These payments are currently authorized by current State statutory and regulatory provisions.

Additional temporary rate adjustments have been reviewed and approved for three providers with aggregate payment amounts totaling up to \$36.7 million for the period November 1, 2013 through March 31, 2015. The approved providers, along with their individual estimated aggregate payment amounts include: Montefiore Hospital, up to \$6.0 million for the period November 1, 2013 through March 31, 2014; Interfaith Medical Center, up to \$12.9 million for the period November 1, 2013 through March 31, 2014; and Kingsbrook Jewish Medical Center; up to \$17.8 million for the period November 1, 2013 through March 31, 2015.

The estimated annual net aggregate increase in gross Medicaid expenditures attributable to this initiative contained in the budget for state fiscal years 2013/2014 and 2014/2105 is \$30.2 million and \$6.5 million, respectively.

The public is invited to review and comment on this proposed State Plan Amendment. Copies of which will be available for public review on the Department's website at http://www.health.ny.gov/regulations/state_plans/status.

Copies of the proposed State Plan Amendments will be on file in each local (county) social services district and available for public review.

For the New York City district, copies will also 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, Bureau of Federal Relations & Provider Assessments, 99 Washington Ave. – One Commerce Plaza, Suite 1430, Albany, NY 12210, (518) 474-1673, (518) 473-8825 (FAX), e-mail: spa_inquiries@health.state.ny.us

PUBLIC NOTICE

Office of Parks, Recreation and Historic Preservation

Pursuant to section 14.07 of the Parks, Recreation and Historic Preservation Law, the Office of Parks, Recreation and Historic Preservation hereby gives notice of the following:

In accordance with subdivision (c) of section 427.4 of title 9 NYCRR notice is hereby given that the New York State Board for Historic Preservation will be considering nomination proposals for listing of properties in the State and National Register of Historic Places at a meeting to be held on Thursday, December 5, 2013 at 10:30 AM, at Peebles Island State Park, Waterford, NY, 12188.

The following properties will be considered:

1. South Salina Street Downtown Historic District (boundary increase), Syracuse, Onondaga County
2. "Hilltop" The Dorothy Reester House. Cazenovia, Madison County
3. John Losee House. Watertown, Jefferson County
4. Bellevue Country Club. Syracuse, Onondaga County
5. Odd Fellows Lodge and Temple. Syracuse, Onondaga County
6. The Courier Building, Syracuse, Onondaga County
7. District No. 5 Schoolhouse, Glenville, Schenectady County
8. Martin A. Quick House, Bath, Steuben County
9. Romanta Miller House, Scottsville, Monroe County
10. First Presbyterian Church, Niagara Falls, Niagara County
11. Geneva Downtown Commercial Historic District, Ontario County
12. First Unitarian Society Church, Schenectady, Schenectady County
13. Henry C. Myrtle House, Bath vicinity, Steuben County
14. Crown Heights North Historic District, King County
15. South Village Historic District, New York County
16. Port Morris Ferry Bridges, Bronx County
17. Temple of Israel Synagogue, Queens County
18. Rockaway Courthouse, Queens County
19. Sohmer Piano Factory, Queens County
20. Pioneer, schooner, New York County
21. North Presbyterian Church, New York County
22. New York Bible Society, New York County
23. St. Anslem's Roman Catholic Church & School, Bronx County
24. Houk Manufacturing Complex, Erie County
25. Building at 44 Central Avenue, Albany, Albany County
26. New York, Ontario & Western Railway Company Middletown Station, Orange County
27. Jonesville Rural Cemetery, Clifton Park, Saratoga County
28. Northbrook Lodge, Paul Smiths vicinity, Franklin County
29. Van Zandt, Jacobs & Company Factory, Troy, Rensselaer County
30. Troy Waste Manufacturing Company Factory, Troy, Rensselaer County
31. Howard-Odmin-Sherman Farm, Pittstown, Rensselaer County (Historic Farmsteads of Pittstown MPDF)
32. Shadowcliff, Upper Nyack, Rockland County
33. Albany Felt Company Complex, Menands, Albany County
34. First Presbyterian Church of Le Roy, Genesee County

Comments may be submitted to Ruth L. Pierpont, Deputy Commissioner for Historic Preservation, Division for Historic Preservation, Peebles Island, P.O. Box 189, Waterford, New York 12188-0189, no later than Wednesday, December 4 or may be submitted in person at the meeting by contacting Ruth L. Pierpont at the same address no later than December 4.

For further information, contact: Ruth L. Pierpont, Deputy Commissioner for Historic Preservation, Peebles Island, P.O. Box 189, Waterford, NY 12188-0189, (518) 237-8643

Public Notice
NYS 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 and non-institutional services to comply with recently enacted statutory provisions related to temporary rate adjustments to providers that are undergoing a closure, merger, consolidation, acquisition or restructuring of themselves or other health care providers. These payments are currently authorized by current State statutory and regulatory provisions. The following provides clarification to provisions previously noticed on October 30, 2013, and notification of new significant changes:

Additional temporary rate adjustments have been reviewed and approved for three providers with aggregate payment amounts totaling up to \$36.7 million for the period November 1, 2013 through March 31, 2015. The approved providers, along with their individual estimated aggregate payment amounts include: Montefiore Medical Center, up to \$6.0 million for the period November 1, 2013 through March 31, 2014; Interfaith Medical Center, up to \$12.9 million for the period November 1, 2013 through March 31, 2014; and Kingsbrook Jewish Medical Center; up to \$17.8 million, allocated between inpatient (\$7.4 million) and outpatient services (\$10.4 million), for the period November 1, 2013 through March 31, 2015.

The estimated annual net aggregate increase in gross Medicaid expenditures attributable to this initiative contained in the budget for state fiscal years 2013/2014 and 2014/2015 is \$30.2 million and \$6.5 million, respectively.

The public is invited to review and comment on this proposed State Plan Amendment. Copies of which will be available for public review on the Department's website at http://www.health.ny.gov/regulations/state_plans/status.

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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:

New York State Department of Health
Bureau of Federal Relations & Provider Assessments
99 Washington Ave – One Commerce Plaza
Suite 1430
Albany, New York 12210
(518) 474-1673
(518) 473-8825 (FAX)
spa_inquiries@health.state.ny.us

Appendix V
2013 Title XIX State Plan
Fourth Quarter Amendment
Inpatient Hospital Services
Responses to Standard Funding Questions

HOSPITAL SERVICES
State Plan Amendment #13-50

CMS Standard Funding Questions (NIRT Standard Funding Questions)

The following questions are being asked and should be answered in relation to all payments made to all providers under Attachment 4.19-A of your 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 do retain the payments made pursuant to this amendment. However, this requirement in no way prohibits the public provider, including county providers, from reimbursing the sponsoring local government for appropriate expenses incurred by the local government on behalf of the public provider. The State does not regulate the financial relationships that exist between public health care providers and their sponsoring governments, which are extremely varied and complex. Local governments may provide direct and/or indirect monetary subsidies to their public providers to cover on-going unreimbursed operational expenses and assure achievement of their mission as primary safety net providers. Examples of appropriate expenses may include payments to the local government which include reimbursement for debt service paid on a provider's behalf, reimbursement for Medicare Part B premiums paid for a provider's retirees, reimbursement for contractually required health benefit fund payments made on a provider's behalf, and payment for overhead expenses as allocated per federal Office of Management and Budget Circular A-87 regarding Cost Principles for State, Local, and Indian Tribal Governments. The existence of such transfers should in no way negate the legitimacy of these facilities' Medicaid payments or result in reduced Medicaid federal financial participation for the State. This position was further supported by CMS in review and approval of SPA 07-07C when an on-site audit of these transactions for New York City's Health and Hospitals Corporation was completed with satisfactory results.

- 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: Payments made to service providers under the provisions of this SPA are funded through a general appropriation received by the State agency that oversees medical assistance (Medicaid), which is the Department of Health. The source of the appropriation is the Local Assistance Account under the General Fund/Aid to Localities.

- 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 payments authorized for this provision are not supplemental or enhanced payments. The proposed plan page includes a listing of those providers who will receive temporary rate adjustments.

4. **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 4447.272, 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 State submitted the 2012 and 2013 inpatient UPL to CMS on October 31, 2013. Based on previous and current calculated UPL margin, there is adequate UPL margin to fund these adjustments.

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: The rate methodology included in the approved state plan for institutional services is a prospective payment methodology. We are unaware of any requirement under current federal law or regulation that limits individual provider payments to their actual costs.

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 FMAs 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 FMA 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: This SPA does comply 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 11-06, 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.