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



# **Financial Management Group**

August 2, 2021

Donna Frescatore Medicaid Director NYS Department of Health One Commerce Plaza Suite 1211 Albany, NY 12210

Reference: TN 18-0042

Dear Ms. Frescatore:

We have reviewed the proposed amendment to Attachment 4.19-D of your Medicaid State plan submitted under transmittal number 18-0042. Effective January 1, 2019, this amendment revises reimbursement for nursing facility services. Specifically, it eliminates payment for bed reserve days for hospitalizations for all residents aged over 21 years with the exception of persons on hospice and therapeutic leaves.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30), and 1903(a) of the Social Security Act and the implementing Federal regulations at 42 CFR 447 Subpart C.

This letter is to inform you that Medicaid State Plan Amendment NY-18-0042 is approved effective January 1, 2019. The CMS-179 and the plan pages are attached.

If you have any additional questions or need further assistance, please contact Novena James-Hailey at 617-565-1291 or Novena. James Hailey@cms.hhs.gov.

Sincerely,

For Rory Howe Acting Director

FORM CMS-179 (07/92)

|  | 1. TRANSMITTAL NUMBER 2. STATE   |
|--|--|
| TRANSMITTAL AND NOTICE OF APPROVAL OF  | 1 8 — 0 0 4 2 New York   |
| STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES  | 3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID) TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)                 |
| TO: REGIONAL ADMINISTRATOR   | 4. PROPOSED EFFECTIVE DATE   |
| CENTERS FOR MEDICARE & MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES   | January 1, 2019  |
| 5. TYPE OF PLAN MATERIAL (Check One)   |  |
| ☐ NEW STATE PLAN ☐ AMENDMENT TO BE CONSID  | DERED AS NEW PLAN  |
| COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMEN   | DMENT (Separate transmittal for each amendment)  |
| 6. FEDERAL STATUTE/REGULATION CITATION   | 7. FEDERAL BUDGET IMPACT Amount in Thousands   |
| §1902(a) of the Social Security Act, and 42 CFR 447  | a. FFY 01/01/19-09/30/19 \$ \(\frac{(5,268)}{(7,024)}\) (7,023,92)   |
| 8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT<br>Attachment 4.19-C - Page 1, Page 1.1<br>Attachment 4.19-D Page 110(d)(23)    | 9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) Attachment 4.19-C - Page 1 Attachment 4.19-D - Page 110(d)(23) |
| 40. OUR JEGT OF AMENDMENT  |  |
| 10. SUBJECT OF AMENDMENT Elimination of LTC Bed Hold (FMAP=50%)  |  |
| 11. 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  |
| 12. SIGNATURE OF STATE AGENCY OFFICIAL 1   | 6. RETURN TO   |
| l l  | lew York State Department of Health  |
|  | Division of Finance and Rate Setting   |
| Donna Frescatore   | 9 Washington Ave – One Commerce Plaza<br>Suite 1432  |
| 14. TITLE  | lbany, NY 12210  |
| Medicaid Director, Department of Health  |  |
| 15. DATE SUBMITTED DEC 3 1 2018  |  |
| FOR REGIONAL OFFICE USE ONLY   |  |
| 17. DATE RECEIVED December 31, 2018  | 8. DATE APPROVED 8/2/21  |
| PLAN APPROVED - ON   | E COPY ATTACHED  |
| 19. EFFECTIVE DATE OF APPROVED MATERIAL January 1, 2019  | 0. SIGNATURE OF REGIONAL OFFICIAL For  |
| 21. TYPED NAME Rory Howe   | 2. TITLE Acting Director, Financial Management Group   |
| 23. REMARKS Pen and ink changes in blocks 7, 8 and 9 per state request   |  |

Instructions on Back

# New York Page 1

#### PAYMENT FOR RESERVED BEDS IN MEDICAL INSTITUTIONS

#### LIMITATIONS

**A. RESERVED BEDS DURING LEAVES OF ABSENCE** (Defined to mean overnight absences including visits with relatives/friends, or leaves to participate in medically acceptable therapeutic or rehabilitative plans of care).

When patient's/resident's plan of care provides for leaves of absence:

## **General Hospital Patients**

Eligibility restricted to patients receiving care in certified psychiatric or rehabilitation units, without consideration of any vacancy rate. A psychiatric patient must be institutionalized for 15 days during a current spell of illness; a rehabilitation patient must be institutionalized for 30 days. Leaves must be for therapeutic reasons only and carry a general limitation of no more than 18 days in any 12 month period, and 2 days per any single absence. Broader special limits are possible when physicians can justify them, subject to prior approval.

### **Nursing Facility (NF) Patients**

A reserved bed day is a day for which a governmental agency pays a residential health care facility to reserve a bed for a person eligible for medical assistance while he or she is temporarily hospitalized or on leave of absence from the facility. All such reserve bed days during leaves of absences [shall] will be pursuant to the residents' plan of care.

All recipients <u>are</u> eligible after 30 days in the facility, subject to a facility vacancy rate, on the first day of the patient's/resident's absence of no more than 5%.

Effective July 1, 2012, for reserved bed days provided on behalf of persons 21 years of age or older:

- (i) payments for reserved bed days related to hospitalization will be made at 50% of the Medicaid rate, and payments for reserved bed days related to non-hospitalization leaves of absence will be made at 95% of the Medicaid rate otherwise payable to the facility for services provided to such person;
- (ii) payment to a facility for reserved bed days provided for such person for hospitalizations and therapeutic leave that is consistent with a plan of care ordered by the patient's treating health care professional for visits to a health care professional that is expected to improve the patients' physical condition or quality of life may not exceed 14 days in any 12-month period; and
- (iii) payment to a facility for reserved bed days for patients on leave for purposes other than hospitalization or eligible therapeutic leave may not exceed 10 days in any 12-month period.
- (iv) Broader special limits are possible when physicians can justify them, subject to prior approval.

The above payment methodology will sunset effective December 31, 2018.

[Reserved bed days provided on behalf of persons younger than 21 years of age will be made at 100% of the Medicaid rate.

In computing reserved bed days, the day of discharge from the residential health care facility shall be counted, but not day of readmission.]

| TN #18-0042            | Approval Date <u>8/2/21</u>    |
|------------------------|--------------------------------|
| Supersedes TN #12-0024 | Effective Date January 1, 2019 |

# New York Page 1.1

Effective January 1, 2019, for reserved bed days provided on behalf of persons 21 years of age or older:

- (i) payments for reserved bed days for patients on hospice will be made at 50% of the Medicaid rate otherwise payable to the facility for the services provided to such person.
  - (a) payment to a facility for reserved bed days provided on behalf of such person for leaves of absences may not exceed 14 days in any 12 month period.
- (ii) payments for reserved bed days related to therapeutic leaves of absence will be made at 95% of the Medicaid rate otherwise payable to the facility for services provided to such person.
  - (a) payment to a facility for reserved bed days provided on behalf of such person for therapeutic leaves of absences may not exceed 10 days in any 12-month period.

Reserved bed days provided on behalf of persons younger than 21 years of age will be made at 100% of the Medicaid rate.

<u>In computing reserved bed days, the day of discharge from the residential health care facility will be counted, but not day of readmission.</u>

| TN <u># 18-0042</u>      | Approval Date8/2/21            |
|--------------------------|--------------------------------|
| Supersedes TN <u>NEW</u> | Effective Date January 1, 2019 |