

**DEPARTMENT OF HEALTH & HUMAN SERVICES**

Centers for Medicare & Medicaid Services  
Center for Medicaid & CHIP Services  
233 North Michigan Ave., Suite 600  
Chicago, Illinois 60601



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**Financial Management Group/ Division of Reimbursement Review**

March 24, 2020

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

RE: SPA NY-19-0020

Dear Ms. Frescatore:

We have reviewed the proposed New York State Plan Amendment (SPA) to Attachment 4.19-B NY-19-0020, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on June 28, 2019. This plan amendment authorizes supplemental payments for the outpatient services of certain non-government owned or operated general hospitals.

Based upon the information provided by the State, we have approved the amendment with an effective date of April 1, 2019. We are enclosing the approved CMS-179 and a copy of the updated state plan page.

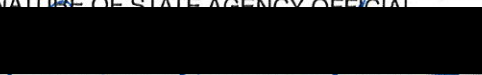
If you have any additional questions or need further assistance, please contact Stephen Abbott at 518-396-3812 or [Stephen.Abbott@cms.hhs.gov](mailto:Stephen.Abbott@cms.hhs.gov).

Sincerely,



Todd McMillion  
Acting Director

Enclosures

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE &amp; MEDICAID SERVICES</b>		1. TRANSMITTAL NUMBER <u>1 9 — 0 0 2 0</u>	2. STATE New York
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE & MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID) TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
5. TYPE OF PLAN MATERIAL ( <i>Check One</i> ) <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT		4. PROPOSED EFFECTIVE DATE April 1, 2019	
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT ( <i>Separate transmittal for each amendment</i> )			
6. FEDERAL STATUTE/REGULATION CITATION § 1902(a) of the Social Security Act and 42 CFR 447		7. FEDERAL BUDGET IMPACT a. FFY <u>04/01/19-09/30/19</u> \$ \$22,078.74 b. FFY <u>10/01/19-09/30/20</u> \$ \$22,078.74	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT  Attachment 4.19-B Page: 2(c)(v.2)		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT ( <i>If Applicable</i> )  Attachment 4.19-B Page: 2(c)(v.2)	
10. SUBJECT OF AMENDMENT 2019 Voluntary Outpatient UPL (FMAP=50%)			
11. GOVERNOR'S REVIEW ( <i>Check One</i> ) <input checked="" type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> OTHER, AS SPECIFIED <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE OF STATE AGENCY OFFICIAL 		16. 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	
13. TYPED NAME Donna Frescatore			
14. TITLE Medicaid Director, Department of Health			
15. DATE SUBMITTED June 28, 2019			
<b>FOR REGIONAL OFFICE USE ONLY</b>			
17. DATE RECEIVED      June 28, 2019		18. DATE APPROVED 03/24/2020	
<b>PLAN APPROVED - ONE COPY ATTACHED</b>			
19. EFFECTIVE DATE OF APPROVED MATERIAL 4/1/2019		20. SIGNATURE OF REGIONAL OFFICIAL	
21. TYPED NAME Todd McMillion		22. TITLE Acting Director, Division of Reimbursement Review	
23. REMARKS			

**New York  
2(c)(v.2)**

**Hospital Outpatient Supplemental Payments – Non-government Owned or Operated General Hospitals**

Effective for the period April 1, [2018] 2019 through March 31, [2019] 2020, supplemental payments are authorized for certain general hospitals for outpatient services furnished in the [2018] 2019 calendar year. Payments under this provision will not exceed [\$86,067,926] \$88,314,963.

To receive payment under this provision, a general hospital, as defined in Attachment 4.19-A of the state plan, must meet all of the following:

- (i) must be non-government owned or operated;
- (ii) must operate an emergency room; and
- (iii) must have received an Indigent Care Pool payment for the [2018] 2019 rate year; and/or must have a facility specific projected disproportionate share hospital payment ceiling for the [2018] 2019 rate year that is greater than zero.

The amount paid to each eligible hospital will be determined based on an allocation methodology utilizing data reported in eligible hospitals' most recent Institutional Cost Report submitted to the New York State Department of Health as of October 1, [2017] 2018:

- (a) Thirty percent of the payments under this provision will be allocated to eligible general hospitals classified as a safety net hospital, based on each hospital's proportionate share of all safety net hospitals' Medicaid discharges for inpatient hospital services, including both Medicaid fee-for-service and managed care discharges for acute and exempt services.

For this purpose, a safety net hospital is defined as an eligible general hospital 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 the payments under this provision will be allocated to eligible general hospitals based on each 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.

Eligible Hospitals will receive payment under (a) and/or (b), as eligible, with each hospital's payment made in a lump sum distribution that is proportionately allocable across the hospital's share of the [\$413,942,892] \$327,847,406 in in outpatient services reimbursed all eligible hospitals in the [2018] 2019 calendar year.

**TN #19-0020** \_\_\_\_\_

**Supersedes TN # 18-0030** \_\_\_\_\_

**Approval Date** 03/24/20

**Effective Date** 04/01/19