### **DEPARTMENT OF HEALTH & HUMAN SERVICES**

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



#### **Financial Management Group**

March 30, 2021

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

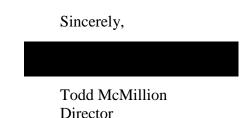
RE: TN 20-0061

Dear Ms. Frescatore:

We have reviewed the proposed New York State Plan Amendment (SPA) to Attachment 4.19-B transmittal number 20-0061, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on September 29, 2020. New York State Department of Health submitted this SPA to clarify the existing methodology for distribution of the rural enhancement for personal care services.

Based upon the information provided by the State, we have approved the amendment with an effective date of July 1, 2020. We are enclosing the approved CMS-179 and a copy of the new state plan page.

If you have any additional questions or need further assistance, please contact Tamara Sampson at 214-767-6431 or <u>Tamara.Sampson@cms.hhs.gov</u>.



Director Division of Reimbursement Review

Enclosures

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES	<u>2</u> <u>0</u> <u>0</u> <u>0</u> <u>6</u> <u>1</u> New York			
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE & MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE July 1, 2020			
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 §1902(a) <del>(r)(5)</del> of the Social Security Act, and 42 CFR 447	7. FEDERAL BUDGET IMPACT <del>a.</del> FFY <u>07/01/20-09/30/20</u> <u>\$ 0.00</u> b. FFY <u>10/01/20-09/30/21</u> <u>\$ 0.00</u>			
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Attachment: 4.19-B: Page 6(a)(7)	<ol> <li>PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)</li> <li>Attachment: 4.19-B: Page 6(a)(7)</li> </ol>			
10. SUBJECT OF AMENDMENT Personal Care Rural Clarification (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				
12. SIGNATURE OF STATE AGENCY OFFICIAL	RETURN TO w York State Department of Health vision of Finance and Rate Setting Washington Ave – One Commerce Plaza ite 1432 pany, NY 12210			
13. TYPED NAME Donna Frescatore 14. TITLE Medicaid Director, Department of Health 15. DATE SUBMITTED				
September 29, 2020				
17. DATE RECEIVED	JCE USE ONLY 3. DATE APPROVED			
September 29, 2020	3/30/2021			
PLAN APPROVED - ONE COPY ATTACHED				
19. EFFECTIVE DATE OF APPROVED MATERIAL July 1, 2020	20. SIGNATURE OF REGIONAL OFFICIAL			
21. TYPED NAME	TITLE			
Todd McMillion	Director, Division of Reimbursement Review			
23. REMARKS ** Pen and Ink change requested by the State, Block 6				

# New York 6(a)(7)

Effective April 1, 2018, Medicaid qualified personal care providers in Federally Designated Frontier and Remote (FAR) areas of New York State will be eligible for a rate adjustment to address loses between the amount the provider pays for Level II, Nursing Assessment and Nursing Supervision and the Medicaid reimbursement for these services. Effectively July 1, 2020, and annually beginning January 1, 2021, the rate adjustment shall be a supplemental payment.

The FAR areas are determined by the US Department of Agriculture Economic Research Service and are based on zip codes and use population and urban-rural data from the [2010] the latest available U.S. Census.

## Eligibility

Eligibility is based on the provider experiencing a combined loss in the Medicaid Personal Care Level II, Nursing Supervision and Nursing Assessment services as identified using the most recent complete calendar year cost reports for providers in the FAR regions.

## Methodology

- The State identified \$3M to support this rural initiative for both Personal Care services through the State Plan and the NHTD and TBI Waiver services.
- Distribution of the \$3M between the Personal Care services and the NHTD and TBI Waiver services will be based on a demonstration of overall losses between the service areas.
- For Personal Care services, a difference will be calculated between actual cost and current rates paid for the sum of Level II, Nursing Assessment and Nursing Supervisor using the Cost Report data:
  - Each provider's loss is divided by the sum of all eligible losses to establish a percentage of loss for each provide.
  - This percentage of loss is used to allocate up to \$3M, as a rate add-on through June 30, 2020, and as a supplemental payment, beginning in July 1, 2020 to qualifying FAR Personal Care providers, not to exceed the value of the provider's loss.
  - [• The allocation of funds is divided by the sum of Level II hours, Nursing Supervision visits, and Nursing Assessment visits, by providers in the FAR region using the most recent completed calendar year cost report to establish a rate add-on for the provider. This add-on is added to the current rates of Level II, Nursing Assessment and Nursing Supervision.]

TN#	20-0061	Approval Date	3/30/21
Supersedes T	N <u>#19-0006</u>	Effective Date	July 1, 2020