### **Table of Contents**

# **State/Territory Name: NY**

# State Plan Amendment (SPA) #: 22-0023

This file contains the following documents in the order listed:

Approval Letter
CMS 179 Form/Summary Form (with 179-like data)
Approved SPA Pages

### **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**

June 6, 2022

Brett R. Friedman Acting Medicaid Director 99 Washington Ave – One Commerce Plaza Suite 1432 Albany, NY 12210

RE: TN 22-0023

Dear Mr. Friedman:

We have reviewed the proposed New York State Plan Amendment (SPA) to Attachment 4.19-B NY 22-0023, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on March 31, 2022. This plan amendment updates the continuation of minimum wage adjustment until all regions are at the hourly wage of \$15.00 for hospice services.

Based upon the information provided by the State, we have approved the amendment with an effective date of January 1, 2022. We are enclosing the approved CMS-179 and a copy of the new state plan pages.

If you have any additional questions or need further assistance, please contact Kristina Mack-Webb at 617-565-1225 or Kristina.Mack-Webb@cms.hhs.gov.

Sincerely,

Todd McMillion Director Division of Reimbursement Review

Enclosures

CENTERSTOR MEDICARE & MEDICAD SERVICES					
TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL	1. TRANSMITTAL NUMBER	2. STATE 			
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES	3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL				
	SECURITY ACT XIX	XXI			
TO: CENTER DIRECTOR CENTERS FOR MEDICAID & CHIP SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE				
5. FEDERAL STATUTE/REGULATION CITATION	6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars) a. FFY\$ b. FFY\$				
7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT	8. PAGE NUMBER OF THE SUPERSE OR ATTACHMENT (If Applicable)	DED PLAN SECTION			
9. SUBJECT OF AMENDMENT					
10. 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:				
11. SIGNATURE OF STATE AGENCY OFFICIAL   1	5. RETURN TO				
13. TITLE					
14. DATE SUBMITTED March 31, 2022					
FOR CMS US					
	7. DATE APPROVED June 6, 2022				
March 31, 2022 PLAN APPROVED - ON					
	9. SIGNATURE OF APPROVING OFFICI	AL			
January 1, 2022					
20. TYPED NAME OF APPROVING OFFICIAL	1. TITLE OF APPROVING OFFICIAL				
Todd McMillion	Director, Division of Reimbursement R	eview			
22. REMARKS					

### New York 6(b)

#### **1905(a)(18)** Hospice Services

#### **Adjustment for Minimum Wage Increases**

Effective April 1, 2018, and every January 1, thereafter until the minimum wage reaches the statutorily described per hour wage as shown below, the rates of payment for services provided by Non-Residence Hospice providers include rate add-on to reimbursement in accordance with the wage chart shown below to address increases in labor costs.

#### Minimum Wage Chart

	12/31/2016	12/31/2017	12/31/2018	12/31/2019	12/31/2020	12/31/2021
New York City	\$10.50	\$12.00	\$13.50	\$15.00	\$15.00	\$15.00
Nassau, Suffolk, & Westchester counties	\$10.00	\$11.00	\$12.00	\$13.00	\$14.00	\$15.00
Remainder of the State	\$9.70	\$10.40	\$11.10	\$11.80	\$12.50	\$13.20*

\*Effective January 1, 2022, the minimum wage value for the Remainder of the State will be \$13.20.

The minimum wage adjustment will be developed and implemented as follows:

- 1. Minimum wage costs will mean the additional costs incurred beginning April 1, 2018 and thereafter, as a result of New York State statutory increases to minimum wages until all regions of the State reach \$15.00 per hour.
- 2. The 2018 provider specific minimum wage add-on will be developed based on collected survey data received and attested to by hospice providers. If a hospice provider fails to submit the attested survey data, a provider will not receive a minimum wage add-on.
  - i. Minimum wage cost development based on survey data collected.
    - a. Survey data will be collected for provider specific wage data.
    - b. Facilities will report by wage bands, the total count of FTEs and total hours paid to all employees (contracted and non-contracted staff) earning less than the statutory minimum wage applicable for each region.
    - c. Facilities will report an average fringe benefit percentage for the employees directly affected by the minimum wage increase.
    - d. The minimum wage costs are calculated by multiplying the total hours paid by the difference between the statutory minimum wage and the midpoint of each wage band where the provider has reported total hours paid. To this result, the provider's average fringe benefit percentage is applied and added to the costs.
- 3. The provider specific cost amount will be adjusted by a factor calculated by dividing the provider's average dollar per hour under minimum wage by the regional average. The resulting amount will be divided by patient days to arrive at a rate per diem add on, which will be applied to only Medicaid days for purposes of Medicaid reimbursement.
- 4. In subsequent years until the minimum wage is completely implemented statewide, the Department will survey facilities utilizing the same methodology.

TN <u>#22-0023</u>	Approval Date June 6, 2022	
Supersedes TN <u>#18-0023</u>	Effective Date January 1, 2022	