



# Department of Health

ANDREW M. CUOMO  
Governor

HOWARD A. ZUCKER, M.D., J.D.  
Commissioner

SALLY DRESLIN, M.S., R.N.  
Executive Deputy Commissioner

**MAY 22 2015**

Mr. Michael Melendez  
Associate Regional Administrator  
Department of Health & Human Services  
Centers for Medicare & Medicaid Services  
New York Regional Office  
Division of Medicaid and Children's Health  
26 Federal Plaza - Room 3800  
New York, New York 10278

Re: SPA 11-0016-A  
Non-Institutional Services

Dear Mr. Melendez:

The State is resubmitting and requests approval of the enclosed amendment #11-016-A to the Title XIX (Medicaid) State Plan for non-institutional services to be effective April 1, 2012.

As requested by CMS, SPA 11-016 was split into three separate SPAs; one related to payments for Coler-Bird Memorial and Coler-Goldwater Hospitals (11-016); one related to payments for all other HHC public hospitals (11-016-A); and one related to disproportionate share hospitals state plan rate years (11-016-B -DSH SPRY). This was done to move forward with the approval of SPA 11-016. Attached are the appropriate pages and a revised CMS-179 form applicable to SPA 11-016-A.

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

Sincerely,

Jason A. Helgerson  
Medicaid Director  
Office of Health Insurance Programs

Attachments

cc: Mr. John Guhl  
Mr. Robert Weaver

**NYS Responses to CMS Additional Questions of 5/19/2015  
SPA# 11-016-A**

1. The cover letter mentions that payments in NY-11-0016 were for 'Coney Island', when it really should have mentioned 'Coler & Goldwater'. Because, it then goes on to say that 11-0016-A will pay all other HHC hospitals (implying that it doesn't impact Coney Island when it really does; and that it would impact Coler & Goldwater' when it really won't). To avoid any potential future confusion, NY should revise this so that the cover letter is factually accurate.

**Response:** The cover letter has been appropriately revised.

2. The total pool amount in this SPA is allocated using discharges (not charges) from two years prior to the rate year. In all the other recent correspondence from HHC, charges were used to calculate the allocations among HHC hospitals. So there is no misunderstanding between NY and CMS, please both:
  - a. Provide a work paper with the detailed calculations that show the basis for the allocation and how much of the \$341,030,040 will actually be paid to each hospital, and
  - b. Make sure that the plan page describes the correct basis for the allocation.

**Response:** Since the receipt of CMS 5.19.15 comments an alternative method of allocation has been presented by CMS. An updated spreadsheet has been attached that shows how the \$341M will actually be paid to each hospital based on days.

3. There's no provision in this SPA language to address something HHC mentioned recently. HHC said they would 're-allocate' these supplemental UPL payments - after the DSH audits were complete - if the UPL payments resulting from the new broader allocation methodology caused any of the HHC hospitals to exceed the hospital-specific DSH limit. If HHC wants to do that:
  - a. The methodology has to be comprehensively described somewhere in the state plan - either in the UPL provisions or the DSH provisions.
  - b. And if that re-allocation occurs in the UPL section, in order to avoid a potential two-year timely claiming issue the UPL payments should be clearly described as interim payments that are then settled based on the results of the annual DSH audit (since those audits occur three years after the rate year).

**Response:** The plan page has been updated to include language to address the re-allocation of payments. Please see the revised plan page.

4. The page numbering might not be right. The page in NY-11-0016-A is numbered "161(1.1)", which seems to say that it follows page 161(1).
  - But the eligibility criteria for a payment in this SPA includes the provision that the hospital "(3) did not qualify for a supplemental payment under the *immediately preceding provision*".
  - And the immediately preceding provision on page 161(1) deals with supplemental 'UPL' payments for voluntary hospitals.
  - It appear that this provision really meant to refer to the previous HHC supplemental 'UPL' payments on page 161.

This just needs to be clearer. There are probably a few different ways to fix this:

- The page in NY-11-0016-A could be numbered "161.1"

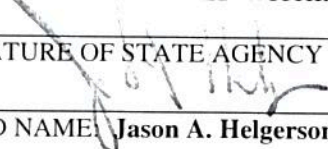
5/22/2015

**NYS Responses to CMS Additional Questions of 5/19/2015  
SPA# 11-016-A**

- The cross-reference in (3) could be more specific (e.g. 'did not qualify for a supplemental specialty hospital adjustment for SFY 2012-13')
- Etc.

Depending on the approach used, Box 8 and 9 of the CMS-179 might need to be revised, too.

**Response:** The page numbering has been updated to read 161(0) and the CMS-179 has been updated to reflect. Please see the attached plan page and CMS-179.

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b>  <b>FOR: HEALTH CARE FINANCING ADMINISTRATION</b>		1. TRANSMITTAL NUMBER: <b>#11-0016-A</b>	2. STATE <b>New York</b>
		3. PROGRAM IDENTIFICATION: <b>TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)</b>	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE <b>April 1, 2012</b>	
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 COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT ( <i>Separate Transmittal for each amendment</i> )			
6. FEDERAL STATUTE/REGULATION CITATION: <b>Section 1902(a) of the Social Security Act, and 42 CFR 447</b>		7. FEDERAL BUDGET IMPACT: (in thousands) a. FFY 04/01/12-09/30/12 <b>\$85,257.51</b> b. FFY 10/01/12-09/30/13 <b>\$85,257.51</b>	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: <b>Attachment 4.19-A: Page 161(0)</b>		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT ( <i>If Applicable</i> ):	
10. SUBJECT OF AMENDMENT: Note: Impact \$ covers the period 4/1/12 through 3/31/13. <b>2012 Inpatient UPL Payments-All Other HHC Hospitals (FMAP = 50%)</b>			
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: <b>New York State Department of Health Division of Health Care Financing 99 Washington Ave – One Commerce Plaza Suite 1460 Albany, NY 12210</b>	
13. TYPED NAME: <b>Jason A. Helgerson</b>			
14. TITLE: <b>Medicaid Director Department of Health</b>			
15. DATE SUBMITTED: <b>March 31, 2011</b>			
<b>FOR REGIONAL OFFICE USE ONLY</b>			
17. DATE RECEIVED:		18. DATE APPROVED:	
<b>PLAN APPROVED – ONE COPY ATTACHED</b>			
19. EFFECTIVE DATE OF APPROVED MATERIAL:		20. SIGNATURE OF REGIONAL OFFICIAL:	
21. TYPED NAME:		22. TITLE:	
23. REMARKS:			

New York  
161(0)

**Additional Inpatient Hospital Payments (Continued)**

For state fiscal year beginning April 1, 2012 and ending March 31, 2013 the State will provide an additional supplemental payment for all inpatient services provided by eligible government general hospitals except Coney Island, Coler-Bird Memorial, and Coler-Goldwater. To be eligible, the other hospitals must (1) be a government general hospital, (2) not be operated by the State of New York or the State University of New York, and (3) be located in a city with a population over one million.

The amount of the supplemental payment will be \$341,030,040. Medical assistance payments will be made for all inpatient services for patients eligible for federal financial participation under Title XIX of the Federal Social Security Act initially using each such hospital's proportionate share of total Medicaid days of all eligible hospitals reported for the period from 1/1/2012 to 12/31/2012.

Upon completion of the annually required DSH audit for the rate year, a final reconciliation of the supplemental payment distribution to eligible facilities will be completed and such payments will be further adjusted, if necessary, to avoid payments from exceeding any hospital-specific DSH limit. Any adjustments will be calculated and redistributed proportionally using each hospital's remaining uncompensated care cost that is not in excess of their individual DSH limit.

TN #11-0016-A

Approval Date \_\_\_\_\_

Supersedes TN NEW

Effective Date \_\_\_\_\_

**2012 IP UPL Allocation based on days-5.22.15**

Sponsor Non State Public - HHC  
 volume Adj code (Multiple Items)

Billing Prov Name	Total	Distribution by Days
BELLEVUE HOSPITAL CENTER	69,733	52,940,159
ELMHURST HOSPITAL CENTER	54,888	41,670,076
HARLEM HOSPITAL CENTER	24,522	18,616,703
JACOBI MEDICAL CENTER	41,754	31,698,957
KINGS COUNTY HOSPITAL CENTER	82,880	62,921,147
LINCOLN MEDICAL/MENTAL HLTH	26,835	20,372,695
METROPOLITAN HOSPITAL CENTER	36,298	27,556,851
NORTH CENTRAL BRONX	16,716	12,690,515
QUEENS HOSPITAL	28,627	21,733,153
WOODHULL MED & MNLT HLTH CTR	37,409	28,400,304
<b>Grand Total</b>	<b>419,662</b>	<b>318,600,561</b>

HCRA Surcharge	22,429,479
	<b>341,030,040</b>