

## **Table of Contents**

**State/Territory Name: NY**

**State Plan Amendment (SPA) #: 21-0048**

This file contains the following documents in the order listed:

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

**DEPARTMENT OF HEALTH & HUMAN SERVICES**

Centers for Medicare & Medicaid Services  
7500 Security Boulevard, Mail Stop S3-14-28  
Baltimore, Maryland 21244-1850



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**Financial Management Group**

September 26, 2023

Amir Bassiri  
Medicaid Director  
New York State Department of Health  
99 Washington Ave – One Commerce Plaza Suite 432  
Albany, NY 12210

Reference: TN 21-0048

Dear Director Bassiri:

We have reviewed the proposed amendment to Attachment 4.19-D of your Medicaid State plan submitted under transmittal number (TN) 21-0048. This amendment proposes to establish two eligible pediatric residential health care facilities to improve the quality of care for young adults with medical fragility.

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 is to inform you that Medicaid State plan amendment NY-21-0048 is approved effective August 17, 2021. The CMS-179 and the amended plan page(s) are attached.

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

Sincerely,

A solid black rectangular box redacting the signature of the sender.

Rory Howe  
Director

Enclosures

**TRANSMITTAL AND NOTICE OF APPROVAL OF  
STATE PLAN MATERIAL  
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER <u>2</u> <u>1</u> — <u>0</u> <u>0</u> <u>4</u> <u>8</u>	2. STATE New York
3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID) TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
4. PROPOSED EFFECTIVE DATE August 17, 2021	

TO: REGIONAL ADMINISTRATOR  
CENTERS FOR MEDICARE & MEDICAID SERVICES  
DEPARTMENT OF HEALTH AND HUMAN SERVICES

5. TYPE OF PLAN MATERIAL (*Check One*)

- NEW STATE PLAN       AMENDMENT TO BE CONSIDERED AS NEW PLAN       AMENDMENT

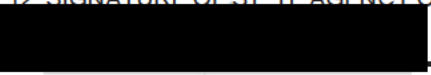
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (*Separate transmittal for each amendment*)

6. FEDERAL STATUTE/REGULATION CITATION <del>§ 1-9.02(a) of the Social Security Act and 42 CFR 447.1905(a)(4)(A) Nursing Facility Services</del> 1905(a)(4)(A) Nursing Facility Services	7. FEDERAL BUDGET IMPACT <i>whole dollars</i> a. FFY <u>08/17/21-09/30/21</u> \$ <del>1,093,750</del> <u>1,093,750.00</u> b. FFY <u>10/01/21-09/30/22</u> \$ <del>8,750,000</del> <u>8,750,000.00</u>
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT <del>Attachment 4.19-0 Part I: Pages 110(d)(30.1), 110(d)(30.2)</del> Attachment 4.19-0 Part I: Pages 110(d)(31), 110(d)(31.1)	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT ( <i>If Applicable</i> ) New Pages


10. SUBJECT OF AMENDMENT  
Nursing Home Young Adult Demonstration  
(FMAP=50%)

11. GOVERNOR'S REVIEW (*Check One*)

- GOVERNOR'S OFFICE REPORTED NO COMMENT       OTHER, AS SPECIFIED  
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED  
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL  Brett Friedman	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
14. TITLE Acting Medicaid Director, Department of Health	
15. DATE SUBMITTED September 30, 2021	

**FOR REGIONAL OFFICE USE ONLY**

17. DATE RECEIVED September 30, 2021	18. DATE APPROVED September 26, 2023
<b>PLAN APPROVED - ONE COPY ATTACHED</b>	
19. EFFECTIVE DATE OF APPROVED MATERIAL August 17, 2021	20. SIGNATURE OF REGIONAL OFFICIAL 
21. TYPED NAME Rory Howe	22. TITLE Director, Financial Management Group

23. REMARKS  
Pen and Ink Changes:  
Box 6: Federal Statute/Regulation Citation: 1905(a)(4)(A) Nursing Facility Services  
Box 7: Federal Budget Impact (whole dollars): FFY: 8/17/21-9/30/21: \$1,093,750.00. FFY: 10/1/21-9/30/22: \$ 8,750,000.00  
Box 8: Page Number of the Plan Section or Attachment: Attachment 4.19-0 Part I: Pages 110(d)(31), 110(d)(31.1)

New York  
110(d)(31)

1905(a)(4)(A) Nursing Facility Services

Young Adult Special Populations Demonstration

Effective August 17, 2021 through August 16, 2025, the State will establish a demonstration program for two eligible pediatric residential health care facilities, as defined in section 4 below, to construct a new facility or repurpose part of an existing facility to operate as a young adult residential health care facility for the purpose of improving the quality of care for young adults with medical fragility.

1. "Children with medical fragility" will mean children up to twenty-one years of age who have a chronic or conditions, are at risk of hospitalization, are technology-dependent for life or health sustaining functions, require complex medication regimens or medical interventions to maintain or to improve their health status, and/or are in need of ongoing assessment or intervention to prevent serious deterioration of their health status or medical complications that place their life, health or development at risk.
2. "Young adults with medical fragility" will mean individuals who meet the definition of children with medical fragility, but for the fact such individuals are aged between eighteen and thirty-five years old.
3. "Pediatric residential health care facility" will mean a residential health care facility or discrete unit of a residential health care facility providing services to children under the age of twenty-one.
4. "Eligible pediatric residential health care facilities" will mean pediatric health care facilities that meet the following eligibility criteria for the demonstration program: (i) has over one hundred and sixty licensed pediatric beds; or (ii) is currently licensed for pediatric beds, is co-operated by a system of hospitals licensed, and such hospitals qualify for funds pursuant to a vital access provider assurance program (VAPAP) or a value based payment incentive program (VBP), as administered by the department. Eligibility requirements for VAPAP and VBP include:
  - a. a public hospital, defined as a general hospital operated by a county or municipality, but not operated by a public benefit corporation; or
  - b. a federally designated Critical Access Hospital; or
  - c. a federally designated Sole Community Hospital; or
  - d. a safety net hospital, defined as a general hospital (but not operated by a public benefit corporation); and
    - i. with at least 30 percent of its inpatient discharges made up of Medicaid eligible individuals, uninsured individuals or Medicaid dually-eligible individuals; and
    - ii. with at least 35% of its outpatient visits made up of Medicaid eligible individuals, uninsured individuals or Medicaid dually-eligible individuals; or
    - iii. that serves at least 30 percent of the residents of a county or a multi-county area who are Medicaid eligible individuals, uninsured individuals or Medicaid dually- eligible individuals.

TN #21-0048

Approval Date September 26, 2023

Supersedes TN NEW

Effective Date August 17, 2021

New York  
110(d)(31.1)

1905(a)(4)(A) Nursing Facility Services

Young Adult Special Populations Demonstration

- e. in severe financial distress as evidenced by:
  - i. less than 15 days cash and equivalents; and
  - ii. no assets that can be monetized other than those vital to the operation; and
  - iii. the operator has exhausted all efforts to obtain resources from corporate parents and affiliated entities to sustain operations.

Any child with medical fragility who has resided for at least thirty consecutive days in an eligible pediatric residential health care facility and who has reached the age of twenty-one while a resident, may continue residing at such eligible pediatric residential health care facility and receiving such services from the facility, provided that such young adult with medical fragility remains eligible for nursing home care, and provided further that the eligible pediatric residential health care facility has prepared, applied for, and submitted to the commissioner, a proposal for a new residential health care facility for the provision of extensive nursing, medical, psychological and counseling support services to young adults with medical fragility.

A young adult with medical fragility may remain in such eligible pediatric residential health care facility until such time that the young adult with medical fragility attains the age of thirty-five years or the young adult residential health care facility is constructed and becomes operational, whichever is sooner.

A young adult facility may admit, from the community-at-large or upon referral from an unrelated facility, young adults with medical fragility who prior to reaching age twenty-one were children with medical fragility, and who are eligible for nursing home care and in need of extensive nursing, medical, psychological and counseling support services, provided that the young adult facility, to promote continuity of care, undertakes to provide priority admission to young adults with medical fragility transitioning from the pediatric residential health care facility or unit operated by the entity that proposed the young adult facility and ensure sufficient capacity to admit such young adults as they approach or attain twenty-one years of age.

For inpatient services provided to any young adults with medical fragility eligible for medical assistance residing at any eligible pediatric residential health care facility, the operating component of rates of reimbursement will be based on the methodology used to establish the operating component of the rates pursuant to existing approved reimbursement methodology for specialty residential health care facilities. Once cost information is available, the rates will be adjusted, as appropriate, to account for any discrete expenses associated with caring for young adults with medical fragility, including addressing their distinct needs as young adults for psychological and counseling support services. Nursing Home rates are posted at [https://www.health.ny.gov/facilities/long\\_term\\_care/reimbursement/nhr/](https://www.health.ny.gov/facilities/long_term_care/reimbursement/nhr/) and are updated to remain current.

TN           #21-0048          

Approval Date September 26, 2023

Supersedes TN           #NEW          

Effective Date August 17, 2021