

## **Table of Contents**

**State/Territory Name: New York**

**State Plan Amendment (SPA) #: 13-0052**

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
New York Regional Office  
26 Federal Plaza, Room 37-100  
New York, NY 10278



DIVISION OF MEDICAID AND CHILDREN'S HEALTH OPERATIONS

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DMCHO: JH:SPA-NY-13-0052-Approval

November 8, 2017

Jason A. Helgerson  
State Medicaid Director, Deputy Commissioner  
Office of Health Insurance Programs  
NYS Department of Health  
Empire State Plaza  
Corning Tower (OCP-1211)  
Albany, NY 12237

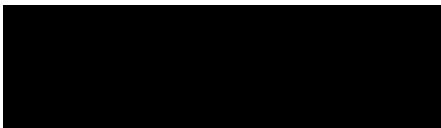
Dear Commissioner Helgerson:

This is to notify you that New York State Plan Amendment (SPA) #13-0052 has been approved for adoption into the State Medicaid Plan with an effective date of July 1, 2013. This SPA amends and updates the State's APG system for Freestanding Clinic services.

Enclosed are copies of the Plan Pages for SPA #13-0052 and the HCFA-179 form, as approved.

If you have any questions regarding this amendment, please call Joanne Hounsell at 212.616.2446 or e-mail at [joanne.hounsell@cms.hhs.gov](mailto:joanne.hounsell@cms.hhs.gov).

Sincerely,



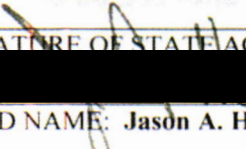
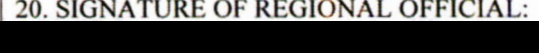
Michael Melendez, LMSW  
Associate Regional Administrator  
Division of Medicaid and Children's Health Operations

Enclosures: HCFA-179 Form  
State Plan Pages

cc: J. Ulberg  
R. Deyette  
P. LaVenja  
M. Levesque

R. Weaver  
R. Holligan  
N. McKnight  
M. Tabakov

S. Jew  
J. Hounsell  
M. Lopez

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b>		1. TRANSMITTAL NUMBER: <b>13-0052</b>	2. STATE <b>New York</b>
<b>FOR: HEALTH CARE FINANCING ADMINISTRATION</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>July 1, 2013</b>	
5. TYPE OF PLAN MATERIAL (Check One): <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 (Separate Transmittal for each amendment)			
6. FEDERAL STATUTE/REGULATION CITATION: §1902(a) of the Social Security Act, and 42 CFR 447		7. FEDERAL BUDGET IMPACT: (in thousands) a. FFY 07/01/13-09/30/13 \$852.90 b. FFY 10/01/13-09/30/14 \$3,411.60	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-B Pages: 2(g)(2), 2(g)(3), 2(k)		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Attachment 4.19-B Pages: 2(g)(2), 2(g)(3), 2(k)	
10. SUBJECT OF AMENDMENT: July 2013 Freestanding Clinic APG Weight Adjustments (FMAP = 50%)			
11. GOVERNOR'S REVIEW (Check One): <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 & Rate Setting 99 Washington Ave – One Commerce Plaza Suite 1432 Albany, NY 12210	
13. TYPED NAME: Jason A. Helgeson			
14. TITLE: Medicaid Director Department of Health			
15. DATE SUBMITTED: September 30, 2013			
<b>FOR REGIONAL OFFICE USE ONLY</b>			
17. DATE RECEIVED:		18. DATE APPROVED: <b>NOVEMBER 08, 2017</b>	
<b>PLAN APPROVED – ONE COPY ATTACHED</b>			
19. EFFECTIVE DATE OF APPROVED MATERIAL: <b>JULY 01, 2013</b>		20. SIGNATURE OF REGIONAL OFFICIAL: 	
21. TYPED NAME: <b>MICHAEL MELENDEZ</b>		22. TITLE: <b>DIVISION OF MEDICAID &amp; CHILDREN'S HEALTH</b> ADMINISTRATOR	
23. REMARKS:			

**New York  
2(g)(2)**

**APG Reimbursement Methodology – Freestanding Clinics**

The following links direct users to the various definitions and factors that comprise the APG reimbursement methodology, which can also be found in aggregate on the APG website at [http://www.health.ny.gov/health\\_care/medicaid/rates/apg/index.htm](http://www.health.ny.gov/health_care/medicaid/rates/apg/index.htm). In addition, prior period information associated with these links is available upon request to the Department of Health.

**Contact Information:**

[http://www.health.ny.gov/health\\_care/medicaid/rates/apg/index.htm](http://www.health.ny.gov/health_care/medicaid/rates/apg/index.htm) Click on "Contacts."

**3M APG Crosswalk\*:**

[http://www.health.ny.gov/health\\_care/medicaid/rates/apg/index.htm](http://www.health.ny.gov/health_care/medicaid/rates/apg/index.htm) Click on "3M Versions and Crosswalks," then on "3M APG Crosswalk" toward bottom of page, and finally on "Accept" at bottom of page.

**APG Alternative Payment Fee Schedule; updated as of 01/01/11:**

[http://www.health.ny.gov/health\\_care/medicaid/rates/methodology/index.htm](http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm) Click on "Alternative Payment Fee Schedule."

**APG Consolidation Logic; logic is from version 3.6.11.4, updated as of 10/01/11:**

[http://www.health.ny.gov/health\\_care/medicaid/rates/bundling/](http://www.health.ny.gov/health_care/medicaid/rates/bundling/) Click on "2011."

**APG 3M Definitions Manual; version [3.7 updated as of 10/01/12 and] 3.8 updated as of [01/01/13] 07/01/13:**

[http://www.health.ny.gov/health\\_care/medicaid/rates/methodology/index.htm](http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm) Click on "3M Versions and Crosswalk."

**APG Investments by Rate Period; updated as of 07/01/10:**

[http://www.health.ny.gov/health\\_care/medicaid/rates/methodology/index.htm](http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm) Click on "Investments by Rate Period."

**APG Relative Weights; updated as of [10/01/12, 01/01/13, and 04/01/13] 07/01/13:**

[http://www.health.ny.gov/health\\_care/medicaid/rates/methodology/index.htm](http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm) Click on "Weights, Proc Weights, and APG Fee Schedule Amounts."

**Associated Ancillaries; updated as of 07/01/11:**

[http://www.health.ny.gov/health\\_care/medicaid/rates/apg/index.htm](http://www.health.ny.gov/health_care/medicaid/rates/apg/index.htm) Click on "Ancillary Policy."

\*Older 3M APG crosswalk versions available upon request.

TN                   #13-0052                  

Approval Date                   11/08/2017                  

Supersedes TN                   #12-0039                  

Effective Date                   07/01/2013

**New York  
2(g)(3)**

**Carve-outs; updated as of 10/01/12. The full list of carve-outs is contained in Never Pay APGs and Never Pay Procedures:**

[http://www.health.ny.gov/health\\_care/medicaid/rates/methodology/index.htm](http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm) Click on "Carve Outs."

**Coding Improvement Factors (CIF); updated as of 04/01/12 and 07/01/12:**

[http://www.health.ny.gov/health\\_care/medicaid/rates/methodology/index.htm](http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm) Click on "CIFs by Rate Period."

**If Stand Alone, Do Not Pay APGs; updated 07/01/12:**

[http://www.health.ny.gov/health\\_care/medicaid/rates/methodology/index.htm](http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm) Click on "If Stand Alone, Do Not Pay APGs."

**If Stand Alone, Do Not Pay Procedures; updated as of 04/01/11:**

[http://www.health.state.ny.us/health\\_care/medicaid/rates/methodology/index.htm](http://www.health.state.ny.us/health_care/medicaid/rates/methodology/index.htm) Click on "If Stand Alone, Do Not Pay Procedures."

**Modifiers; updated as of 10/01/12 and 04/01/13:**

[http://www.health.ny.gov/health\\_care/medicaid/rates/methodology/index.htm](http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm) Click on "Modifiers."

**Never Pay APGs; updated as of 07/01/12:**

[http://www.health.ny.gov/health\\_care/medicaid/rates/methodology/index.htm](http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm) Click on "Never Pay APGs."

**Never Pay Procedures; updated as of [10/01/12, 01/01/13 and 04/01/13] 07/01/13:**

[http://www.health.ny.gov/health\\_care/medicaid/rates/methodology/index.htm](http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm) Click on "Never Pay Procedures."

**No-Blend APGs; updated as of 04/01/10:**

[http://www.health.ny.gov/health\\_care/medicaid/rates/methodology/index.htm](http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm) Click on "No Blend APGs."

**No-Blend Procedures; updated as of 01/01/11:**

[http://www.health.ny.gov/health\\_care/medicaid/rates/methodology/index.htm](http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm) Click on "No-Blend Procedures."

**No Capital Add-on APGs; updated as of 10/01/12 and 01/01/13:**

[http://www.health.ny.gov/health\\_care/medicaid/rates/methodology/index.htm](http://www.health.ny.gov/health_care/medicaid/rates/methodology/index.htm) Click on "No Capital Add-on APGs."

TN           #13-0052          

Supersedes TN           #12-0039          

Approval Date           11/08/2017          

Effective Date           07/01/2013

**New York  
2(k)**

**Reimbursement Methodology – Freestanding Clinics**

- I. The criteria for using a procedure-based weight or the relative weight in the methodology is as follows: If a procedure-based weight is available for a particular procedure code, then the procedure-based weight is used. If a procedure-based weight is not available for a particular procedure code, then the relative weight (i.e., "APG weight") is used.
  
- II. The initial calculation of the APG relative weights were developed using line level charges from 2005 New York Medicaid hospital claims converted to cost using the ratio of cost to charges methodology. The line level costs were brought up to the APG level to determine the average cost of each APG.
  - a. The APG relative weights shall be updated [at least annually] no less frequently than every two years based on hospital claims data. These APG and weights are set as of September 1, 2009, and are effective for specified services on and after that date. A link to the list of APGs and their relative weights is available in the APG Reimbursement Methodology – Freestanding Clinics section.
  
  - b. The APG relative weights shall be reweighted prospectively. The initial reweighting will be based on Medicaid claims data for hospitals from the December 1, 2008 through September 30, 2009 period. Subsequent reweightings will be based on Medicaid hospital claims data from the most recent twelve month period and will be based on complete and accurate line level procedure and charge data and ratio of cost to charge data.
  
  - c. The Department shall correct material errors of any given APG relative weight. Such corrections shall make use of benchmarking data consisting of payment information from other payers (including Medicare) reimbursing comparable services. Corrections to material errors in individual APG relative weights shall be made on a prospective basis.
  
- III. The case mix index is an expression of the average paid APG weight for a given peer group after consolidation, packaging, and discounting. Case mix indices shall be calculated by running applicable freestanding D&TC and ambulatory surgery center claims data through the latest version of the APG software to determine the average final APG weight of the visits. Outlier claims or claim lines may be excluded from this calculation to assure overall accuracy of the final case mix index. Recalculations of case mix indices for periods prior to January 1, 2010, will be based on freestanding D&TC and ambulatory surgery center Medicaid data for 2007. Such revisions for the period commencing January 1, 2010, will be based on such data from the January 1, 2009 through November 15, 2009 period. Subsequent recalculations will be based on freestanding D&TC and ambulatory surgery center Medicaid claims data from the most recent twelve-month period.

TN     #13-0052    

Approval Date

    11/08/2017    

Supersedes TN     #09-0066    

Effective Date

    07/01/2013