



Department of Health

ANDREW M. CUOMO
Governor

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

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

FEB 13 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 #13-0071
Non-Institutional Services

Dear Mr. Melendez:

The State is resubmitting and requests approval of the enclosed amendment #13-0071 to the Title XIX (Medicaid) State Plan for non-institutional services to be effective January 1, 2014.

As requested by CMS, SPA 13-0071 was split into two separate SPAs; one related to payments for Jefferson County Public Health (13-0071); and one related to payments for Visiting Nurse Association of Long Island, Inc. (VNALI)(13-0071-A). This was done to move forward with the approval of SPA 13-0071. For SPA 13-0071-A (formerly 13-0071), it is the State's understanding that SPA will remain off the clock until the State and CMS resolve any remaining issues. Attached is the appropriate page, the RAI response and a revised CMS-179 form applicable to SPA 13-0071.

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



Department of Health

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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 Operations
26 Federal Plaza - Room 37-100 North
New York, New York 10278

FEB 13 2015

RE: SPA #13-0071
Non-Institutional Services

Dear Mr. Melendez:

This letter responds to the April 30, 2014 correspondence from CMS requesting additional information regarding State Plan Amendment (SPA) #13-0071. Effective January 1, 2014, this amendment will expand New York's Vital Access Provider/Safety Net Provider supplemental payment program to certified home health agencies (CHHAs). Under this program, certain designated CHHAs that are subject to or are impacted by the closure, merger, consolidation, acquisition, or restructuring of a health care provider will be paid a higher price for Medicaid home health services they provide during a designated temporary period.

For your convenience, each issue and/or question is repeated below, followed by the State's response.

- 1. While we understand these payments are intended to offset the additional operating costs CHHAs incur to provide Medicaid home health services due to being subject to or impacted by a closure, merger, consolidation, acquisition, or restructuring of a health care provider, can the State provide some more context so we can better understand the connection between these proposed payments and the delivery of Medicaid home health services?**

Response: The connection between proposed payments and the delivery of Medicaid home health services, requires that providers must submit benchmarks and goals acceptable to the Commissioner and must submit periodic reports, as requested by the Commissioner, concerning the achievement of such benchmarks and goals. Failure to achieve satisfactory progress in accomplishing such benchmarks and goals will result in termination of the provider's temporary rate adjustment prior to the end of the specified timeframe. Once a provider's temporary rate adjustment ends, the provider will be

levels of care, and the like. Recipient providers will be held to demonstrating the achievement of established benchmarks and goals in order to continue to receive funding throughout the time period specified for each such provider. Furthermore, the State and its Medicaid providers are under a global spending cap, which limits the growth of spending.

These are additional payments that are directed at dealing with assisting these providers with improving financial stability through the implementation of specific programs geared at financial, operational and quality areas to effectuate long term stability and meet the access needs of the Medicaid population needing these services. These facilities are being prepared to operate under the regular reimbursement methodology with a goal of sustainability to these programs, once these funds are no longer provided after this program is completed.

These temporary rate adjustments will be an add-on to services payments, in the form of supplemental payments. Such payments are done as offline payments, paid in addition to the provider's regular Medicaid payments, and are paid in quarterly amounts, each of which is equal to one-fourth of the total annual amount awarded to the specific provider. The temporary rate adjustments are intended to be used for specific programs, and must meet specific goals and metrics. Recipient providers are required to submit quarterly reports, which will be reviewed to ensure that progress is being made toward the project goals. Future quarterly payments will be contingent on the provider's demonstration of progress.

4. **On Page 4(9), third bullet, there should be a period after the word effectiveness; the “; or” should be deleted.**

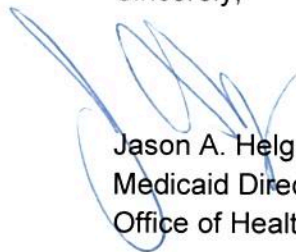
Response: Page 4(9) has been revised accordingly and is attached.

5. **On Page 4(9), second bullet, the word “or” should be inserted after “care;”**

Response: Page 4(9) has been revised accordingly and is attached.

If you have any questions regarding this response, please do not hesitate to contact 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

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**

1. TRANSMITTAL NUMBER:
13-0071

2. STATE
New York

FOR: HEALTH CARE FINANCING ADMINISTRATION

3. PROGRAM IDENTIFICATION: **TITLE XIX OF THE
SOCIAL SECURITY ACT (MEDICAID)**

TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE
January 1, 2014

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:
Section 1902(a) of the Social Security Act, and 42 CFR 447

7. FEDERAL BUDGET IMPACT: (*in thousands*)
a. FFY 01/01/14-09/30/14 **\$289.78**
b. FFY 10/01/14-09/30/15 **\$199.47**

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attachment 4.19-B: Page 4(9)

9. PAGE NUMBER OF THE SUPERSEDED PLAN
SECTION OR ATTACHMENT (*If Applicable*):

10. SUBJECT OF AMENDMENT:
**Safety Net/VAP – CHHA – Phase 2 (Jefferson County)
(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:

13. TYPED NAME: **Jason A. Helgerson**

14. TITLE: **Medicaid Director
Department of Health**

15. DATE SUBMITTED: **February 11, 2014**

16. RETURN TO:

**New York State Department of Health
Bureau of Federal Relations & Provider Assessments
99 Washington Ave – One Commerce Plaza
Suite 1460
Albany, NY 12210**

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

18. DATE APPROVED:

PLAN APPROVED – ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

20. SIGNATURE OF REGIONAL OFFICIAL:

21. TYPED NAME:

22. TITLE:

23. REMARKS:

**New York
4(9)**

Temporary Rate Adjustments for Mergers, Acquisitions, Consolidations, Restructurings, and Closures – Certified Home Health Agencies (CHHAs)

A temporary rate adjustment will be provided to eligible CHHA providers that are subject to or impacted by the closure, merger, and acquisition, consolidation or restructuring of a health care provider. The rate adjustment is intended to:

- Protect or enhance access to care;
- Protect or enhance quality of care; or
- Improve the cost effectiveness.

Eligible CHHA providers, the annual amount of the temporary rate adjustment, and the duration of the adjustment shall be listed in the table which follows. The total annual adjustment amount will be paid quarterly with the amount of each quarterly payment being equal to one fourth of the total annual amount established for each provider. The quarterly payment made under this section will be an add-on to services payments made under this Attachment to such facilities during the quarter.

To remain eligible, providers must submit benchmarks and goals acceptable to the Commissioner and must submit periodic reports, as requested by the Commissioner, concerning the achievement of such benchmarks and goals. Failure to achieve satisfactory progress in accomplishing such benchmarks and goals will result in termination of the provider's temporary rate adjustment prior to the end of the specified timeframe. Once a provider's temporary rate adjustment ends, the provider will be reimbursed in accordance with the otherwise applicable rate-setting methodology as set forth in this Attachment.

Temporary rate adjustments have been approved for the following providers in the amounts and for the effective periods listed.

Certified Home Health Agencies:

<u>Provider Name</u>	<u>Gross Medicaid Rate Adjustment</u>	<u>Rate Period Effective</u>
Jefferson County Public Health Service	\$382,862	01/01/2014 – 03/31/2014
	\$393,408	04/01/2014 – 03/31/2015
	\$404,475	04/01/2015 – 03/31/2016

TN #13-0071

Approval Date _____

Supersedes TN NEW

Effective Date _____