



Department of Health

ANDREW M. CUOMO
Governor

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

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

MAR 22 2018

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

RE: SPA #18-0009
Non-Institutional Services

Dear Mr. Melendez:


The State requests approval of the enclosed amendment #18-0009 to the Title XIX (Medicaid) State Plan for non-institutional services to be effective January 1, 2018 (Appendix I). This amendment is being submitted based on enacted legislation. A summary of the plan amendment is provided in Appendix II.

The State of New York reimburses these services through the use of rates that are consistent with and promote efficiency, economy, and quality of care and are sufficient to enlist enough providers so that care and services are available under the plan at least to the extent that such care and services are available to the general population in the geographic area as required by §1902(a)(30) of the Social Security Act and 42 CFR §447.204.

Copies of pertinent sections of enacted legislation are enclosed for your information (Appendix III). A copy of the public notice of this plan amendment, which was given in the New York State Register on December 27, 2017, is also enclosed for your information (Appendix IV). In addition, responses to the five standard funding questions and the standard access questions are also enclosed (Appendix V and VI, respectively).


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

Sincerely,



Jason A. Helgerson
Medicaid Director
Office of Health Insurance Programs

Enclosures

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL		1. TRANSMITTAL NUMBER: 18-0009	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, 2018	
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: Section 1902(a)(30) of the Social Security Act and 42 CFR 447.		7. FEDERAL BUDGET IMPACT: (in thousands) a. FFY 01/01/18-09/30/18 \$ 5,923.85 b. FFY 10/01/18-09/30/19 \$11,342.18	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-B: 2(s.4), 2(s.5), 3k(5), 3k(6)		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):	
10. SUBJECT OF AMENDMENT: Minimum Wage and COLA (OMH) (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 Bureau of Federal Relations & Provider Assessments 99 Washington Ave – One Commerce Plaza Suite 1460 Albany, NY 12210	
13. TYPED NAME: Jason A. Helgerson			
14. TITLE: Medicaid Director Department of Health			
15. DATE SUBMITTED: MAR 22 2018			
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:			

Appendix I
2018 Title XIX State Plan
First Quarter Amendment
Amended SPA Pages

**New York
2(s.4)**

X. Minimum Wage Rate Increases for Non-State-operated Freestanding OMH-Licensed Mental Health Clinics

Effective January 1, 2018 and every January 1 thereafter until the minimum wage reaches the state statutorily described per hour wage shown below, a minimum wage increase percentage will be developed and applied to the APG base rates for all peer groups of freestanding OMH-licensed Mental Health Clinics, except State-operated Mental Health Clinics.

<u>Minimum Wage Region</u>	<u>12/31/16</u>	<u>12/31/17</u>	<u>12/31/18</u>	<u>12/31/19</u>	<u>12/31/20</u>	<u>12/31/21</u>
<u>New York City (Large employers)</u>	<u>\$11.00</u>	<u>\$13.00</u>	<u>\$15.00</u>	<u>\$15.00</u>	<u>\$15.00</u>	<u>\$15.00</u>
<u>New York City (Small employers)</u>	<u>\$10.50</u>	<u>\$12.00</u>	<u>\$13.50</u>	<u>\$15.00</u>	<u>\$15.00</u>	<u>\$15.00</u>
<u>Nassau, Suffolk, & Westchester counties</u>	<u>\$10.00</u>	<u>\$11.00</u>	<u>\$12.00</u>	<u>\$13.00</u>	<u>\$14.00</u>	<u>\$15.00</u>
<u>Remainder of the State</u>	<u>\$9.70</u>	<u>\$10.40</u>	<u>\$11.10</u>	<u>\$11.80</u>	<u>\$12.50</u>	<u>\$12.50</u>

Rates adjusted by the minimum wage increase percentage will be posted to the OMH Medicaid Reimbursement website at https://www.omh.ny.gov/omhweb/medicaid_reimbursement/. The minimum wage increase percentage will be developed and implemented as follows:

- a. Minimum wage costs mean the additional costs for salary and fringe benefits incurred beginning January 1, 2018, and thereafter, as a result of New York State statutory increases to minimum wage. Minimum wage costs for 2018 are developed based on the most current available CFR (Consolidated Fiscal Report) cost report data and updated annually thereafter through 2022. For 2018, the State used 2014-2015 CFR cost report data and adjusted any wages reported therein below the 12/31/16 minimum wage up to such statutory minimum wage prior to calculating the minimum wage increase percentage.
 - i. The average hourly wages of employees in occupational titles where the calculated average hourly wage, after controlling for overtime, is below the regional statutory minimum wage are identified.
 - ii. The total payroll hours of the titles identified are then multiplied by the regional statutory minimum wage resulting in a projected payroll. The actual payroll as reported in the CFR cost report is then subtracted from the projected payroll resulting in the expected minimum wage cost increase attributable to salary.
 - iii. Fringe benefit costs are identified on the CFR and the statewide average fringe benefit percentage is calculated.
 - iv. The fringe benefit percentage is applied to the increased minimum wage costs attributable to salary and the result is then added to the minimum wage cost increase attributable to salary, resulting in total minimum wage costs.
 - v. The total minimum wage cost is divided by total operating expenditures reported in the CFR cost report to derive a minimum wage increase percentage.
- b. Rates adjusted for minimum wage costs are calculated by multiplying the APG base rates then in effect by the minimum wage increase percentage as determined pursuant to section (a), above.

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Supersedes TN NEW

Effective Date _____

**New York
2(s.5)**

- c. After the end of each CFR (Consolidated Fiscal Report) reporting year beginning in 2018, the Office of Mental Health will review providers' CFR submissions to ensure the average hourly wages of employees in all occupational titles comply with minimum wage standards. OMH may reconcile and recoup minimum wage rate increases paid to providers that do not submit their CFRs according to established reporting deadlines or that are found not to be in compliance with wage standards if the Office of Mental Health deems such recoupment to be cost effective.

XI. Direct Care and Clinical Compensation Increase for Non-State-operated Freestanding OMH-Licensed Mental Health Clinics

- a. Effective on both January 1, 2018 and April 1, 2018, a direct care compensation increase will be developed and implemented for Direct Support and Direct Care Professionals. Also, effective April 1, 2018, a clinical compensation increase will be developed and implemented for Clinical Professionals. Such increases shall apply to all peer groups of freestanding OMH-licensed Mental Health Clinics, except State-operated Mental Health Clinics. Employee wage and fringe benefit information is based on 2014-2015 CFR cost report data.
- b. Fee increases effective January 1, 2018 are calculated as follows:
- i. The total wages of employees in Direct Support and Direct Care Professional occupational titles (adjusted by any applicable minimum wage increases) and fringe benefits are increased by 3.25%.
 - ii. Such wage and benefit increase is divided by the total operating expenditures reported in the CFR to derive a direct care compensation factor.
 - iii. Rates adjusted for direct care compensation are calculated by applying the direct care compensation factor to the APG base rates then in effect.
- c. Fee increases effective April 1, 2018 are calculated as follows:
- i. The total wages of employees in Direct Support and Direct Care Professional occupational titles (adjusted by any applicable minimum wage increases and the increase specified in subsection (b)(i), above) and fringe benefits are increased by 3.25%.
 - ii. The total wages of employees in Clinical Professional occupational titles and fringe benefits are increased by 3.25%.
 - iii. Wage and benefit increases calculated pursuant to subsections (c)(i) and (ii), above are combined and then the sum is divided by the total operating expenditures reported in the CFR to derive a direct care and clinical compensation factor.
 - iv. Rates adjusted for direct care and clinical compensation are calculated by applying the direct care and clinical compensation factor to the APG base rates then in effect.

TN #18-0009

Approval Date _____

Supersedes TN NEW

Effective Date _____

**New York
3k(5)**

Effective January 1, 2018:

Reimbursement Methodology for Non-State-operated OMH-Licensed Freestanding Clinic and Outpatient Hospital Services, including Partial Hospitalization and Continuing Day Treatment Services and Day Treatment Services for Children.

I. Minimum Wage Rate Increases

Effective January 1, 2018 and every January 1 thereafter until the minimum wage reaches the state statutorily described per hour wage shown below, a minimum wage increase percentage will be developed and applied to the rates for OMH-licensed Partial Hospitalization and Continuing Day Treatment Services and Day Treatment Services for Children, except rates for State-operated Services.

Minimum Wage Region	12/31/16	12/31/17	12/31/18	12/31/19	12/31/20	12/31/21
New York City (Large employers)	\$11.00	\$13.00	\$15.00	\$15.00	\$15.00	\$15.00
New York City (Small employers)	\$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	\$12.50

Rates adjusted by the minimum wage increase percentage will be posted to the OMH Medicaid Reimbursement website at https://www.omh.ny.gov/omhweb/medicaid_reimbursement/. The minimum wage increase percentage will be developed and implemented as follows:

- a. Minimum wage costs mean the additional costs for salary and fringe benefits incurred beginning January 1, 2018, and thereafter, as a result of New York State statutory increases to minimum wage. Minimum wage costs for 2018 are developed based on the most current available CFR (Consolidated Fiscal Report) cost report data and updated annually thereafter through 2022. For 2018, the State used 2014-2015 CFR cost report data and adjusted any wages reported therein below the 12/31/16 minimum wage up to such statutory minimum wage prior to calculating the minimum wage increase percentage.
 - i. The average hourly wages of employees in occupational titles where the calculated average hourly wage, after controlling for overtime, is below the regional statutory minimum wage are identified.
 - ii. The total payroll hours of the titles identified are then multiplied by the regional statutory minimum wage resulting in a projected payroll. The actual payroll as reported in the CFR cost report is then subtracted from the projected payroll resulting in the expected minimum wage cost increase attributable to salary.
 - iii. Fringe benefit costs are identified on the CFR and the statewide average fringe benefit percentage is calculated.
 - iv. The fringe benefit percentage is applied to the increased minimum wage costs attributable to salary and the result is then added to the minimum wage cost increase attributable to salary, resulting in total minimum wage costs.
 - v. The total minimum wage cost is divided by total operating expenditures reported in the CFR cost report to derive a minimum wage increase percentage.

TN #18-0009 Approval Date _____

Supersedes TN NEW Effective Date _____

**New York
3k(6)**

- b. Rates adjusted for minimum wage costs are calculated by multiplying rates then in effect by the minimum wage increase percentage as determined pursuant to section (a), above.
- c. After the end of each CFR (Consolidated Fiscal Report) reporting year beginning in 2018, the Office of Mental Health will review providers' CFR submissions to ensure the average hourly wages of employees in all occupational titles comply with minimum wage standards. OMH may reconcile and recoup minimum wage rate increases paid to providers that do not submit their CFRs according to established reporting deadlines or that are found not to be in compliance with wage standards if the Office of Mental Health deems such recoupment to be cost effective.

II. Direct Care and Clinical Compensation Increases

Effective on both January 1, 2018 and April 1, 2018, a direct care compensation increase will be developed and implemented for Direct Support and Direct Care Professionals. Also, effective April 1, 2018, a clinical compensation increase will be developed and implemented for Clinical Professionals. Such increases shall apply to the rates for OMH-licensed Partial Hospitalization and Continuing Day Treatment Services and Day Treatment Services for Children, except rates for State-operated Employee wage and fringe benefit information is based on 2014-2015 CFR cost report data.

- a. Fee increases effective January 1, 2018 are calculated as follows:
- i. The total wages of employees in Direct Support and Direct Care Professional occupational titles (adjusted by any applicable minimum wage increases) and fringe benefits are increased by 3.25%.
 - ii. Such wage and benefit increase is divided by the total operating expenditures reported in the CFR to derive a direct care compensation factor.
 - iii. Rates adjusted for direct care compensation are calculated by applying the direct care compensation factor to the APG base rates then in effect.
- b. Fee increases effective April 1, 2018 are calculated as follows:
- i. The total wages of employees in Direct Support and Direct Care Professional occupational titles (adjusted by any applicable minimum wage increases and the increase specified in subsection (b)(i), above) and fringe benefits are increased by 3.25%.
 - ii. The total wages of employees in Clinical Professional occupational titles and fringe benefits are increased by 3.25%.
 - iii. Wage and benefit increases calculated pursuant to subsections (c)(i) and (ii), above are combined and then the sum is divided by the total operating expenditures reported in the CFR to derive a direct care and clinical compensation factor.
 - iv. Rates adjusted for direct care and clinical compensation are calculated by applying the direct care and clinical compensation factor to the APG base rates then in effect.

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Supersedes TN NEW _____ **Effective Date** _____

Appendix II
2018 Title XIX State Plan
First Quarter Amendment
Summary

SUMMARY
SPA #18-0009

This State Plan Amendment proposes to increase rates of payment for non-State-operated OMH-licensed Freestanding Mental Health Clinics and Freestanding and Outpatient Hospital-based Partial Hospitalization and Continuing Day Treatment Services and Day Treatment Services for Children to account for statutory increases to the New York State minimum wage through 2022 and other budgeted compensation increases for direct care and clinical staff.

Appendix III
2018 Title XIX State Plan
First Quarter Amendment
Authorizing Provisions

State Law Authorizing Provisions for 18-0009

Labor

§ 652. Minimum wage. 1. Statutory. Every employer shall pay to each of its employees for each hour worked a wage of not less than:

\$4.25 on and after April 1, 1991,

\$5.15 on and after March 31, 2000,

\$6.00 on and after January 1, 2005,

\$6.75 on and after January 1, 2006,

\$7.15 on and after January 1, 2007,

\$8.00 on and after December 31, 2013,

\$8.75 on and after December 31, 2014,

\$9.00 on and after December 31, 2015, and until December 31, 2016, or, if greater, such other wage as may be established by federal law pursuant to 29 U.S.C. section 206 or its successors

or such other wage as may be established in accordance with the provisions of this article.

(a) New York City. (i) Large employers. Every employer of eleven or more employees shall pay to each of its employees for each hour worked in the city of New York a wage of not less than:

\$11.00 per hour on and after December 31, 2016,

\$13.00 per hour on and after December 31, 2017,

\$15.00 per hour on and after December 31, 2018, or, if greater, such other wage as may be established by federal law pursuant to 29 U.S.C. section 206 or its successors or such other wage as may be established in accordance with the provisions of this article.

(ii) Small employers. Every employer of ten or less employees shall pay to each of its employees for each hour worked in the city of New York a wage of not less than:

\$10.50 per hour on and after December 31, 2016,

\$12.00 per hour on and after December 31, 2017,

\$13.50 per hour on and after December 31, 2018,

\$15.00 per hour on and after December 31, 2019, or, if greater, such other wage as may be established by federal law pursuant to 29 U.S.C. section 206 or its successors or such other wage as may be established in accordance with the provisions of this article.

(b) Remainder of downstate. Every employer shall pay to each of its employees for each hour worked in the counties of Nassau, Suffolk and Westchester a wage not less than:

\$10.00 per hour on and after December 31, 2016,

\$11.00 per hour on and after December 31, 2017,

\$12.00 per hour on and after December 31, 2018,

\$13.00 per hour on and after December 31, 2019,

\$14.00 per hour on and after December 31, 2020,

\$15.00 per hour on and after December 31, 2021,

or, if greater, such other wage as may be established by federal law pursuant to 29 U.S.C. section 206 or its successors or such other wage as may be established in accordance with the provisions of this article.

(c) Remainder of state. Every employer shall pay to each of its employees for each hour worked outside of the city of New York and the counties of Nassau, Suffolk, and Westchester, a wage of not less than:

\$9.70 on and after December 31, 2016,

\$10.40 on and after December 31, 2017,

\$11.10 on and after December 31, 2018,

\$11.80 on and after December 31, 2019,
\$12.50 on and after December 31, 2020,
and on each following December thirty-first, a wage published by the commissioner on or before October first, based on the then current minimum wage increased by a percentage determined by the director of the budget in consultation with the commissioner, with the result rounded to the nearest five cents, totaling no more than fifteen dollars, where the percentage increase shall be based on indices including, but not limited to, (i) the rate of inflation for the most recent twelve month period ending June of that year based on the consumer price index for all urban consumers on a national and seasonally unadjusted basis (CPI-U), or a successor index as calculated by the United States department of labor, (ii) the rate of state personal income growth for the prior calendar year, or a successor index, published by the bureau of economic analysis of the United States department of commerce, or (iii) wage growth; or, if greater, such other wage as may be established by federal law pursuant to 29 U.S.C. section 206 or its successors or such other wage as may be established in accordance with the provisions of this article.

(d) The rates and schedules established in paragraphs (a) and (b) of this subdivision shall not be deemed to be the minimum wage under this subdivision for purposes of the calculations specified in subdivisions one and two of section five hundred twenty-seven of this chapter.

2. Existing wage orders. The minimum wage orders in effect on the effective date of this act shall remain in full force and effect, except as modified in accordance with the provisions of this article. Such minimum wage orders shall be modified by the commissioner to increase all monetary amounts specified therein in the same proportion as the increase in the hourly minimum wage as provided in subdivision one of this section, including the amounts specified in such minimum wage orders as allowances for gratuities, and when furnished by the employer to its employees, for meals, lodging, apparel and other such items, services and facilities. All amounts so modified shall be rounded off to the nearest five cents. The modified orders shall be promulgated by the commissioner without a public hearing, and without reference to a wage board, and shall become effective on the effective date of such increases in the minimum wage except as otherwise provided in this subdivision, notwithstanding any other provision of this article.

3. Non-profitmaking institutions. (a) Application of article. This article shall apply to non-profitmaking institutions.

(b) Option available to non-profitmaking institutions. The provisions of any wage order issued under this article shall not apply, however, to any non-profitmaking institution which pays and continues to pay to each of its employees in every occupation a wage, exclusive of allowances, of not less than the minimum wage provided in subdivision one of this section provided that such institution had certified under oath to the commissioner, on or before September first, nineteen hundred sixty, that on or before October first, nineteen hundred sixty it would pay and thereafter intended to pay such wage to each of its employees in every occupation and provided further that all the provisions of this article have not become applicable to such institution by operation of paragraph (c) of this subdivision. If such institution was not organized or did not hire any employees as defined in subdivision five of section six hundred fifty-one of this chapter before September first, nineteen hundred sixty, such provisions shall not apply so long as, commencing six months after it was organized, or first employed such employees it

paid and continues to pay such wage to each of its employees in every occupation, provided that such institution certified under oath within six months after it was organized or first employed such employees that it would pay and thereafter intended to pay such wage to each of its employees in every occupation and provided further that all the provisions of this article have not become applicable to such institution by operation of paragraph (c) of this subdivision.

(c) Termination of option. All the provisions of this article, including all of the provisions of any wage order issued thereunder which, but for the operation of paragraph (b) of this subdivision, would apply to any non-profitmaking institution, shall become fully applicable to such institution sixty days after such institution files a notice with the commissioner requesting that the provisions of such wage order apply to it, or immediately upon the issuance of an order by the commissioner finding that such institution has failed to pay the wages provided in paragraph (b) of this subdivision, but in no event shall any such order discharge the obligation of such institution to pay the wages provided by paragraph (b) of this subdivision for any period prior to the issuance of such order.

4. Notwithstanding subdivisions one and two of this section, the wage for an employee who is a food service worker receiving tips shall be a cash wage of at least two-thirds of the minimum wage rates set forth in subdivision one of this section, rounded to the nearest five cents or seven dollars and fifty cents, whichever is higher, provided that the tips of such an employee, when added to such cash wage, are equal to or exceed the minimum wage in effect pursuant to subdivision one of this section and provided further that no other cash wage is established pursuant to section six hundred fifty-three of this article.

5. Notwithstanding subdivisions one and two of this section, meal and lodging allowances for a food service worker receiving a cash wage pursuant to subdivision four of this section shall not increase more than two-thirds of the increase required by subdivision two of this section as applied to state wage orders in effect pursuant to subdivision one of this section.

6. Notwithstanding subdivision one of this section, and sections six hundred fifty-three and six hundred fifty-five of this article, on or after January first, two thousand nineteen, and each January first thereafter until such time as the minimum wage is fifteen dollars in all areas of the state, the division of budget shall conduct an analysis of the state of the economy in each region, and the effect of the minimum wage increases listed in this section, to determine whether there should be a temporary suspension or delay in any scheduled increases. In conducting its analysis, the division of budget shall consult the department, the department's division of research and statistics, the United States department of labor, the federal reserve bank of New York and other economic experts. The division of budget will reference well-established economic indexes and accepted economic factors, including those set forth in section six hundred fifty-four of this article, to justify and explain its decision. After reviewing such indexes and factors, the division shall determine whether scheduled increases in the minimum wage shall continue up to and including fifteen dollars. The division of budget will issue a report and recommendation to the commissioner, who shall take action on that report and recommendation pursuant to section six hundred fifty-six of this article.

Appendix IV
2018 Title XIX State Plan
First Quarter Amendment
Public Notice

MISCELLANEOUS NOTICES/HEARINGS

Notice of Abandoned Property Received by the State Comptroller

Pursuant to provisions of the Abandoned Property Law and related laws, the Office of the State Comptroller receives unclaimed monies and other property deemed abandoned. A list of the names and last known addresses of the entitled owners of this abandoned property is maintained by the office in accordance with Section 1401 of the Abandoned Property Law. Interested parties may inquire if they appear on the Abandoned Property Listing by contacting the Office of Unclaimed Funds, Monday through Friday from 8:00 a.m. to 4:30 p.m., at:

1-800-221-9311
or visit our web site at:
www.osc.state.ny.us

Claims for abandoned property must be filed with the New York State Comptroller's Office of Unclaimed Funds as provided in Section 1406 of the Abandoned Property Law. For further information contact: Office of the State Comptroller, Office of Unclaimed Funds, 110 State St., Albany, NY 12236.

PUBLIC NOTICE

Department of Civil Service

PURSUANT to the Open Meetings Law, the New York State Civil Service Commission hereby gives public notice of the following:

Please take notice that the regular monthly meeting of the State Civil Service Commission for January 2018 will be conducted on January 9 and January 10 commencing at 10:00 a.m. This meeting will be conducted at NYS Media Services Center, Suite 146, South Concourse, Empire State Plaza, Albany, NY with live coverage available at <https://www.cs.ny.gov/commission/>.

For further information, contact: Office of Commission Operations, Department of Civil Service, Empire State Plaza, Agency Bldg. 1, Albany, NY 12239, (518) 473-6598

PUBLIC NOTICE

Department of Health

Pursuant to 42 CFR Section 447.205, the Department of Health hereby gives public notice of the following:

The Department of Health proposes to amend the Title XIX (Medicaid) State Plan for all qualifying Mental Hygiene services to comply with enacted statutory provisions. The following changes are proposed:

All Services

Effective on or after December 31, 2017, the State will change the methods and standards for determining payment rates for all qualifying Mental Hygiene Services to take into account labor costs resulting from statutorily required increases in the New York State minimum wage and to provide funding to support a three and one-quarter percent increase in annual salary and salary-related fringe benefits for direct care staff and direct support professionals, and in payment to foster parents and adoptive parents.

Effective on or after April 1, 2018, a new three and one-quarter percent increase in annual salary and salary-related fringe benefits

will be applied for direct care staff, direct support professionals and clinical staff, and in payment to foster parents and adoptive parents for all qualifying Mental Hygiene Services. For the purposes of the January 1 and April 1, 2018 funding increases, direct support professionals are individuals employed in consolidated fiscal reporting position title codes ranging from 100 to 199; direct care staff are individuals employed in consolidated fiscal reporting position title codes ranging from 200 to 299; and clinical staff are individuals employed in consolidated fiscal reporting position title codes ranging from 300 to 399.

The estimated annual net aggregate increase in gross Medicaid expenditure attributable to this initiative contained in the budget for SFY 2017/18 is approximately \$35.5M.

The public is invited to review and comment on this proposed State Plan Amendment, a copy of which will be available for public review on the Department's website at http://www.health.ny.gov/regulations/state_plans/status. Individuals without Internet access may view the State Plan Amendments at any local (county) social services district.

For the New York City district, copies will be available at the following places:

New York County
250 Church Street
New York, New York 10018

Queens County, Queens Center
3220 Northern Boulevard
Long Island City, New York 11101

Kings County, Fulton Center
114 Willoughby Street
Brooklyn, New York 11201

Bronx County, Tremont Center
1916 Monterey Avenue
Bronx, New York 10457

Richmond County, Richmond Center
95 Central Avenue, St. George
Staten Island, New York 10301

For further information and to review and comment, please contact: Department of Health, Division of Finance and Rate Setting, 99 Washington Ave., One Commerce Plaza, Suite 1432, Albany, NY 12210, spa_inquiries@health.ny.gov

PUBLIC NOTICE

Department of Health

Pursuant to 42 CFR Section 447.205, the Department of Health hereby gives public notice of the following:

The Department of Health proposes to amend the Title XIX (Medicaid) State Plan for non-institutional services to comply with enacted statutory provisions. The following changes are proposed:

Non-Institutional Services

Effective on or after December 31, 2017, the Department of Health will adjust Article 16 APG rates to take into account increased labor costs resulting from statutorily required increases in the New York State minimum wage. Under the statute, increases in the minimum wage will be phased in over a number of years until the minimum wage is \$15 per hour in all regions of the State, and Medicaid rates will be adjusted in those years to account for such increases.

The estimated annual net aggregate increase in gross Medicaid expenditures attributable to this initiative contained in the budget for state fiscal year 2018 is \$30,000 and 2019 is \$40,000.

The public is invited to review and comment on this proposed State Plan Amendment, a copy of which will be available for public review on the Department's website at http://www.health.ny.gov/regulations/state_plans/status. Individuals without Internet access may view the State Plan Amendments at any local (county) social services district.

For the New York City district, copies will be available at the following places:

New York County
250 Church Street
New York, New York 10018

Queens County, Queens Center
3220 Northern Boulevard
Long Island City, New York 11101

Kings County, Fulton Center
114 Willoughby Street
Brooklyn, New York 11201

Bronx County, Tremont Center
1916 Monterey Avenue
Bronx, New York 10457

Richmond County, Richmond Center
95 Central Avenue, St. George
Staten Island, New York 10301

For further information and to review and comment, please contact:
Department of Health, Division of Finance and Rate Setting, 99 Washington Ave., One Commerce Plaza, Suite 1432, Albany, NY 12210, spa_inquiries@health.ny.gov

PUBLIC NOTICE

Office of Mental Health and Department of Health

Pursuant to 42 CFR Section 447.205, the Office of Mental Health and the Department of Health hereby give public notice of the following:

The Office of Mental Health and the Department of Health propose to amend the Title XIX (Medicaid) State Plan for institutional services related to temporary rate adjustments to Article 28 Hospitals that are undergoing a closure, merger, consolidation, acquisition or restructuring of themselves or other health care providers. These payments are currently authorized by 2807-c (35) of the New York Public Health Law. The following changes are proposed:

Additional temporary rate adjustments have been reviewed and approved for the following hospitals:

- United Health Services Hospitals, Inc.

The aggregate payment amounts total up to \$410,883 for the period January 1, 2018 through March 31, 2018.

The aggregate payment amounts total up to \$1,693,988 for the period April 1, 2018 through March 31, 2019.

The aggregate payment amounts total up to \$1,870,735 for the period April 1, 2019 through March 31, 2020.

The aggregate payment amounts total up to \$1,460,242 for the period April 1, 2020 through March 31, 2021.

The public is invited to review and comment on this proposed State

Plan Amendment. Copies of which will be available for public review on the Department of Health's website at http://www.health.ny.gov/regulations/state_plans/status.

Copies of the proposed State Plan Amendments will be on file in each local (county) social services district and available for public review.

For the New York City district, copies will also be available at the following places:

New York County
250 Church Street
New York, New York 10018

Queens County, Queens Center
3220 Northern Boulevard
Long Island City, New York 11101

Kings County, Fulton Center
114 Willoughby Street
Brooklyn, New York 11201

Bronx County, Tremont Center
1916 Monterey Avenue
Bronx, New York 10457

Richmond County, Richmond Center
95 Central Avenue, St. George
Staten Island, New York 10301

For further information and to review and comment, please contact:
Department of Health, Division of Finance and Rate Setting, 99 Washington Ave., One Commerce Plaza, Suite 1460, Albany, NY 12210, spa_inquiries@health.ny.gov

PUBLIC NOTICE

New York City Deferred Compensation Plan

The New York City Deferred Compensation Plan (the "Plan") is seeking qualified vendors to provide master wrap administrative services for the Stable Income Fund investment option of the Plan. To be considered, vendors must submit their product information to Milliman Investment Consulting at the following e-mail address: sanf.investment.search@milliman.com. Please complete the submission of product information no later than 4:30 P.M. Eastern Time on January 22, 2018. Consistent with the policies expressed by the City, proposals from certified minority-owned and/or women-owned businesses or proposals that include partnering arrangements with certified minority-owned and/or women-owned firms are encouraged. Additionally, proposals from small and New York City-based businesses are also encouraged.

PUBLIC NOTICE

Department of State
F-2017-0963

Date of Issuance – December 27, 2017

The New York State Department of State (DOS) is required by Federal regulations to provide timely public notice for the activities described below, which are subject to the consistency provisions of the Federal Coastal Zone Management Act of 1972, as amended.

The applicant has certified that the proposed activity complies with and will be conducted in a manner consistent with the approved New York State Coastal Management Program. The applicant's consistency certification and accompanying public information and data are available for inspection at the New York State Department of State offices located at One Commerce Plaza, 99 Washington Avenue, in Albany, New York. Electronic copies of the submission can also be downloaded at: http://www.dos.ny.gov/opd/programs/pdfs/Consistency/F-2017-0963_PN.pdf

Appendix V
2018 Title XIX State Plan
First Quarter Amendment
Responses to Standard Funding Questions

NON-INSTITUTIONAL SERVICES
State Plan Amendment #18-0009

CMS Standard Funding Questions

The following questions are being asked and should be answered in relation to all payments made to all providers reimbursed pursuant to a methodology described in Attachment 4.19-B of the state plan. For SPAs that provide for changes to payments for clinic or outpatient hospital services or for enhanced or supplemental payments to physician or other practitioners, the questions must be answered for all payments made under the state plan for such service.

- 1. Section 1903(a)(1) provides that Federal matching funds are only available for expenditures made by States for services under the approved State plan. Do providers receive and retain the total Medicaid expenditures claimed by the State (includes normal per diem, supplemental, enhanced payments, other) or is any portion of the payments returned to the State, local governmental entity, or any other intermediary organization? If providers are required to return any portion of payments, please provide a full description of the repayment process. Include in your response a full description of the methodology for the return of any of the payments, a complete listing of providers that return a portion of their payments, the amount or percentage of payments that are returned and the disposition and use of the funds once they are returned to the State (i.e., general fund, medical services account, etc.).**

Response: Providers receive and retain the payments made pursuant to this amendment. However, this requirement in no way prohibits the public provider, including county providers, from reimbursing the sponsoring local government for appropriate expenses incurred by the local government on behalf of the public provider. The State does not regulate the financial relationships that exist between public health care providers and their sponsoring governments, which are extremely varied and complex. Local governments may provide direct and/or indirect monetary subsidies to their public providers to cover on-going unreimbursed operational expenses and assure achievement of their mission as primary safety net providers. Examples of appropriate expenses may include payments to the local government which include reimbursement for debt service paid on a provider's behalf, reimbursement for Medicare Part B premiums paid for a provider's retirees, reimbursement for contractually required health benefit fund payments made on a provider's behalf, and payment for overhead expenses as allocated per federal Office of Management and Budget Circular 2 CFR 200 regarding Cost Principles for State, Local, and Indian Tribal Governments. The existence of such transfers does not negate the legitimacy of these facilities' Medicaid payments or result in reduced Medicaid federal financial participation for the State. This position was further supported by CMS in review and approval of SPA 07-07C when an on-site audit of these transactions for New York City's Health and Hospitals Corporation was completed with satisfactory results.

2. **Section 1902(a)(2) provides that the lack of adequate funds from local sources will not result in lowering the amount, duration, scope, or quality of care and services available under the plan. Please describe how the state share of each type of Medicaid payment (normal per diem, supplemental, enhanced, other) is funded. Please describe whether the state share is from appropriations from the legislature to the Medicaid agency, through intergovernmental transfer agreements (IGTs), certified public expenditures (CPEs), provider taxes, or any other mechanism used by the state to provide state share. Note that, if the appropriation is not to the Medicaid agency, the source of the state share would necessarily be derived through either through an IGT or CPE. In this case, please identify the agency to which the funds are appropriated. Please provide an estimate of total expenditure and State share amounts for each type of Medicaid payment. If any of the non-federal share is being provided using IGTs or CPEs, please fully describe the matching arrangement including when the state agency receives the transferred amounts from the local governmental entity transferring the funds. If CPEs are used, please describe the methodology used by the state to verify that the total expenditures being certified are eligible for Federal matching funds in accordance with 42 CFR 433.51(b). For any payment funded by CPEs or IGTs, please provide the following:**
- (i) a complete list of the names of entities transferring or certifying funds;**
 - (ii) the operational nature of the entity (state, county, city, other);**
 - (iii) the total amounts transferred or certified by each entity;**
 - (iv) clarify whether the certifying or transferring entity has general taxing authority: and,**
 - (v) whether the certifying or transferring entity received appropriations (identify level of appropriations).**

Response: Payments made to service providers under the provisions of this SPA are funded through a general appropriation received by the State agency that oversees medical assistance (Medicaid), which is the Department of Health.

The source of the State appropriation is the Medicaid General Fund Local Assistance Account, which is part of the Global Cap. The Global Cap is funded by General Fund and HCRA resources. There are no new provider taxes and no existing taxes have been modified under the amendment.

3. **Section 1902(a)(30) requires that payments for services be consistent with efficiency, economy, and quality of care. Section 1903(a)(1) provides for Federal financial participation to States for expenditures for services under an approved State plan. If supplemental or enhanced payments are made, please provide the total amount for each type of supplemental or enhanced payment made to each provider type.**

Response: The payments authorized by this Amendment are not supplemental or enhanced payments.

4. **For clinic or outpatient hospital services please provide a detailed description of the methodology used by the state to estimate the upper payment limit (UPL) for each class of providers (State owned or operated, non-state government owned or operated, and privately owned or operated). Please provide a current (i.e., applicable to the current rate year) UPL demonstration.**

Response: The State is working with CMS to submit the 2018 Clinic UPL.

5. **Does any governmental provider receive payments that in the aggregate (normal per diem, supplemental, enhanced, other) exceed their reasonable costs of providing services? If payments exceed the cost of services, do you recoup the excess and return the Federal share of the excess to CMS on the quarterly expenditure report?**

Response: Reimbursement to local governmental providers under this Amendment does not exceed the reasonable cost of providing services. The State is unaware of any requirement under current federal law or regulation that limits individual providers' payments to their actual costs.

ACA Assurances:

1. **Maintenance of Effort (MOE). Under section 1902(gg) of the Social Security Act (the Act), as amended by the Affordable Care Act, as a condition of receiving any Federal payments under the Medicaid program during the MOE period indicated below, the State shall not have in effect any eligibility standards, methodologies, or procedures in its Medicaid program which are more restrictive than such eligibility provisions as in effect in its Medicaid program on March 10, 2010.**

MOE Period.

- **Begins on: March 10, 2010, and**
- **Ends on: The date the Secretary of the Federal Department of Health and Human Services determines an Exchange established by a State under the provisions of section 1311 of the Affordable Care Act is fully operational.**

Response: This SPA complies with the conditions of the MOE provision of section 1902(gg) of the Act for continued funding under the Medicaid program.

2. **Section 1905(y) and (z) of the Act provides for increased FMAs for expenditures made on or after January 1, 2014 for individuals determined eligible under section 1902(a)(10)(A)(i)(VIII) of the Act. Under section 1905(cc) of the Act, the increased FMAP under sections 1905(y) and (z) would not be available for States that require local political subdivisions to contribute amounts toward the non-Federal share of the State's expenditures at a greater percentage than would have been required on December 31, 2009.**

Prior to January 1, 2014 States may potentially require contributions by local political subdivisions toward the non-Federal share of the States' expenditures at percentages greater than were required on December 31, 2009. **However**, because of the provisions of section 1905(cc) of the Act, it is important to determine and document/flag any SPAs/State plans which have such greater percentages prior to the January 1, 2014 date in order to anticipate potential violations and/or appropriate corrective actions by the States and the Federal government.

Response: This SPA would [] / would not [✓] violate these provisions, if they remained in effect on or after January 1, 2014.

3. Please indicate whether the State is currently in conformance with the requirements of section 1902(a)(37) of the Act regarding prompt payment of claims.

Response: This State complies with the requirements of section 1902(a)(37) of the Act regarding prompt payment of claims.

Tribal Assurance:

Section 1902(a)(73) of the Social Security Act the Act requires a State in which one or more Indian Health Programs or Urban Indian Organizations furnish health care services to establish a process for the State Medicaid agency to seek advice on a regular ongoing basis from designees of Indian health programs whether operated by the Indian Health Service HIS Tribes or Tribal organizations under the Indian Self Determination and Education Assistance Act ISDEAA or Urban Indian Organizations under the Indian Health Care Improvement Act.

IHCIA Section 2107(e)(I) of the Act was also amended to apply these requirements to the Children's Health Insurance Program CHIP. Consultation is required concerning Medicaid and CHIP matters having a direct impact on Indian health programs and Urban Indian organizations.

- a) Please describe the process the State uses to seek advice on a regular ongoing basis from federally recognized tribes Indian Health Programs and Urban Indian Organizations on matters related to Medicaid and CHIP programs and for consultation on State Plan Amendments waiver proposals waiver extensions waiver amendments waiver renewals and proposals for demonstration projects prior to submission to CMS.**
- b) Please include information about the frequency inclusiveness and process for seeking such advice.**
- c) Please describe the consultation process that occurred specifically for the development and submission of this State Plan Amendment when it occurred and who was involved.**

Response: Tribal consultation was performed in accordance with the State's tribal consultation policy as approved in SPA 11-06, and documentation of such is included

with this submission. To date, no feedback has been received from any tribal representative in response to the proposed change in this SPA.

Appendix VI
2018 Title XIX State Plan
First Quarter Amendment
Responses to Standard Access Questions

**APPENDIX VI
NON-INSTITUTIONAL SERVICES
State Plan Amendment # 18-0009**

CMS Standard Access Questions

The following questions have been asked by CMS and are answered by the State in relation to all payments made to all providers under Attachment 4.19-B of the state plan.

- 1. Specifically, how did the State determine that the Medicaid provider payments that will result from the change in this amendment are sufficient to comply with the requirements of 1902(a)(30)?**

Response: First, Non-State-operated OMH-Licensed Freestanding Mental Health Clinic Services and Freestanding and Outpatient Hospital-based services including Partial Hospitalization and Continuing Day Treatment Services and Day Treatment Services for Children are required to meet licensure and certification requirements to ensure providers are qualified to deliver services to Medicaid patients. These requirements as well as other methods and procedures the State has to assure efficiency, economy and quality of care are not impacted in anyway by the amendment. Secondly, these OMH licensed services participate in the New York's Medicaid program and are located across the State so that Medicaid recipients in any geographic area have access to services that are available to the general population in those communities. This amendment seeks to periodically update the fees to more accurately compensate providers for costs of labor.

- 2. How does the State intend to monitor the impact of the new rates and implement a remedy should rates be insufficient to guarantee required access levels?**

Response: The State has various ways to ensure that access levels in the Medicaid program are retained and is currently not aware of any access issues. The State monitors and considers requests in the context of access as they approve/deny changes in services. Finally, providers cannot discriminate based on source of payment.

Finally, the State ensures that there is sufficient provider capacity for Medicaid Managed Care plans as part of its process to approve managed care rates and plans. Should sufficient access to services be compromised, the State would be alerted and would take appropriate action to ensure retention of access to such services.

- 3. How were providers, advocates and beneficiaries engaged in the discussion around rate modifications? What were their concerns and how did the State address these concerns?**

Response: This change was enacted by the State Legislature as part of the negotiation of the 2017-2018 Budget. The impact of this change was weighed in the context of the overall Budget in the State. The legislative process provides opportunities for all stakeholders to lobby their concerns, objections, or support for various legislative initiatives. In addition, NY published notice in the State register of the proposed policy and provided providers, advocates and beneficiaries the opportunity to comment.

- 4. What action(s) does the State plan to implement after the rate change takes place to counter any decrease to access if the rate decrease is found to prevent sufficient access to care?**

Response: There is no rate decrease under the amendment. Should any essential community provider experience Medicaid or other revenue issues that would prevent access to needed community services, per usual practice, the State would meet with them to explore the situation and discuss possible solutions, if necessary.

- 5. Is the State modifying anything else in the State Plan which will counterbalance any impact on access that may be caused by the decrease in rates (e.g. increasing scope of services that other provider types may provide or providing care in other settings)?**

Response: There is no rate decrease under the amendment.