



Department of Health

ANDREW M. CUOMO
Governor

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

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

June 20, 2016

RE: Certified Home Health Agencies –
2016 Hotline Rates for Pediatric Patients

Dear Administrator:

The purpose of this letter is to inform you of the publication of your revised, non-episodic January 1, 2016 Certified Home Health Agency (CHHA) Medicaid rates, pursuant to Part 86-1 of the Commissioner's Administrative Rules and Regulations. These rates will be used to reimburse claims for patients under 18 years of age, and for patients served by a pilot program which provides services to a special needs population of medically complex and fragile children, adolescents and young disabled adults. All other CHHA services are reimbursed on the basis of 60-day episodes of care beginning May 1, 2012.

Copies of the revised Medicaid rate computation sheets for the period beginning January 1, 2016 are now available on the Health Commerce System (HCS) website and the rates have been transmitted to the Department's eMedNY system for payment processing.

The January 1, 2016 rate computation sheets may contain one or more of the following adjustments:

Hotline

A revision to the rates has been made to reflect acceptable "Hotline" items properly submitted during the appropriate time frame. As a result of providers filing revised cost reports during the "Hotline" period, both the statewide Administrative and General (A&G) cap and the peer group ceilings for each of the service rates have been recalculated.

Trend Factor

The rates effective January 1, 2016 reflect the application of a 0.0% roll factor adjustment. Both the 2015 and 2016 trend factor components have been reduced to 0% in accordance with the adopted New York State budgets.

Worker Recruitment and Retention Adjustment

Chapter 82 of the Laws of 2002 added subdivision 8 to Section 3614 of the Public Health Law to provide payment to CHHAs for purposes of improving recruitment and retention of non-supervisory home care services workers or any worker with direct patient care responsibility. These rates include an adjustment for worker recruitment and retention for each CHHA which has submitted to the Department of Health a signed certification statement attesting that the funds received will be utilized solely for the purpose of recruiting and retaining non-supervisory home care service workers or any worker with direct patient care responsibility. For those agencies that returned the signed attestation, the 2016 rates are increased by three percent (3%) for each service.

Recruitment, Training and Retention Adjustment

In accordance with PHL Section 3614.9, the Department is authorized to adjust Medicaid rates of payment for certified home health agencies, long term home health care programs, AIDS home care programs, hospice programs, and managed long term care programs to provide funding for purposes of improving recruitment, training and retention (RT&R) of home health aides or other personnel with direct patient care responsibility. The adjustments are based on an aggregate amount of up to \$100,000,000 for the period of January 1, 2016 through December 31, 2016.

In accordance with PHL Section 3614.10, the rate adjustments are allocated proportionally based on the total annual hours of home health aide and other direct care services provided to Medicaid patients by certified home health agencies, long term home health care programs, AIDS home care and hospice programs, as reported in each such agency's most recently available cost report as submitted to the department; or, for the purpose of managed long term care programs, a suitable proxy developed by the department in consultation with the interested parties. Payments made pursuant to this section shall not be subject to subsequent adjustment or reconciliation.

In accordance with this statutory authority, your 2016 CHHA Medicaid rates have been determined to reimburse the appropriate agency-specific allocation of the total RT&R, based on the CHHA proportion of services to the total proportion of services for all of the eligible home care provider programs, as determined from Medicaid service utilization. The adjustments are based on a uniform allocation percentage add-on of 4.70% for the period of January 1, 2016 through December 31, 2016, for agencies which have submitted the required attestation form.

FLSA Adjustment

For your enclosed 2016 rates, the uniform FLSA overtime amount of \$0.34 per hour continues to be included in the rates for pediatric home health aide services consistent with the previously determined adjustment in the published rates effective October 13, 2015.

It is important to note that this additional funding is provided under the recruitment training and retention methodology authorized by PHL Section 3614, paragraphs 9 and 10, and as such, to the extent such funding is not utilized to meet new overtime and travel requirements, agencies must use such funds for the purpose of recruitment, training and retention of non-supervisory direct care workers only, and agencies are prohibited from using such funds for any other purpose. The funding is subject to all existing statutory requirements in PHL Section 3614, paragraphs 9 and 10.

NYC Wage Parity

The enclosed 2016 rates for New York City providers for pediatric home health aide service continue to include the previously determined wage parity minimum rate of \$20.95 per hour, in addition to the FLSA adjustment noted above.

NOTE: Both the FLSA adjustment and the NYC wage parity adjustment, if applicable, have been applied to the bottom-line "Revised 2016 Rates," usually on page 3 of the rate sheet, through an override to the "2016 Medicaid Rate" which follows the A&G adjustment (usually on page 2), prior to the addition of the Health Recruitment & Retention percentage adjustment and the Recruitment, Training & Retention percentage adjustment.

Appeals

An appeal by a provider whose rates have been changed by the Hotline process must be filed no later than 30 days after this letter is posted on the Health Commerce System. Appeals must be filed in an email submitted to the Bureau mail log at: BLTCR-CH@health.ny.gov. The additional 30-day period applies only to agencies whose rates have been newly affected by Hotline changes.

In order to file an appeal with this office, the following information should be provided:

1. A scanned cover letter, signed by the Operator or Chief Executive Officer, containing a detailed summary of the items of appeal and the DCN of any revised cost report submission. Appeals will not be accepted from consultants or accountants.
2. Supporting schedules or any other pertinent data NOT related to the annual cost report may be attached in the email submission.
3. Any item of appeal that alters the cost data for the 2014 annual cost report requires that a revised report be filed electronically. The revised report must have a new Declaration Control Number and must be recertified by the operator and independent accountant, within the 30-day time frame.

To be considered timely filed, the above-mentioned requirements must be met and the appeal email submitted within the 30-day time frame indicated above. All other matters relating to the 2016 rates were subject to the June 15, 2016 deadline.

2015 Annual Cost Report

The Department expects to make available the 2015 cost report software on the Health Commerce System (HCS) website in late June 2016. The cost report will be due by **September 15, 2016**.

If you have any questions related to the methodology utilized in the calculation of your 2016 Medicaid rates or the accuracy of your rate, please contact Charles Tobey or Tim Casey at (518) 473-4421.

Sincerely,



Steven M. Simmons

Director

Bureau of Managed Long Term Care
Office of Health Insurance Programs

Attachments