

APR 21 2014

RE: Certified Home Health Agencies -
2014 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, 2014 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, 2014 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, 2014 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, 2014 reflect the application of a 0.0% roll factor adjustment. The 2013 and 2014 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 2014 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, 2014 through December 31, 2014.

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 2014 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, 2014 through December 31, 2014, for agencies which have submitted the required attestation form.

Appeals

An appeal by a provider whose rates have been changed by the "Hotline" process must be filed with this office, at the address listed below, and must be postmarked no later than 30 days from receipt of this letter. All appeals should be on the forms supplied by this office (copy attached). 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 cover letter, signed by the Operator or Chief Executive Officer, containing a summary of the items of appeal. Appeals will not be accepted from consultants or accountants.
2. The appeal packet, form DOH-2466, must be completed. The facility should complete items 1-6 on page 1. Page 2 should be duplicated as many times as necessary so that only one item of appeal appears on each page at Section 10. If more space is needed, summarize the item of appeal on page 2 and attach any further detail on your own schedules. Make sure the provider name appears on each page 2. All information on the form should be typed.

3. Supporting schedules or any other pertinent data NOT related to the annual cost report may be attached.
4. Any item of appeal that alters the cost data for the 2012 annual cost report requires that the 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 packet postmarked within the 30-day time frame indicated above. All other matters relating to the 2014 rates were subject to the April 15, 2014 deadline.

The submission of an appeal and any related information associated with the appeal **MUST** be forwarded to:

Mr. Steven M. Simmons, Director
Bureau of Long Term Care Rate Setting
One Commerce Plaza - Room 1430
99 Washington Avenue
Albany, NY 12210-2808

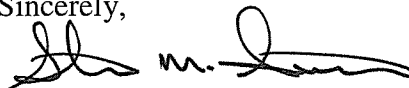
PLEASE NOTE NEW ADDRESS: Appeals sent to any address other than the above may not be recognized as an appeal.

2013 Annual Cost Report

The Department expects to make available the 2013 cost report software on the Health Commerce System (HCS) website on or about June 1, 2014. The cost report will be due by **August 15, 2014**.

If you have any questions related to the methodology utilized in the calculation of your 2014 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 Long Term Care Rate Setting
Office of Health Insurance Programs

Attachments