

FEB 26 2013

Re: Final Reconciliation of Aggregate Annual
Per Patient Spending Limits for Certified
Home Health Agencies

Dear Administrator:

The results of the Department's final reconciliation of your agency's paid claims for the period of April 1, 2011 through March 31, 2012, in comparison to the provider-specific, aggregate annual per patient spending limit, are reported on the accompanying data sheet.

The reconciliation was performed in accordance with Section 3614(12) of the Public Health Law and Title 10, Part 86-1.43, of the Commissioner's Administrative Rules and Regulations. Each agency's average Case Mix Index for patients served during the period of April 1, 2011 through March 31, 2012 was calculated utilizing the same methodology which was used to calculate the average Case Mix Index for the period of January 1, 2009 through December 31, 2009. The spending limit which was originally established for your agency was then adjusted by the percentage change (if any) in the Case Mix Index.

All calculations apply only to patients 18 and older.

For those agencies which were not subject to an interim payment adjustment for dates of service April 1, 2011 through March 31, 2012, and did not exceed their CMI-adjusted per-patient spending limit, no reconciliation adjustment will be applied.

A lump-sum charge (debit) will be posted to the eMedNY account of any agency which had per-patient spending in excess of its adjusted ceiling. This charge is equal to the difference between actual per-patient claims and the adjusted per-patient limit, multiplied by the number of patients served. The resulting liability will be recouped in accordance with the Department's standard recoupment policies.

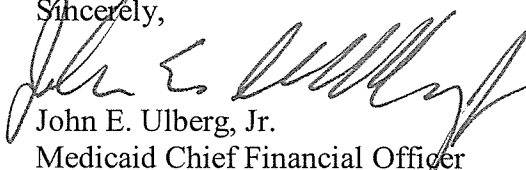
Debit amounts for providers which exceeded per-patient spending limits have been transmitted to the Department's eMedNY system for processing.

For agencies which were subject to a percentage deduction from claims payments for dates of service April 1, 2011 through March 31, 2012, as a result of the initial spending limit calculations, the paid claims total on the accompanying data sheet represents net total claims after such deductions.

In accordance with PHL 3614(12), for agencies which had deductions made from their claims payments due to the spending limits, a reconciliation adjustment will be due to the provider if net paid claims per patient were less than the adjusted ceiling. The adjustment is equal to the difference between net claims per patient and the adjusted spending limit, multiplied by the number of patients. This adjustment has been transmitted to the Department's eMedNY system for processing. If the provider has an outstanding liability which is being recouped by the Department, the adjustment will be applied to the liability.

If you have any questions regarding the reconciliation calculations, please contact Tim Casey or Charles Tobey in the Bureau of Long Term Care Reimbursement at (518) 473-4421.

Sincerely,



John E. Ulberg, Jr.
Medicaid Chief Financial Officer
Division of Finance and Rate Setting
Office of Health Insurance Programs