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## MEMORANDUM

**TO:** Public RHCF Members

**FROM:** Patrick Cucinelli, Senior Financial Policy Analyst

**DATE:** November 14, 2008

**SUBJECT:** IGT Payments

**ROUTE TO:** Administrator, CFO

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ABSTRACT: DOH issues notice on the release of IGT payments to public nursing homes.

### Introduction

As our public facility members are aware, the Department of Health (DOH) has been unable to issue intergovernmental transfer (IGT) payments since the 2005-06 payment due to restrictions imposed by the upper payment limit (UPL) calculations.

Thanks to the efforts of NYAHS and our Joint Association Task Force partners in securing an updated Medicaid base year and revised rate methodology, we were able to successfully advocate with DOH for a revised UPL calculation. This revised calculation has resulted in the availability of \$450 million in IGT funding for state fiscal years 2006-07, 2007-08, and 2008-09.

### DOH Letter to Counties

DOH has issued instructions dated October 31, 2008 to those counties with publicly-sponsored nursing homes on the local share deposit which must be completed by November 18, 2008. The letter includes a break down of the \$287,702,501 in total statewide IGT funding being distributed in this payment cycle. The IGT payments will be released via an electronic funds transfer dated November 19, 2008 in MMIS cycle # 1628. A copy of this letter is available by [clicking here](#).

The total funding listed is short of the total \$450 million to be issued in IGT payments due to several factors:

- The payment for the last quarter (January-March of 2009) of state fiscal year 2008-09 is not included. Counties should expect to receive a similar notice sometime in early March of 2009 regarding the release of this final installment;
- Some counties opted out of receiving their IGT funding at this time and instead will be receiving their monies over an extended period; and
- There is one county that is not listed because they responded to DOH after the deadline, but will still be included in this payment cycle.

## **Conclusion**

The release of this IGT funding comes at a critical time when state and local governments are facing severe budget problems. One casualty of the current budget crisis is the public facility grant program which was terminated in August as part of a state cost-cutting measure. Hopefully, this new IGT funding will help to compensate for the loss of the grant funding and provide a needed financial boost to our publically-sponsored nursing homes.

Please contact me at (518) 449-2707, ext. 145 or [pcucinelli@nyahsa.org](mailto:pcucinelli@nyahsa.org) with any questions.

