

1.5% Across the Board (ATB) Medicaid Payment Reductions

Effective for dates of service on or after April 2, 2020 and each State Fiscal Year thereafter, all non-exempt Department of Health state funds Medicaid payments will be uniformly reduced by 1.5%. For services subject to the 1.5% reduction, all fee-for service payments will receive a decrease to Medicaid checks and/or Electronic Funds Transfers for dates of services on or after April 2, 2020. Conversely, managed care payments to health plans will be reduced through a 1.5% reduction to premium rates effective April 2, 2020. Remittances will reflect the prospective 1.5% reduction (appearing as an "FC2" recoupment) starting in cycle 2231, which has a check release date of 06/10/2020 (distressed providers will have a check release date of 05/27/2020). Retroactive adjustments to previously submitted claims with dates of service spanning April 2, 2020 through May 13, 2020 will be made at a future date.

Medicaid payments that will be exempted from the uniform reduction include:

1. Payments whereby Federal law precludes such reduction, including:
 - Federally Qualified Health Center services and Residential Health Clinics;
 - Indian Health Services and services provided to Native Americans;
 - Supplemental Medical Insurance – Part A and Part B;
 - State Contribution for Prescription Drug Benefit (aka Medicare Part D payments);
 - Any local share cap payment required by the Federal Medical Assistance Percentage (FMAP) increase legislation;
 - Services provided to American citizen repatriates; and
 - Hospice Services.
2. Payments funded exclusively with federal and/or local funds include, but are not limited to, the following:
 - Upper payment limit payments to non-state owned or operated governmental providers certified under Article 28 of the NYS Public Health Law;
 - Certified public expenditure payments to the NYC Health and Hospital Corporation;
 - Certain disproportionate share payments to non-state operated or owned governmental hospitals;
 - Services provided to inmates of local correctional facilities.
3. Payments where applying the reduction would result in a lower FMAP as determined by the Commissioner of Health and the Director of the Budget will also be exempt.
4. Other Payments that are not subject to the reduction include:
 - Payments pursuant to Article 32, Article 31 and Article 16 of the Mental Hygiene Law;
 - Required payments related to the School Supportive Health Services Program and Preschool Supportive Health Services Program;
 - Early Intervention;
 - Traumatic Brain Injury Waiver (TBI);
 - Nursing Home Transition and Diversion Waiver (NHTD);

- Payments for services provided by Other State Agencies including Office of Children and Family Services, State Education Department, and the Department of Corrections and Community Supervision.
- Value Based Payment Quality Improvement Program;
- Vital Access Providers and Vital Access Provider Assurance Program;
- Physician Administered Drugs;
- Court orders and judgments;
- Family Planning services; and
- Children’s Health Home services.

The table below reflects the services that have been subject to the 1.5% Across-the-Board Medicaid payment reduction:

Category	Program or Service Area
Inpatient Services	<ul style="list-style-type: none"> • Hospital Inpatient Reimbursement; • Indigent Care Pool payments; • Graduate Medical Education payments for Medicaid Managed Care patients; • Hospital Disproportionate Share payments and Indigent Care Adjustments made to governmental hospitals operated by the State of New York or the State University of New York; and • Supplemental Medicaid payments and Hospital Disproportionate Share payments made to voluntary hospitals.
Nursing Homes	<ul style="list-style-type: none"> • In State Nursing Homes; and • Out of State Nursing Homes.
Non-Institutional Long-Term Care Services	<ul style="list-style-type: none"> • Assisted Living programs; • Home Health; and • Personal Care.
Managed Care	<ul style="list-style-type: none"> • Managed Long-Term Care; and • Managed Care (including HIV SNP).
Other Services	<ul style="list-style-type: none"> • Freestanding Clinics; • Hospital Based Outpatient; • Pharmacy; • Physicians both office-based and other places of service; • Dental, Eye, X-ray, etc.; and • Supplemental Payments.

For further detail on services subject to the 1.5% ATB reduction please refer to the SPA pages posted here:

https://www.health.ny.gov/health_care/medicaid/redesign/pmt_reductions/msp/

All questions should be submitted to the following electronic mailbox: health.sm.ATB-reduction@health.ny.gov. Please include your provider name and Medicaid number on

the email so that questions may be reviewed by program area. Keep in mind that we will not be able to respond to individual emails; however, responses to frequently asked questions will be posted to the Department's website. Please access the website regularly for the most updated information.”