

New York  
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Attachment 4.19-B  
(10/09)

**Statewide Patient Centered Medical Home – Federally Qualified Health Centers**

Effective for periods on and after December 1, 2009, the Commissioner of Health is authorized to certify certain clinics as patient centered medical homes to improve health outcomes and efficiency through patient care continuity and coordination of health services. Certified providers will be eligible for incentive payments for services provided to recipients eligible for Medicaid fee-for-service (FFS).

A Federally Qualified Health Center shall mean a general hospital providing outpatient care or a free standing diagnostic and treatment center licensed under Article 28 of the Public Health Law that is designated as a Federally Qualified Health Center pursuant to Section 1861(aa) of the Social Security Act.

To improve access to high quality primary care services, the statewide Medicaid Patient Centered Medical Home initiative will provide incentive payments to Federally Qualified Health Centers that meet "medical home" standards established by the Department. Those standards will be consistent with the National Committee for Quality Assurance's (NCQA) Physician Practice Connections ® - Patient Centered Medical Home™ (PPC®-PCMH™) Recognition Program. Federally Qualified Health Centers achieving NCQA PPC®-PCMH™ recognition will be eligible for incentive payments for providing services to Medicaid FFS patients.

Per visit incentive payments will be made to Federally Qualified Health Centers that meet the Department standards for certification as a patient centered medical homes, consistent with the NCQA PPC®-PCMH™ Program. There are three levels of "medical home" recognition: Levels 1, 2 and 3. Eligible Federally Qualified Health Centers will receive a per visit incentive payment commensurate with their level of "medical home" recognition. Incentive payments will be added to claims from NCQA recognized Federally Qualified Health Centers for visits with evaluation and management codes identified by the Department as "primary care."

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To determine appropriate incentive payment amounts, the NY Medicaid Program conducted a review of "medical home" incentive payments nationally. Most programs paid medical home incentive payments on a per member per month (PMPM) basis. To work in the fee-for-service payment context, PMPM benchmark amounts used by programs in several other states (\$2, \$4, and \$6) were converted to per-visit payment amounts by first multiplying the PMPM payment by twelve (12) to calculate an annual per member payment, and then dividing the annual amount by the average number of annual primary care visits to general hospitals providing outpatient care, free standing diagnostic and treatment centers, and Federally Qualified Health Centers to arrive at a per-visit incentive payment amount for each level of medical home recognition.

Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers recognized as patient centered medical homes. The agency's fee schedule rates were set as of December 1, 2009 and are effective for services provided on or after that date. All rates are published on the State Department of Health's website.

The "medical home" recognition level for Federally Qualified Health Centers is site-specific. Once a Federally Qualified Health Center advances to a higher level of "medical home" recognition it will no longer be eligible for the lower level incentive payment per Evaluation and Management visit. A Federally Qualified Health Center may only receive one level of incentive payment at a time for each eligible visit. Medical home incentive payments are only applicable to claims when Medicaid is the primary payer.

To maintain eligibility for incentive payments, Federally Qualified Health Centers must: (a) renew their "patient centered medical home" certification at a frequency determined by the Commissioner; and (b) provide data to the Department of Health to permit the Commissioner to evaluate the effect of patient centered medical homes on quality, outcomes, and cost.

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