



Refer to DMCH: SJ

Region II
Federal Building
26 Federal Plaza
New York, N.Y. 10278

Jason A. Helgerson
Deputy Commissioner
New York State Department of Health
Corning Tower, Empire State Plaza
Albany, New York 12237

Dear Commissioner Helgerson:

This is to notify you that New York State Plan Amendment (SPA) #11-36 has been approved for adoption into the State Medicaid Plan with an effective date of May 1, 2011. The SPA proposes to update the reimbursement methodology for orthopedic footwear. The process will change from an invoice cost plus 50% market manual system to automated processing with maximum fees based on representative costs of products in the marketplace.

This SPA approval consists of 1 Page. As New York has requested, we are approving the following Attachment 4.19-B Page which was submitted by the State via electronic transmission on August 2, 2011 to CMS: Attachment 4.19-B-Page 5(b)(1). In addition, we are approving the State's request to withdraw Attachment 4.19-B-Page 6, which was in the State's original June 17, 2011 SPA submission. Finally, we are processing the SPA using the HCFA-179 which was provided by the State to CMS on August 4, 2011.

CMS is approving this SPA; however, due to concerns regarding potential problems with access to care, CMS will continue to inquire about and follow-up on the State's planned efforts to monitor access to care to determine whether there has been negative impact on the program due to this and other rate and program changes. We thank the State in advance for working with CMS on this issue.

This amendment satisfies all of the statutory requirements at sections 1902(a)(13) and (a)(30) of the Social Security Act, and the implementing regulations at 42 CFR 447.250 and 447.272. Enclosed are copies of SPA #11-36 and the HCFA-179 form, as approved.

If you have any questions or wish to discuss this SPA further, please contact Ricardo Holligan or Shing Jew of this office. Mr. Holligan may be reached at (212) 616-2424, and Mr. Jew's telephone number is (212) 616-2426.

Sincerely,

/s/

Ricardo Holligan
Acting Associate Regional Administrator
Division of Medicaid and Children's Health

Enclosure: SPA #11-36
HCFA-179 Form

CC: JUlberg
PMossman
KKnuth
RWeaver
LTavener
MSchervish
SFuentes
SJew