



STATE OF NEW YORK DEPARTMENT OF HEALTH

Corning Tower The Governor Nelson A. Rockefeller Empire State Plaza Albany, New York 12237

Richard F. Daines, M.D.
Commissioner

James W. Clyne, Jr.
Executive Deputy Commissioner

Date

Dear Provider Association:

Chapter 58 of the Laws of 2009 authorized the New York State Department of Health (Department) to implement an initiative to incentivize the development of patient-centered medical homes to improve health outcomes through better coordination and integration of patient care. Upon required federal approval, office-based practitioners and Article 28 clinics that meet New York's medical home standards will be eligible to receive additional payment for primary care services provided to persons with Medicaid. The target date for implementation is December 1, 2009.

New York has chosen to adopt medical home standards that are consistent with those of the National Committee for Quality Assurance's (NCQA) Physician Practice Connections -Patient -Centered Medical Home Program (**PPC-PCMH™**). Office-based practitioners and Article 28 clinics recognized by NCQA's Patient-Centered Medical Home Program will receive additional payment for primary care services provided to Medicaid enrollees. Consistent with NCQA recognition levels, there will be three levels of payment for providers of primary care services meeting medical home fee-for-service standards. Medical home recognition will be associated with each practitioner or clinic's NPI number, claims with appropriately coded Evaluation and Management (E&M) codes 99201-99205 and 99211-99215, and/or with Preventive Medicine codes 99381-99386 and 99391-99396 will be eligible for enhanced fee-for-service payment through eMedNY. Payment will be provided through the health plans for those enrolled in Medicaid Managed Care or Family Health Plus. NCQA recognized providers that participate in Medicaid and Family Health Plus plans will receive details from the plans on the payments they can expect for services provided to plan enrollees.

Fee-for-Service incentive payments for providers achieving patient-centered medical home recognition are as follows:

Setting	Level 1	Level 2	Level 3
Article 28 Clinics	\$5.50	\$11.25	\$16.75
Office-Based Practitioners*	\$7.00	\$14.25	\$21.25

*Includes physicians and registered nurse practitioners

The following example illustrates how the incentive will work.

- The Medicaid fee for an office visit claim with E&M code 99203 is \$56.93.
- A physician with Level 3 designation will be reimbursed \$78.18 (\$56.93 + \$21.25).
- A physician with Level 2 designation will be reimbursed \$71.18 (\$56.93 + \$14.25).
- A physician with Level 1 will be reimbursed \$63.93 (\$56.93+\$7.00).

NY Medicaid will end payments for Level 1 recognition after December 2012.

Since the NY Medicaid Program is a sponsoring organization for NCQA recognition as a PPC-PCMH™, the provider application fee will be discounted by 20%. For more information on how to achieve NCQA certification as a PPC-PCMH™, providers should contact NCQA Customer Support at (800)839-6487, or visit the NCQA website at www.ncqa.org.

Questions regarding the Department's Medical Home initiative may be directed to the Office of Health Insurance Program's Division of Financial Planning and Policy at 518-473-2160.

Sincerely,

Gregory S. Allen, Director
Division of Financial Planning and Policy
Office of Health Insurance Programs