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| LOCAL COMMISSIONERS MEMORANDUM |  
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DSS-4037EL (Rev. 9/89)

Transmittal No: 94 LCM-60

Date: June 1, 1994

Division: Health & Long Term  
Care

TO: Local District Commissioners

SUBJECT: Revision to the Rate Methodology for Locally Initiated  
Comprehensive Medicaid Case Management Programs

ATTACHMENTS: None

This is to announce the formation of a Departmental workgroup to review and recommend revisions to the current rate methodology for locally targeted Comprehensive Medicaid Case Management programs.

Administrative Directive 89-ADM-29 describes the process by which Local Social Services Districts may establish a locally targeted Comprehensive Medicaid Case Management program under the authority of 18 NYCRR 505.16. Each targeted population requires the State Department of Social Services to submit to the federal Health Care Financing Administration a State Plan Amendment (SPA). Currently there are three SPAs for the following target groups: Pregnant and parenting teens (i.e., TASA) located in twenty-seven counties; pregnant woman and their infants living in selected high infant mortality areas located in sections of New York City (i.e., CONNECT) and Onondaga County; certain individuals identified as needing case management through the Neighborhood Based Alliance Strategic Planning process located in Addison in Steuben Co., Newburgh in Orange Co., City of Fulton in Oswego Co.

Presently, the majority of rates for these programs are set by a prospective provider specific budget methodology which is labor intensive at the local and state levels. This method was selected at the outset of the program in 1989 in order to gain experience and to collect and assess the information necessary to establish a standard price for this new service.

After four years of experience the Department of Social Services has undertaken a review of available data and existing rate processes and concluded a restructuring of the rate process is needed. A workgroup has been formed consisting of SDSS staff from the Division of Health and Long Term Care, the Division of Services and Community Development, the Offices of Budget Management and Quality Assurance & Audit as well as staff from New York City Human Resources Administration and a community based provider from an upstate county. The purpose of the group is to recommend a methodology for rates for all locally targeted CMCM programs. The intention is that this recommendation will apply to all existing programs and any others to be established in the future. As required by regulation the proposed methodology will be published in the State Register for public comment prior to promulgation.

I am requesting that any issues you wish to be considered by the workgroup be forwarded to Barbara McManaman, Bureau of Primary Care, Division of Health and Long Term Care at (518) 473-1072, UserID AY3270. All issues raised will be considered by the workgroup in developing its final recommendation and an individual reply prepared. I would welcome your comments and insights.

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Sue Kelly  
Deputy Commissioner  
Division of Health & Long Term Care