



## Department of Health

ANDREW M. CUOMO  
Governor

HOWARD A. ZUCKER, M.D., J.D.  
Commissioner

SALLY DRESLIN, M.S., R.N.  
Executive Deputy Commissioner

April 10, 2019

DAL: DAL 19-06  
SUBJECT: Tiered Fee Arrangements

Dear Administrator:

This letter is intended to provide clarification regarding tiered fee arrangements in an Adult Home or Enriched Housing Program. Tiered fees, if utilized, may be applied to personal care services above and beyond what the operator is required to provide by regulation.

A "Basic Rate" must be established, encompassing all personal care requirements as defined under 18 NYCRR Part 487 for an Adult Home or 18 NYCRR Part 488 for an Enriched Housing Program. Per its base licensure (either adult home or enriched housing program), an adult home **may not** separately tier medication management pursuant to 18 NYCRR Part 487.7(e)(2)(viii) and 487.7(f). Those regulations expressly identify medication management, including supervision with, observation of, and assistance with, as a component of personal care.

Tier billing arrangements must be clear, concise, easily understood by the resident and/or lawful representative and contain distinct and measurable thresholds for each tier. Thresholds may include number of hours of care provided per week, types of services, or type of certified bed to be occupied; and must be disclosed in the Admission/Residency Agreement.

As a reminder, an Admission/Residency Agreement may not be altered without prior Department approval. If you wish to propose any revisions to an agreement, you must first submit the changes to my office for approval prior to implementing the changes. Failure to submit the revisions and receive Department approval will result in enforcement and the imposition of civil penalties.

If you have any questions regarding this correspondence, please contact my office at (518) 408-1133. As always, thank you for your cooperation.

Sincerely,

Heidi Hayes, Acting Director  
Division of Adult Care Facility and Assisted Living  
Surveillance

cc: J. Tardy  
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