



**Department  
of Health**

# **2025 Institutional Cost Report (ICR)**

**NYS Department of Health  
Division of Finance and Rate Setting  
Bureau of Hospital and Clinic Rate Setting**

**ICR ROAD SHOW - APRIL 8, 2026**

# AGENDA

- **Software and Support**
- **Filing Procedures**
- **2025 ICR Audit Fees**
- **Health Commerce System (HCS)**
- **Department of Health (DOH) Public Website**
- **2025 ICR Updates & Reminders**
- **Questions?**

# SOFTWARE AND SUPPORT

## ➤ HFS MCRIF32 Software

- 2025 Institutional Cost Report (ICR) and Medicare Cost Report (MCR) Submissions
- Used for 2022 and forward reporting
- Initial release of 2025 software will be communicated to providers

## ➤ Obtaining Software and Support

- ICR support, problem resolution and questions:
    - Send email to: [Hospital.ICR@health.ny.gov](mailto:Hospital.ICR@health.ny.gov)
    - Subject line: “2025 ICR – hospital name”
    - For problem resolution, send “.mcrx” file to this email address; file will be forwarded to HFS, if necessary
- (Note: Please do not send files via secure email)***

# FILING PROCEDURES

- **Electronic Filing Procedures & Documentation**
  - **DH file: Electronic submission through Health Commerce System (HCS) – “Hosp Institutional Cost Rpt” application**
    - Due date: **Monday, June 15, 2026** (ICR ONLY)
    - Verify the software version used to create the DH file is the latest version accepted by DOH before uploading your file to the HCS
    - File must be prepared from a local directory path (versus cloud share drive)
  - **Supporting documents due within 5 business days of ICR submission to be considered a valid cost report submission**
    - Signed CFO/CEO certification (Verify Document Control Number (DCN) matches ICR)
    - Audited Financial Statements (Final) - “Draft” statements not acceptable for audit purposes
    - Audit Fee Form (Proof of Payment)



# FILING PROCEDURES

## ➤ Electronic Filing Procedures - continued

- Email supporting document files to: [AFS@health.ny.gov](mailto:AFS@health.ny.gov)
  - **Signed CFO/CEO Certification:**
    - ❖ File named with 7-digit operating certificate number and “\_CFO”  
Example: 1234567\_CFO
  - **Audited Financial Statements:**
    - ❖ File named with 7-digit operating certificate number and “\_AFS”  
Example: 1234567\_AFS
  - **Audit Fee Form:**
    - ❖ File named with 7-digit operating certificate number and “\_AFF”  
Example: 1234567\_AFF

***(Note: Please do not send any of these files via secure e-mail)***



# 2025 ICR AUDIT FEES

## ➤ Audit Fee Payment/Form

- Due within 5 business days of filing ICR
- Same banking information as previous years
- Audit Fee Schedule scale is available on DOH website
  - Fee schedule: [http://www.health.ny.gov/facilities/hospital/audit\\_fee/](http://www.health.ny.gov/facilities/hospital/audit_fee/)
- Email notification to be released for facility-specific audit fees
- Additional fees may be assessed when # of submissions exceeds 2
- Email completed Audit Fee Form to: [AFS@health.ny.gov](mailto:AFS@health.ny.gov)
  - One form may be used to report fees paid for multiple hospitals in a system

# HEALTH COMMERCE SYSTEM (HCS)

- **Website:** [https://commerce.health.state.ny.us/public/hcs\\_login.html](https://commerce.health.state.ny.us/public/hcs_login.html)
- **Communication Tool**
  - Secure network for posting provider information
  - Important to keep email address current to receive notifications (cost reports, rates, etc)
    - User's responsibility to keep account updated
    - Email list is separate from the DOH public website electronic mailing lists
- **HCS Help Contact**
  - Commerce Accounts Management Unit: 1-866-529-1890 or [camu@health.ny.gov](mailto:camu@health.ny.gov)
    - HCS accounts
    - Password resets
    - Removal of employees
- **HCS Access Contact**
  - Hospital Fee-for-Service Rate Unit: [HospFFSunit@health.ny.gov](mailto:HospFFSunit@health.ny.gov)
    - Receiving access to the ICR (or other hospital applications)
    - Rate-related questions



# DEPARTMENT OF HEALTH PUBLIC WEBSITE

- **Institutional Cost Report (ICR) web page:**  
[https://health.ny.gov/facilities/hospital/rate\\_setting/centers/index.htm](https://health.ny.gov/facilities/hospital/rate_setting/centers/index.htm)
- **Information posted for APR-DRG Weights and Inpatient Rates:**  
<https://www.health.ny.gov/facilities/hospital/reimbursement/apr-drg/>
- **Information posted for APGs and Outpatient Rates:**  
[https://www.health.ny.gov/health\\_care/medicaid/rates/apg/](https://www.health.ny.gov/health_care/medicaid/rates/apg/)
- **Electronic Mailing ListServ Subscriptions (DOH web pages):**
  - ❖ **Inpatient Rates:** <https://www.health.ny.gov/facilities/hospital/reimbursement/apr-drg/listserv/>
  - ❖ **Outpatient Rates/APGs:** [https://www.health.ny.gov/health\\_care/medicaid/rates/listserv/](https://www.health.ny.gov/health_care/medicaid/rates/listserv/)



# 2025 ICR UPDATES

## ➤ Exhibits (changes, additions & clarifications)

- **Exhibit 9 (Payments to and on Behalf of...Officers...)**

- Instructions clarified for 2025 reporting
- Includes CEO, CFO, Administrator, etc.
- When paid by related entity:
  - ❖ Amount distinctly paid to related entity or
  - ❖ Portion of administrative fees paid to related entity

# 2025 ICR UPDATES

## ➤ Exhibits (changes, additions & clarifications)

- **Exhibit 30 (Swing Beds)**

- Removed reporting for number of patients

- **Exhibit 32 (Inpatient Days & Discharges by Source)**

- “Other” service area expanded to allow “Newborn Days” and “Newborn Discharges” to be reported separately from “Adults and Pediatrics”, where applicable
- Reporting Clarification for Labor and Delivery Days vs Ancillary Labor and Delivery Days:
  - ❖ Labor and Delivery Days **ARE** included (Exhibit 3 - Line 32, ICR Line 612)
  - ❖ Ancillary Labor and Delivery Days are **NOT** included (Exhibit 3 - Line 32.01)



# 2025 ICR UPDATES

## ➤ Exhibits (changes, additions & clarifications)

### • Exhibit 33 (Outpatient Utilization)

- PROS Community Rehabilitation and Support (CRS)
  - ❖ Units of Service: **Service Months**
    - ✓ Sum service months for the following:
      - Legacy Rate Codes 4520 – 4524 (through 3/31/2025) and
      - New Rate Codes 4516 – 4518 (beginning 4/1/2025)
    - ✓ Exclude the following:
      - Rate Code 4510 (Pre-Admin)
      - Rate Codes 4525 – 4534 (Add-ons)
      - 15-minute increments
  - Note: Costs and revenue should be reported based on ALL PROS services

# 2025 ICR UPDATES

## ➤ Exhibits (changes, additions & clarifications)

- **Exhibit 46 (Patient Services Revenue)**

- Variable lines 009 – 012: Provide clinical service description

# 2025 ICR UPDATES

## ➤ Exhibits (changes, additions & clarifications)

### • Exhibit 50 (Patient Financial Aid Report)

- On and after October 1, 2024
- Only applies to Article 28 general hospitals
  - ❖ Increased eligibility for charity care based on statutory changes
  - ❖ New reporting requirements due to Hospital Financial Aid Law (HFAL) changes
    - ✓ Demographic reporting (applicants)
      - Age, race/ethnicity, gender, insurance status and income level
      - First introduced with the 2024 ICR, but did not affect some fiscal year filers
    - ✓ Presumptive Eligibility reporting:
      - Board-approved policy (may be part of HFAL Policy)
      - Include in “Approved” column
      - Count as ONE application for financial aid (not by number of encounters)

# 2025 ICR UPDATES

## ➤ Edits

- **Importance of Edits**

- **Improve data integrity**

- ❖ Budgetary Analysis, DSH Model, Directed Payments, etc

- **Highlight data anomalies**

- ❖ Low utilization, positive values entered as negatives & vice versa, etc

- **Help reduce ICR audit findings and/or questions**

- ❖ May prevent reporting errors and avoid audit findings
    - ❖ Edit explanations reviewed by DOH and provided to auditors

- **New edits**

- Highlight inconsistencies between reported utilization, costs and/or charges
  - All new edits/changes to edits will be highlighted in the edit listing



# 2025 ICR UPDATES

## ➤ Edits - continued

- **Types of Edits**

- **Fatal (3xxxx)**

- ❖ Identify the cause and make appropriate correction(s)
    - ❖ Notify ICR mailbox when edit is believed non-applicable and cannot be cleared

- **Non-Fatal (4xxxx)**

- ❖ Intent is to identify unexpected data or combinations
    - ❖ Only change data if an entry is incorrect or omitted
    - ❖ Do not make changes to unsupported values just to clear edit(s)
      - ✓ Edits comparing Exhibit 3 (S-3, Part I) versus Exhibits 32, 33, & 34 (Utilization)
      - ✓ PS&R versus Patient Financial System
    - ❖ All non-fatal edits require a valid explanation



# 2025 ICR UPDATES

## ➤ Edits - continued

### • Edit Responses

- Explanations should provide insight
  - ❖ Cannot be left blank (Fatal Edit)
  - ❖ Should not state “Confirmed”, except for edits requesting confirmation (ex - Edit 41806)
    - ✓ Stating “Correct”, “Affirmed” or similar are also insufficient
  - ❖ Indicating “Will review during audit” is not acceptable
  - ❖ Adequate explanations will help avoid inquiries from DOH/auditors
  - ❖ Edits 43201 (days) and 43206 (discharges): Edits where differences between PS&R for Exhibit 3 and the hospital billing system for Exhibit 32 are expected
  - ❖ Inadequate responses may result in ICR not being accepted by DOH

***Note: Any edits that require reporting corrections should be done **BEFORE** filing either the Medicare or Medicaid cost report***



# 2025 ICR UPDATES

## ➤ Primary Payor Reporting

- **After posting the Explanation of Benefit (EOB), self-responsible amounts are still the primary payor**
  - Not the secondary payor, if different from primary
  - Not self-pay or uninsured
- **Charity Care Primary Payor**
  - Only if entire account does not have third-party coverage and was or is to be written off
  - Hospital Financial Aid Law (HFAL)
    - ❖ Use lines 382, 383, 386 and 391 on Exhibit 46 to report Charity Care reductions
- **Payor changes for later eligibility determination**

# 2025 ICR UPDATES

## ➤ **Primary Payor Reporting – continued**

- **Essential Plan 200-250 as Primary Payor Category**

- Payer category is available in the ICR (initially added for the 2024 ICR)
- Report if data is available
- Discrete reporting not mandatory since CMS approved the State's request to revert back to the Basic Health Plan effective 7/1/2026

- **Centers for Medicare and Medicaid Services (CMS)**

- February 23, 2024 DSH Third-Party Payer Final Rule (89 FR 37, pp. 13916–13948)
- Ensure that Primary payor is being reported appropriately
- ICR Instructions and/or FAQs updated based on discussions with DSH Team



# 2025 ICR UPDATES

## ➤ Reminders

### • 2025 ICR Submissions (Pre-Audit)

- Please review past audit findings and/or adjustments to avoid similar reporting errors
- Backup documentation for various exhibits should be kept on-hand for audit purposes
- DCN's must match – ICR submission and CFO certification
- Recommendation – submit audited financial statements and CFO certifications same day as ICR submission
- Initial ICR submission should always include the most accurate data
  - ❖ Unaudited data may be used by the Department at any time
  - ❖ Ready to be audited (ICR files to be sent to auditors September 2026)
    - ✓ Wholesale exhibit changes will **not** be accepted during the audit
  - ❖ Contact [Hospital.ICR@health.ny.gov](mailto:Hospital.ICR@health.ny.gov) if a resubmission is necessary before the audit





# ICR Questions?

*Email: [Hospital.ICR@health.ny.gov](mailto:Hospital.ICR@health.ny.gov)*



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