



Department of Health

KATHY HOCHUL
Governor

JAMES V. McDONALD, MD, MPH
Commissioner

JOHANNE E. MORNE, MS
Executive Deputy Commissioner

December 19, 2024

Dear Administrator:

We are transmitting for your review the calculation of your hospital's initial inpatient acute, exempt hospital and exempt unit reimbursement rates for Medicaid Fee-for-Service (FFS) and Medicaid Managed Care (MMC), which are effective October 1, 2024. Please note that the inpatient rates for Workers' Compensation/No-Fault (WCNF) have not changed and remain the same as the rates effective January 1, 2024. These rates have been promulgated in accordance with Article 2807-c and, for the acute rates, Article 2807-c (35)(c).

The October 1, 2024 Medicaid FFS rates have been approved by the New York State Division of the Budget (Budget) and have been transmitted to eMedNY for payment and retroactive claims processing in cycle #2471.

These rates are based upon the same information and methodology as the inpatient rates effective January 1, 2024 and April 1, 2024, but take into consideration the following updates effective October 1, 2024:

- Increase in the reduction percentage to all 2024 hospital inpatient budgeted capital rate add-ons from 10% to 20%, per the State Fiscal Year (SFY) 2024-25 Enacted Budget
- Increase in reduction percentage to all 2020 hospital inpatient reconciled capital rate add-ons from 10% to 20%, per the SFY 2024-25 Enacted Budget

Appeals:

All data associated with these rates was previously subjected to the appeal process. The capital reductions are not subject to appeal since they were implemented in accordance with the SFY 2024-25 Enacted Budget. Therefore, only appeals related to mathematical errors by the Department will be accepted for this rate period.

Section 86-1.32 of the New York Codes, Rules and Regulations sets forth the rules governing appeals, which does not include issues regarding methodology. In filing an appeal, a facility must provide the following:

1. A cover letter signed by the Operator or Chief Executive Officer of the hospital containing a summary of the item(s) of appeal.
2. Supporting schedules or any other pertinent data is to be included with the facility's appeal letter.
3. All rate appeals and supporting documentation pertaining to items revised in this publication of inpatient rates for services for Title XIX (Medicaid) beneficiaries should be submitted to the Bureau of Hospital and Clinic Rate Setting and must be received by this office **no later than April 18, 2025**. It is requested that providers submit a copy of their appeal request via email to HospFFSunit@health.ny.gov. The Department **is not requiring that the original signed appeal request letter be physically mailed**.

Providers can expect a written acknowledgement from the Department once the letter has been received and an appeal# has been established and assigned to a rate analyst.

Where preferred, original appeal letters may be mailed to:

*Ms. Monique Grimm
Director
Bureau of Hospital and Clinic Rate Setting
Division of Finance and Rate Setting
One Commerce Plaza, Room 1430
99 Washington Avenue
Albany, NY 12210*

Should you have any questions regarding the above information, please send an email to the hospital rate-setting unit at HospFFSunit@health.ny.gov and either Tami Berdi or John Neuberger will respond to your inquiry.

Sincerely,

Monique Grimm
Director
Bureau of Hospital and Clinic Rate Setting
Division of Finance and Rate Setting