



Department of Health

KATHY HOCHUL
Governor

JAMES V. McDONALD, MD, MPH
Commissioner

JOHANNE E. MORNE, MS
Executive Deputy Commissioner

November 12, 2025

Dear Administrator:

This letter informs you of the funds being disbursed with respect to a one time increase in residential health care facility funding.

The SFY 2024-25 Enacted Budget included a \$285 million gross increase to residential health care facilities, ADHCs, and hospice programs. This increase is being distributed as a lump sum payment that has been calculated on a dollar per day basis, and this payment is the issuance of the Federal share component along with a small recoupment due to a recalculation of the previously issued State share payments. Payments were calculated as follows:

- The total available amount of the increase was divided by the total billed Medicaid days for Calendar Year (CY) 2022. The result equated to \$13.55 per day. However, due to the unintentional omission of a small number of days from the original calculation, the per diem amount has been **adjusted to \$13.53 per day**.
- Each nursing home, specialty unit, adult day healthcare, and hospice provider receives a lump sum in the amount of \$13.53 multiplied by their CY 2022 billed Medicaid days.
- This current Federal share payment accounts for 50% of each provider's full gross lump sum amount.
- The original State share payments were calculated at a value of \$13.55 per day and have now been recalculated to \$13.53 per day. The recovery of \$0.02 per day has been processed to net against this much larger payment, in order to minimize any potential disruption to the payment of claims.

Both the payments and liabilities will process in cycle 2517 with a check release date of December 3, 2025. If a provider has multiple service units operating under the same MMIS ID, the payment values were combined into a single payment for each MMIS ID.

Please note that any existing balance due to the Department will be recouped from this payment and applied to the balance. You will only receive payment for the amount that exceeds the liability balance.

Should you have any questions regarding these payments and liabilities, please email bimamail@health.ny.gov. For questions regarding the one-time payment please email NFRates@health.ny.gov.

Sincerely,

Laura Rosenthal, Director
Bureau of Nursing Home & Long-Term Care Rate
Setting Division of Finance and Rate Setting
Office of Health Insurance Programs