



# Department of Health

KATHY HOCHUL  
Governor

JAMES V. McDONALD, MD, MPH  
Commissioner

JOHANNE E. MORNE, MS  
Executive Deputy Commissioner

March 18, 2026

Dear Administrator:

This letter informs you of the issuance of the SFY 2025-26 2% supplemental payment and the reconciliation of prior years' payments for actual 2024 cost report days.

The 2% supplemental payment (\$140 million) to all nursing facilities was included in SPA 20-0072. Additionally, each State Fiscal Year the estimated Medicaid days used for the previous 2% supplemental payments are reconciled to actual Medicaid cost report days for the relevant prior years' payments.

The processing for the 2% supplemental payment will take effect in cycle 2533, with a check release date of March 25, 2026. If funds are owed due to the reconciliation, the Medicaid cycle payments will be subject to a 15% recoupment until the balance is paid in full. Additionally, the 2% supplemental payments will be reduced for any liabilities owed to the State and these providers will receive a "paper" check as opposed to a direct deposit.

If you have any questions regarding the 2% supplemental payment and reconciliation, please send an email with **2% supplemental** in the subject to [NFRATES@health.ny.gov](mailto:NFRATES@health.ny.gov) and someone will respond to your inquiry.

Sincerely,

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