



Medicaid Update

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Health Care Access Loan Repayment Program Applications Now Open

The New York State (NYS) Department of Health Office of Health Insurance Programs (OHIP) is pleased to announce that applications are now open for the **Health Care Access Loan Repayment (HEALR) program**, a \$48.3 million Medicaid workforce initiative authorized under New York's 1115 Demonstration Waiver aimed at strengthening the capacity of New York's health care workforce and assisting health care professionals in high-need roles with their student debt.

Health care providers who are awarded loan repayment through the HEALR program must make a four-year, full-time commitment to maintaining a personal practice panel or working at an organization that serves at least 30 percent Medicaid members and/or uninsured individuals. Organizations that are contracted with a state-designated Social Care Network and providing health-related social needs screening, referrals and/or services meet this qualification. Maximum loan repayment awards for each title are as follows:

- Psychiatrists – Up to \$300,000 per awardee
- Dentists and Primary Care Physicians – Up to \$100,000 per awardee
- Nurse Practitioners and Pediatric Clinical Nurse Specialists – Up to \$50,000 per awardee

There are two applications pathways: individual providers may apply on their own, or employers that have been approved as service commitment sites may initiate up to five applications on behalf of their staff. Individual and employer applications can be accessed on the NYS Department of Health "Health Care Access Loan Repayment (HEALR) Program" web page, located at: https://www.health.ny.gov/health_care/medicaid/redesign/med_waiver_1115/healr/.

Applications for the HEALR program are open now. Employer applications are due at 11:59 p.m. on Saturday, January 31, 2026, and individual applications are due at 11:59 p.m. on Sunday, February 15, 2026. Awards will be announced in late spring 2026. Further details regarding the award decision process, including anticipated timelines and subsequent steps, will be communicated to applicants following the close of the application period. Awards are limited; those interested in participating in the program are encouraged to submit their applications as soon as possible.

OHIP will host an informational webinar on Thursday, December 18, 2025 for individuals and employers interested in participating in the HEALR program. Webinar registration information, applications, additional program details, and eligibility requirements are available on the NYS Department of Health "Healthcare Access Loan Repayment (HEALR) Program" web page, located at: https://www.health.ny.gov/health_care/medicaid/redesign/med_waiver_1115/healr/. Individuals and employers should email HEALR@health.ny.gov with any questions about the HEALR program.

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All Providers

Whether you are a health care provider, employer, advocate, or community leader, your involvement can have a significant impact and help to maximize the reach of the HEALR program. Providers are encouraged to share this opportunity with your network to help us spread the word. Thank you for your continued commitment to our health care workforce. Together, we can make a difference!

New York State Medicaid Updated Coverage Criteria for Bariatric Surgery

This article provides updated policy guidance to New York State (NYS) Medicaid-enrolled providers and Medicaid Managed Care (MMC) Plans on the coverage criteria for bariatric surgery. Nonsurgical treatments to manage obesity, such as changes to diet and increasing exercise, should be attempted prior to surgical intervention. If these treatments are unsuccessful, NYS Medicaid covers medically necessary bariatric surgery for adults, 18 years or older, who meet either of the following criteria:

- individuals with a body mass index (BMI) of 35 kg/m² or greater; and
- individuals with a BMI of 30-34.9 kg/m² and a serious weight-related health problem (e.g., high blood pressure, type 2 diabetes or severe sleep apnea).

Children under 18 years old who are deemed physically, mentally, and emotionally mature by a multidisciplinary team evaluation that includes the pediatric provider, bariatric surgeon, and other relevant specialists and meet either of the following criteria:

- BMI \geq 35 kg/m² or >120 percent of the 95th percentile for age and sex, whichever is lower, and presence of weight-related health problem, including but not limited to type 2 diabetes mellitus, obstructive sleep apnea where the apnea-hypopnea index or Respiratory Disturbance Index >5 , idiopathic intracranial hypertension, Blount disease, non-alcoholic steatohepatitis, slipped capital femoral epiphysis, gastroesophageal reflux disease, cardiovascular disease risks (hypertension, hyperlipidemia, insulin resistance), or depressed health-related quality of life.
- BMI \geq 40 kg/m² or >140 percent of the 95th percentile for age and sex, whichever is lower.

For guidance regarding procedure codes and the associated fee schedule see the following links:

- *NYS Medicaid Physician Surgery Services Fee Schedule* (https://view.officeapps.live.com/op/view.aspx?src=https%3A%2F%2Fwww.emedny.org%2FProviderManuals%2FPhysician%2FPDFS%2FPhysician_Manual_Fee_Schedule_Sect5.xls&wdOrigin=BROWSELINK)
- *eMedNY New York State Medicaid Provider Procedure Code Manual – Physician Surgery Procedure Codes* (<https://www.emedny.org/ProviderManuals/Physician/PDFS/Physician%20Procedure%20Codes%20Sect5.pdf>)

Questions and Additional Information:

- Fee-for-service (FFS) claim questions should be directed to the eMedNY Call Center at (800) 343-9000.
- FFS coverage and policy questions should be directed to the Office of Health Insurance Programs Division of Program Development and Management by telephone at (518) 473-2160 or by email at FFSMedicaidPolicy@health.ny.gov.
- MMC reimbursement, billing, and/or documentation requirement questions should be directed to the MMC Plan of the enrollee. MMC Plan contact information can be found in the eMedNY *New York State Medicaid Program Information for All Providers – Managed Care Information* document, located at: https://www.emedny.org/ProviderManuals/AllProviders/PDFS/Information_for_All_Providers_Managed_Care_Information.pdf.

Fee Updates for Independent Practitioner Services for Individuals with Developmental Disabilities

The New York State (NYS) Department of Health and the NYS Office for People With Developmental Disabilities (OPWDD) are implementing a retroactive fee update for Independent Practitioner Services for Individuals With Developmental Disabilities (IPSIDD). The update is the result of an approved Targeted Inflationary Increase (formerly referred to as a Cost-of-Living Adjustment), **effective April 1, 2025**. The updated fee schedule can be located on the NYS Department of Health “Mental Hygiene Services Fees” web page, at: https://www.health.ny.gov/health_care/medicaid/rates/mental_hygiene/ipsidd.htm. With respect to claims processing, the fees were loaded and active for new claim submissions beginning in cycle 2517.

In order to accommodate the fee updates retroactively, a special input of prior paid claims was processed in cycle 2519. The special input reprocessed the claims and will result in payment of the difference between the original paid amounts and the updated fee amounts for the impacted periods. The retroactive payment differentials will be identified on the corresponding remittance statement and identify the claim adjustments with Edit Reason Code “**01999**” (claim has been special input by NYS Family Assistance).

Questions:

- Questions regarding this process should be directed to NYS OPWDD at central.operations@opwdd.ny.gov.
- Questions regarding IPSIDD fees should be directed to NYS Department of Health at MHR@health.ny.gov.
- General questions regarding professional claim submissions should be directed to the eMedNY Call Center at (800) 343-9000.

Compound Policy Coverage Update

Effective February 5, 2026, NYRx, the New York State (NYS) Medicaid Pharmacy program, will be implementing system changes to enforce compound policy for certain compound claims. The following ingredients, when used in topical compounds, **are excluded from formulary coverage**:

Baclofen	Ketoprofen	Lidocaine
Cyclobenzaprine	Diclofenac	Fluconazole
Clonidine	Amitriptyline	Itraconazole

Please note: The above products lack compendia support or are available in commercial products, when used topically.

Affected drugs will deny for eMedNY edit #00551, Item Not Eligible for Payment on Fill Date. The National Council for Prescription Drug Programs reject code is “MR”, Product not on Formulary.

NYRx acknowledges the need for traditional extemporaneous compounding to customize a drug to meet the needs of an individual person prescribed for a NYS Medicaid-covered, medically accepted indication. The therapeutic amounts, combinations and route of administration must be Food and Drug Administration (FDA)-approved or compendia-supported. The compound must have no suitable commercially available product within the drug class. Compounds should not be prescribed to replace commercially available products unless there is a documented sensitivity or contraindication to dyes, preservatives or fillers or lack of availability. Sensitivities or contraindications must be documented on the prescription and in the medical chart of the NYS Medicaid member. Pharmacies that submit compound prescription claims for reimbursement must follow the policy as previously communicated in the:

- NYRx, *Medicaid Pharmacy Program – Pharmacy Manual Policy Guidelines*, located at: https://www.emedny.org/ProviderManuals/Pharmacy/PDFS/Pharmacy_Policy_Guidelines.pdf (section “4.0 Basis of Payment,” “Compounded Prescriptions”); and
- *Medicaid Update* articles regarding compounding and other topics can be found on the *Medicaid Update* homepage, located at: https://www.health.ny.gov/health_care/medicaid/program/update/main.htm. by searching topics in the “Search All Medicaid Update Issues” box found near the top of the web page.

Alternative commercially available FDA-approved products should be leveraged whenever possible. The *Non-opioid alternatives for selected pain indications in adults* document, located at: https://www.health.ny.gov/health_care/medicaid/program/opioid_management/docs/nyrx_non_opioid_alternatives_table.pdf, can assist providers in selecting treatment options based on the indications of the patient.

If a prescriber has determined that an ingredient, not on the *New York State Department of Health List of Medicaid Reimbursable Drugs*, located on the eMedNY “Medicaid Pharmacy List of Reimbursable Drugs” web page, at: <https://www.emedny.org/info/formfile.aspx>, is the only treatment appropriate for a NYS Medicaid member, the prescriber may submit a letter of medical necessity and supporting documentation to NYRx@health.ny.gov for a review of coverage. Supporting documentation must include published clinical guidelines and/or peer reviewed literature and chart notes that justify why the prescribed ingredient is medically necessary. The NYS Department of Health will continue to monitor and will make updates as determined.

Questions and Additional Information:

- Pharmacies should refer to the *NYRx, Medicaid Pharmacy Program – Pharmacy Manual Policy Guidelines*, located at: https://www.emedny.org/ProviderManuals/Pharmacy/PDFS/Pharmacy_Policy_Guidelines.pdf.
- Practitioner and pharmacy providers should refer to the *New York State Department of Health List of Medicaid Reimbursable Drugs*, located on the eMedNY “Medicaid Pharmacy List of Reimbursable Drugs” web page, at: <https://www.emedny.org/info/formfile.aspx>.
- For a list of preferred drugs in NYRx, providers should refer to the NYRx, the *NYRx, the Medicaid Pharmacy Program Preferred Drug List*, located at: https://newyork.fhsc.com/downloads/providers/NYRx_PDP_PDL.pdf.
- Questions regarding compound billing should be directed to the eMedNY Call Center at (800) 343-9000.
- Questions regarding this policy should be directed to NYRx@health.ny.gov.
- Medicaid Managed Care (MMC) enrollee medical claims are also subject to the requirements above. Questions regarding MMC reimbursement, billing, and/or documentation requirements should be directed to the MMC Plan of the enrollee.

Provider Directory

Office of the Medicaid Inspector General:

For suspected fraud, waste, or abuse complaints/allegations, please call 1-877-87 FRAUD, (877) 873-7283 or visit the Office of Medicaid Inspector General website, located at: www.omig.ny.gov.

Medicaid Prescriber Education Program:

For current information on best practices in pharmacotherapy, please visit the following web page and website:

- NYS Department of Health “Medicaid Prescriber Education Program” web page (https://www.health.ny.gov/health_care/medicaid/program/prescriber_education/presc-educationprog)
- New York State Medicaid Prescriber Education Program website (<http://nypep.nysdoh.suny.edu/>).

eMedNY:

For a number of services, including: change of address, updating an enrollment file due to an ownership change, enrolling another National Provider Identifier, or revalidating an existing enrollment, please visit the eMedNY Provider Enrollment web page, located at: <https://www.emedny.org/info/ProviderEnrollment/index.aspx>, and choose the appropriate link based on provider type.

Beneficiary Eligibility:

Please call the Touchtone Telephone Verification System at (800) 997-1111 and/or refer to the *New York State Programs Medicaid Eligibility Verification System Instructions for Completing a Telephone Transaction*, located at: https://www.emedny.org/ProviderManuals/5010/MEVS%20Quick%20Reference%20Guides/5010_MEVS_Telephone_Quick_Reference_Guide.pdf, to successfully complete an eligibility transaction.

Questions Regarding Billing and Performing MEVS Transactions:

Please call the eMedNY Call Center at (800) 343-9000.

Provider Manuals/Companion Guides, Enrollment Information/Forms/Training Schedules:

Please visit the eMedNY website, located at: www.emedny.org.

Providers Interested in Listening to Check/EFT Amounts for the Current Week:

Please call (866) 307-5549 (available Thursday evenings, for one week, per the check/EFT amount of the current week).

Provider Training:

Please enroll online via the eMedNY “Provider Training” web page, located at: <https://www.emedny.org/training/index.aspx>, for training opportunities. For individual training requests, please call (800) 343-9000.

Comments and Suggestions Regarding the Medicaid Update:

Please contact the editor, Angela Lince, at medicaidupdate@health.ny.gov.