

## **Table of Contents**

**State/Territory Name: NY**

**State Plan Amendment (SPA) #: 25-0034**

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form (with 179-like data)
- 3) Approved SPA Pages

**DEPARTMENT OF HEALTH & HUMAN SERVICES**

Centers for Medicare & Medicaid Services  
7500 Security Boulevard, Mail Stop S3-14-28  
Baltimore, Maryland 21244-1850



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**Financial Management Group**

January 27, 2026

Amir Bassiri  
Medicaid Director  
New York State Department of Health  
99 Washington Ave – One Commerce Plaza Suite 1432 Albany, NY 12210

RE: TN 25-0034

Dear Medicaid Director Bassiri:

The Centers for Medicare & Medicaid Services (CMS) has reviewed the proposed New York state plan amendment (SPA) to Attachment 4.19-A NY 25-0034, which was submitted to CMS on June 30, 2025. This plan amendment proposes to add a 2.6% Targeted Inflationary Increase (TII) to Psychiatric Residential Treatment Facilities (PRTFs).

We reviewed your SPA submission for compliance with statutory requirements, including in sections 1902(a)(2), 1902(a)(13), 1902(a)(30), 1903 as it relates to the identification of an adequate source for the non-federal share of expenditures under the plan, as required by 1902(a)(2) of the Social Security Act and the applicable implementing Federal regulations.

Based upon the information provided by the state, we have approved the amendment with an effective date of April 1, 2025. We are enclosing the approved CMS-179 and a copy of the new state plan pages.

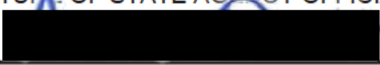

If you have any additional questions or need further assistance, please contact Kristina Mack at 617-565-1225 or via email at [Kristina.Mack-Webb@cms.hhs.gov](mailto:Kristina.Mack-Webb@cms.hhs.gov).

Sincerely,

A solid black rectangular box used to redact the signature of the official.

Rory Howe  
Director  
Financial Management Group

Enclosures

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE &amp; MEDICAID SERVICES</b>		1. TRANSMITTAL NUMBER <u>2</u> <u>5</u> — <u>0</u> <u>0</u> <u>3</u> <u>4</u>	2. STATE <u>NY</u>
		3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT <input checked="" type="radio"/> XIX <input type="radio"/> XXI	
TO: CENTER DIRECTOR CENTERS FOR MEDICAID & CHIP SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE  <u>April 01, 2025</u>	
5. FEDERAL STATUTE/REGULATION CITATION  <u>§ 1905(a)(16) Inpatient Psychiatric Hospital – PRTF</u>		6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars) a. FFY <u>04/01/25-09/30/25</u> \$ <u>500,984</u> b. FFY <u>10/01/25-09/30/26</u> \$ <u>1,001,969</u>	
7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT  <u>Attachment 4.19-A Part III Page: 4</u>		8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)  <u>Attachment 4.19-A Part III Page: 4</u>	
9. SUBJECT OF AMENDMENT  <u>2.6% Targeted Inflationary Increase – 2025 PRTF</u>			
10. GOVERNOR'S REVIEW (Check One)  <input checked="" type="radio"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="radio"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="radio"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL  <input type="radio"/> OTHER, AS SPECIFIED:			
11. SIGNATURE OF STATE AGENCY OFFICIAL 		15. RETURN TO New York State Department of Health Division of Finance and Rate Setting 99 Washington Ave – One Commerce Plaza Suite 1432 Albany, NY 12210	
12. TYPED NAME <u>Amir Bassiri</u>			
13. TITLE <u>Medicaid Director</u>			
14. DATE SUBMITTED <u>June 30, 2025</u>			
<b>FOR CMS USE ONLY</b>			
16. DATE RECEIVED <u>June 30, 2025</u>		17. DATE APPROVED <u>January 27, 2026</u>	
<b>PLAN APPROVED - ONE COPY ATTACHED</b>			
18. EFFECTIVE DATE OF APPROVED MATERIAL		19. SIGNATURE OF APPROVING OFFICIAL 	
20. TYPED NAME OF APPROVING OFFICIAL <u>Rory Howe</u>		21. TITLE OF APPROVING OFFICIAL <u>Director, Financial Management Group</u>	
22. REMARKS			

**New York****4****1905(a)(16) Inpatient Psychiatric Hospital – PRTF**

Allowable operating costs as determined in the preceding paragraphs will be trended by the Medicare inflation factor.

Effective July 01, 2021, through March 31, 2022, operating rates of payment will be increased for a Cost-of-Living Adjustment (COLA), calculated to support a one percent (1.0%) annual aggregate payment to be paid out over the 9 month period between July 1, 2021 and March 31, 2022, and a one percent (1%) annual increase to be paid out over 12 months in subsequent years until such time as the COLA increase is reflected in the base period cost reports.

Effective on or after February 1, 2022, the C/DC rate component will be adjusted to include a twenty-five percent (25%) increase to include additional funds, not included in the base year, appropriate to maintain the required level of care. This increase will be included until such a time as the increase is reflected in the base period cost reports.

Effective April 01, 2022, through March 31, 2023, operating rates of payment will be increased for a Cost-of-Living Adjustment (COLA) to support a five point four percent (5.4%) increase until such time as the COLA increase is reflected in the base period cost reports.

Effective on or after July 01, 2022, operating rates of payment for all providers will receive an eight percent (8.0%) increase. This increase will be included until such a time when the Department of Health has determined costs associated with the increase are reflected in the cost reports used for rate setting.

Effective April 01, 2023, through March 31, 2024, operating rates of payment will be increased for a Cost-of-Living Adjustment (COLA) to support a four percent (4%) increase until such time as the COLA increase is reflected in the base period cost reports.

Effective April 01, 2024, through March 31, 2025, operating rates of payment will be increased for a Cost-of-Living Adjustment (COLA) to support a two-point eight four percent (2.84%) increase until such time as the COLA increase is reflected in the base period cost reports.

Effective April 01, 2025, through March 31, 2026, operating rates of payment will be increased for a Targeted Inflationary Increase (TII) to support a two-point six percent (2.6%) increase until such time as the TII increase is reflected in the base period cost reports.

**TN**       **#25-0034**       **Approval Date**       January 27, 2026      

**Supersedes TN**       **#24-0051**       **Effective Date**       **April 1, 2025**