



## Department of Health

**ANDREW M. CUOMO**  
Governor

**HOWARD A. ZUCKER, M.D., J.D.**  
Commissioner

**LISA J. PINO, M.A., J.D.**  
Executive Deputy Commissioner

January 28, 2021

Dear Administrator:

This letter provides you with information regarding your Residential Health Care Facility (RHCF) Medicaid reimbursement rates effective January 1, 2020 and April 2, 2020. These rates have been promulgated in accordance with Article §2808 2-c of the Public Health Law.

The initial rates are provided on the new Health Commerce System (HCS) application (**Healthcare Financial Data Gateway**) and include the following operating and capital and non-capital components:

- **Operating and Case Mix Components:** The January and April rates have been updated to reflect the July 2019 MDS collection, and may contain an adjustment to limit the impact for any facility that reported a case mix change of greater than plus or minus five percent from the January 2019 case mix. These rates have also been updated to reflect the 2020 Minimum wage, as well as the updated 2% Penalty on Poor Performing nursing homes for NHQI years 2018 and 2019.
- **Capital Component:** Reflects 2020 capital reimbursement rate that is based upon your facility's 2018 certified cost report and reflects approved attestations received during the preview period. The April 2, 2020 rate reflects a capital component that eliminates residual equity payments in accordance with §2808-(19)(d) of the Public Health Law. The capital component is also reduced by an overall five-percent cut in accordance with §2808-(2-b)(a)(iv) of the Public Health Law. This five-percent cut is reflected on line 13 of the rate sheets as a Miscellaneous Per Diem Adjustment.

The payment for the updated January 1 and the April 2, 2020 rates will be made in cycle 2268, check release date 2/24/2021. If you have questions regarding the rates please send an email to [nfrates@health.ny.gov](mailto:nfrates@health.ny.gov) and Conor Petter or Cindy Treis will respond to your inquiry.

Sincerely,

Laura Rosenthal  
Director  
Bureau of Residential Health Care  
Reimbursement  
Division of Finance and Rate Setting  
Office of Health Insurance Program