NEW YORK STATE OF OPPORTUNITY. Department of Health

KATHY HOCHUL
Governor

JAMES V. McDONALD, M.D., M.P.H.
Commissioner

JOHANNE E. MORNE, M.S.
Executive Deputy Commissioner

October 30, 2026

Dear Administrator:

This letter provides information about your free-standing and hospital-based nursing facilities Medicaid notice rates for the period commencing January 1, 2027. The notice rates are posted on the Health Commerce System (HCS) application **(Healthcare Financial Data Gateway)** under the heading of **2027 Notice Rates.** The all-inclusive rates provided on the Gateway include the following components:

- ***Operating Component***: The non-specialty rates reflect the pricing methodology as prescribed by Title 10, Part 86-2.40 of the Commissioner's Administrative Rules and Regulations, found at https://regs.health.ny.gov/content/section-86-240-statewide-prices-non-capital-reimbursement. The 2027 minimum wage adjustment will be added prospectively.

- ***Capital Component:*** The capital component of the 2027 notice rates is based upon the facility's 2025 cost report, as well as the latest approved financing arrangement(s).

  Facilities that have not submitted 2025 cost report will have a $0 capital per diem on the published rate sheet, which will be updated once cost reports are received.

  The 5% Across-the-Board reduction implemented with the State Fiscal Year 2021 is now incorporated into the capital schedule at the bottom labeled "Total (95%)". The 10% Across-the-Board reduction, restored in the FY 2027 Enacted Budget, is no longer included on the capital schedule as of April 1, 2026.

  A comprehensive capital workbook was developed and implemented to assist facilities with the attestation process. Requested changes to the capital rate MUST be accompanied by the workbook. A webinar containing the instructions for the workbook is posted on the HCS under the heading of Nursing Home Cost Report/Archive/Webinars. All nursing facilities are required to submit the attestation. Please note the Adult Day Health Care program capital rates are included but we are NOT asking facilities to attest to those rates at this time.

The capital workbook and attestation are attached to this letter and posted with the Notice Rates. The attestation and any applicable workbooks should be emailed in their original file type to RHCF-HCS@health.ny.gov by **COB Wednesday, December 2, 2026.**

The notice rates are considered draft, and the Department may make changes based upon review of additional information. The preliminary calculations are not subject to appeal at this time. Appeal submissions will be accepted following the final published January 1, 2027 rates.

If you have questions regarding the rates, please send an email with “2027 NF Notice Rate Inquiry” in the subject line to RHCF-HCS@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