



## Department of Health

**KATHY HOCHUL**  
Governor

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

**MEGAN E. BALDWIN**  
Acting Executive Deputy Commissioner

March 7, 2023

Dear Administrator,

This letter provides you with information regarding the implementation of the Nursing Home Quality Pool (NHQP) for your nursing home.

The NHQP is an annual budget-neutral pool that was established in accordance with section 2802(2-c)(d) of the Public Health Law. The amount of the pool is \$50 million and was created to incentivize nursing homes across New York State to improve the quality of care for their residents, and to reward homes for quality based on their performance.

The processing for the NHQP will take effect in cycle 2377, with a check release date of 3/29/2023.

Should you have any questions regarding these payments please email [NFRATES@health.ny.gov](mailto:NFRATES@health.ny.gov) and someone 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 Programs

Attachment

**ATTACHMENT A**  
**Nursing Home Quality Pool Award 2021**

- Each nursing home was ranked into 5 quintiles by utilizing the methodology as set forth by the State. The methodology and individual nursing home quintile rankings can be found on this link:  
[https://www.health.ny.gov/health\\_care/medicaid/redesign/nursing\\_home\\_quality\\_initiative.htm](https://www.health.ny.gov/health_care/medicaid/redesign/nursing_home_quality_initiative.htm)
- To fund the \$50 million pool, EVERY nursing home's contribution is calculated as follows:

$$\frac{\text{Calendar Year Promulgated Rate} \times \text{MA Days}}{\text{Statewide NH Total MA Revenue}} \times \$50,000,000$$

- Only facilities who are ranked in quintiles 1, 2 or 3 will receive a share of the \$50 million NHQP. The distribution method is as follows:
  - Award Amounts:
    - Quintile 1: MA Revenue x 3
    - Quintile 2: MA Revenue x 2.25
    - Quintile 3: MA Revenue x 1.5
  - Share of the \$50 million award:

$$\frac{\text{Quintile 1, 2, or 3 Award Amount}}{\text{Total of Statewide Awards}} \times \$50,000,000$$

- Facilities who receive a J/K/L Health Inspection Deficiency receive no award, regardless of their Quintile scoring

For the summary and calculation of the NHQP for 2021, please refer to:

[https://www.health.ny.gov/facilities/long\\_term\\_care/reimbursement/nhr/](https://www.health.ny.gov/facilities/long_term_care/reimbursement/nhr/)