



Department of Health

KATHY HOCHUL
Governor

MARY T. BASSETT, M.D., M.P.H.
Commissioner

KRISTIN M. PROUD
Acting Executive Deputy Commissioner

March 4, 2022

Dear Administrator:

We are transmitting for your review the calculation of your hospital's **revised** inpatient psychiatric exempt rates for Medicaid Fee-for-Service (FFS), Medicaid Managed Care (MMC) and Workers Compensation/No-Fault (WCNF). For your records, the Department has posted psychiatric rate sheets effective August 1, 2021 – September 30, 2021 and October 1, 2021 – December 31, 2021 (Series #2025 for each). These rates have been promulgated in accordance with Article 2807-c of the Public Health Law. The MMC rates provided are informational only and were calculated based on the approved FFS rates.

The Centers for Medicare and Medicaid Services (CMS) recently approved State Plan Amendment 21-0018, which increased the inpatient psychiatric exempt base rate effective for service dates on and after August 1, 2021. The statewide base price component of the psychiatric exempt rate increased from \$676.21 to \$742.86. It was also necessary to update the statewide base component of the previously approved inpatient psychiatric exempt rates effective October 1, 2021, which had been promulgated to reflect a 10% reduction to the budgeted capital rate add-on component. Thus, the only change to the October 1, 2021 rates is the statewide base price component.

Medicaid Fee-for-Service (FFS) Claims Reprocessing:

The revised psychiatric exempt rates effective August 1, 2021 and October 1, 2021 became active within eMedNY on March 3, 2022 and retroactive claims reprocessing will automatically occur in cycle #2325.

Please note that the increase in the statewide base price component of the psychiatric exempt rates has also been included in the January 1, 2022 statewide inpatient rate package that is currently awaiting approval from the New York State Division of the Budget.

Appeals:

Only appeals related to mathematical errors by the Department will be accepted for these rate periods.

Part 86-1.32 of the New York Codes, Rules and Regulations sets forth the rules governing appeals, which does not include issues regarding methodology. In filing an appeal, a facility must provide the following:

- a. A cover letter signed by the Operator or Chief Executive Officer of the hospital containing a summary of the item(s) of appeal.
- b. Supporting schedules or any other pertinent data is to be included with the facility's appeal letter.

- c. All rate appeals and supporting documentation pertaining to items revised in this publication of inpatient rates for services for Title XIX (Medicaid) beneficiaries should be submitted to the Bureau of Hospital and Clinic Rate Setting and **must be received by this office no later than May 3, 2022.** Due to bureau staff working remotely, it is requested that providers submit a copy of their appeal request via email to HospFFSunit@health.ny.gov. Given that many hospital staff may also be working remotely, the Department is **not requiring that the original signed appeal request letter be mailed.**

If possible, original appeal copies should be mailed to:

*Monique Grimm
Chief Health Care Fiscal Analyst
Bureau of Hospital and Clinic Rate Setting
One Commerce Plaza, Room 1432
99 Washington Ave
Albany, New York 12210*

Should you have any questions regarding the above information, please send an email to the hospital rate setting unit at HospFFSunit@health.ny.gov and either Tami Berdi or John Neuberger will respond to your inquiry.

Sincerely,

Monique Grimm
Chief Health Care Fiscal Analyst
Bureau of Hospital and Clinic Rate Setting