

**NEW YORK STATE DEPARTMENT OF HEALTH  
BUREAU OF LONG TERM CARE REIMBURSEMENT**

**Certified Home Health Agencies  
Proposed Episodic Payment System**

**MODEL BASED ON 2008 PAID CLAIMS - PATIENTS UNDER AGE 18 EXCLUDED**

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**Wage Index Factors - calculated from 2007 certified cost reports:**

New York City	1.037696
Other Downstate	0.915305
Upstate	0.813683

**Percent of cost affected by wage index:** 85.35%

Calculated from 2007 certified cost reports - total of wages, benefits,  
and amounts paid to contractors, divided by total operating cost.

**Adjustment for unpaid portions of RTR (Recruitment, Training & Retention) and  
AQE (Accessibility, Quality & Efficiency) add-ons:**

Percent to be added to standard prices 3.64%

**Unadjusted base price per episode (2008) after removing claims of \$500 or less and  
claim amounts above outlier thresholds:**

Episode 1	\$	3,320.26
Episode 2	\$	4,868.05
Episode 3	\$	5,509.72
Episode 4	\$	5,919.78
Episode 5	\$	6,052.92
Episode 6+	\$	6,208.78

**Base prices with addition of 3.64% for RTR and AQE:**

Episode 1	\$	3,441.10
Episode 2	\$	5,045.23
Episode 3	\$	5,710.24
Episode 4	\$	6,135.23
Episode 5	\$	6,273.21
Episode 6+	\$	6,434.74

**Breakdown of base prices into portion affected by Wage Index (85.35%) and other:**

	Labor		Non-Labor		Total
Episode 1	\$ 2,936.98	\$	504.12	\$	3,441.10
Episode 2	\$ 4,306.10	\$	739.13	\$	5,045.23
Episode 3	\$ 4,873.69	\$	836.55	\$	5,710.24
Episode 4	\$ 5,236.42	\$	898.81	\$	6,135.23
Episode 5	\$ 5,354.19	\$	919.03	\$	6,273.21
Episode 6+	\$ 5,492.05	\$	942.69	\$	6,434.74