



## Department of Health

**KATHY HOCHUL**  
Governor

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

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

September 12, 2023

Dear Administrator:

This letter provides you with information regarding your Residential Health Care Facility (RHCF) Medicaid reimbursement rates effective January 1, 2022; April 1, 2022; July 1, 2022; and January 1, 2023.

In accordance with §2808(2-c)(g), these rates have been updated to reflect the updated 2% penalty on poor performing nursing homes with data from the two most recent Nursing Home Quality Initiative (NHQI) scores. If a nursing home was ranked in the lowest two quintiles for the two most recent years of NHQI data, and the lowest quintile for the most recent year of NHQI data, then the nursing home is subject to the 2% penalty. If a nursing home was previously subject to the 2% penalty but improved their NHQI score to move out of the lowest quintile, then that penalty has been removed.

The processing of the updated 2% penalty will take place in cycle 2401 with a check release date of 09/13/2023. If you have any questions, please send an email to [NFRATES@health.ny.gov](mailto:NFRATES@health.ny.gov) and someone will respond to your inquiry.

Sincerely,

Laura Rosenthal, Director  
Bureau of Nursing Home and Long Term Care Rate Setting  
Division of Finance and Rate Setting  
Office of Health Insurance Program