



## Department of Health

**ANDREW M. CUOMO**  
Governor

**HOWARD A. ZUCKER, M.D., J.D.**  
Commissioner

**LISA J. PINO, M.A., J.D.**  
Executive Deputy Commissioner

October 6, 2020

Dear Administrator:

We are transmitting for your review the calculation of your hospital's **initial** inpatient acute, exempt hospital and exempt unit reimbursement rates for Medicaid Fee-for-Service (FFS), Medicaid Managed Care (MMC) and Workers Compensation/No-Fault (WCNF), which are effective January 1, 2020. Please note that a separate communication has been issued concurrently for the Medicaid FFS and Medicaid MMC rates effective April 2, 2020. These rates have been promulgated in accordance with Article 2807-c and, for the acute rates, Article 2807-c (35)(c).

The January 1, 2020 Medicaid FFS rates have been approved by the New York State Division of the Budget (Budget) and have been transmitted to eMedNY for payment and retroactive claims processing in cycle #2252. For those hospitals eligible for lump sum transformation payments, payment information will be forthcoming once available.

These rates are based upon the same information and methodology as the acute, exempt hospital and exempt unit rates effective April 1, 2019, but take into consideration the updates provided in the *Attachment* to this letter.

Additionally, the Centers for Medicare and Medicaid Services recently approved State Plan Amendment 18-0066, which increases the inpatient exempt psychiatric base rate effective for service dates on and after October 1, 2018. The statewide base price component of the psychiatric exempt rate increased from \$642.66 to \$676.21 and has been implemented with these January 1, 2020 rates. For the retroactive period October 1, 2018 – December 31, 2019, the rates are being prepared for transmission to eMedNY and providers will be notified once payment information is available. A separate rate publication will be released through the Health Commerce System (HCS).

### **Appeals:**

With the exception of the 2020 budgeted capital and minimum wage updates, all data associated with these rates was previously subjected to the appeal process. Therefore, only appeals related to budgeted capital, minimum wage or mathematical errors by the Department will be accepted for this rate period.

**Given that these rates are being released at the same time as the April 2, 2020 rates, it is not necessary to submit a separate appeal for each rate period if the same issue is being appealed. Please submit only one appeal to the Department of Health that references both 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 December 7, 2020**. 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](mailto: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:

*Ms. Janet Baggetta  
Director  
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](mailto:HospFFSunit@health.ny.gov) and either Monique Grimm or Tami Berdi will respond to your inquiry.

Sincerely,

Janet Baggetta  
Director  
Bureau of Hospital and Clinic Rate Setting