



# Department of Health

**KATHY HOCHUL**  
Governor

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

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

November 1, 2024

Dear Administrator:

This letter provides information about your free-standing and hospital-based nursing facilities Medicaid notice rates for the period commencing January 1, 2025. The notice rates are posted on the Health Commerce System (HCS) application (**Healthcare Financial Data Gateway**) under the heading of **2025 Notice Rates**. The all-inclusive rates provided on the Gateway include the following components:

- **Operating Component:** The non-specialty rates reflect the pricing methodology as prescribed by Title 10, Part 86-2.40 of the Commissioner's Administrative Rules and Regulations, found at <https://regs.health.ny.gov/content/section-86-240-statewide-prices-non-capital-reimbursement>.

The 2025 minimum wage adjustment will be added prospectively.

- **Capital Component:** The capital component of the 2025 notice rates is based upon the facility's 2023 cost report, as well as the latest approved financing arrangement(s). The 5% and additional 10% reductions implemented with the State Fiscal Year 2021-22 and 2024-25 Enacted Budgets are now incorporated into the capital schedule at the bottom labeled "Total (95%) and Total (Additional 10% Reduction)." Additionally, residual equity is no longer included in the capital rates.

A comprehensive capital workbook was previously developed and implemented to assist facilities with the attestation process. Requested changes to the capital rate MUST be accompanied by the workbook. A webinar containing the instructions for the workbook is posted on the HCS under the heading of Nursing Home Cost Report/Archive/Webinars. All nursing facilities are required to submit the attestation.

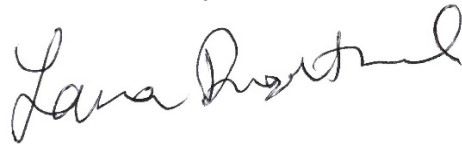
Please note the Adult Day Health Care program capital rates are included but we are NOT asking facilities to attest to those rates at this time. They are for your information only.

The capital workbook and attestation are attached to this letter and posted with the Notice Rates. The attestation and any applicable workbooks should be emailed in their original file type to [NFRates@health.ny.gov](mailto:NFRates@health.ny.gov) by **COB Friday, December 6, 2024**.

The notice rates are considered draft, and the Department may make changes based upon review of additional information. The preliminary calculations are not subject to appeal at this time. Appeal submissions will be accepted following the final published January 1, 2025 rates.

If you have questions regarding the rates or the attestation process, please send an email with "2025 NF Notice Rate Inquiry" in the subject line to [nfrates@health.ny.gov](mailto:nfrates@health.ny.gov).

Sincerely,

A handwritten signature in black ink, appearing to read "Laura Rosenthal". The signature is fluid and cursive, with the first name "Laura" being more prominent than the last name "Rosenthal".

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