



Department of Health

KATHY HOCHUL
Governor

JAMES V. McDONALD, MD, MPH
Commissioner

JOHANNE E. MORNE, MS
Executive Deputy Commissioner

April 22, 2025

Dear Administrator,

This letter provides you with information regarding the implementation of the 2023 Nursing Home Quality Pool (NHQP).

The NHQP is an annual budget-neutral pool that was established in accordance with section 2802(2-c)(d) of the Public Health Law. The amount of the pool is \$50 million, and it was created to incentivize nursing homes across New York State to improve the quality of care for their residents and to reward homes for quality based on their performance. As a reminder, the methodology for administering the quality pool is attached.

The processing of the 2023 NHQP payments and liabilities will take effect in cycle 2487, with a check release date of May 7, 2025. Please note that if your facility is receiving a payment, then any existing balance due to the Department will be recouped from this payment and applied to the balance. You will only receive payment for the amount that exceeds the liability balance.

If you have any questions regarding these payments and liabilities, please email bimamail@health.ny.gov. For questions regarding the calculation of the NHQP, please email NFRates@health.ny.gov.

Sincerely,

A handwritten signature in black ink that reads "Laura Rosenthal".

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

Attachment

ATTACHMENT A
Nursing Home Quality Pool Award 2023

- Each nursing home was ranked into 5 quintiles by utilizing the methodology as set forth by the State. The methodology and individual nursing home quintile rankings can be found on this link:
https://www.health.ny.gov/health_care/medicaid/redesign/nursing_home_quality_initiative.htm

- To fund the \$50 million pool, EVERY nursing home's contribution is calculated as follows:

$$\frac{\text{Calendar Year Promulgated Rate x MA Days}}{\text{Statewide NH Total MA Revenue}} \times \$50,000,000$$

- Only facilities who are ranked in quintiles 1, 2 or 3 will receive a share of the \$50 million NHQP. The distribution method is as follows:

- Award Amounts:

- Quintile 1: MA Revenue x 3
- Quintile 2: MA Revenue x 2.25
- Quintile 3: MA Revenue x 1.5

- Share of the \$50 million award:

$$\frac{\text{Quintile 1, 2, or 3 Award Amount}}{\text{Total of Statewide Awards}} \times \$50,000,000$$

- Facilities who receive a J/K/L Health Inspection Deficiency receive no award, regardless of their Quintile scoring

For the summary and calculation of the NHQP for 2023, please refer to:

https://www.health.ny.gov/facilities/long_term_care/reimbursement/nhr/