



Department of Health

KATHY HOCHUL
Governor

JAMES V. McDONALD, MD, MPH
Commissioner

JOHANNE E. MORNE, MS
Executive Deputy Commissioner

October 31, 2025

Dear Administrator:

This letter provides information about your Medicaid notice rates for free-standing and hospital-based nursing facilities for the period beginning January 1, 2026. The notice rates are posted on the Health Commerce System (HCS) application (**Healthcare Financial Data Gateway**) under the heading of **2026 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. Pediatric specialty rates include the required annual trend factor calculated at 2.4%. The 2026 minimum wage adjustments will be added prospectively.
- **Capital Component:** The capital component of the 2026 notice rates is based upon the facility's 2024 cost report, as well as the latest approved financing arrangement(s). The 5% and additional 10% Across-the-Board reductions, as implemented with the State Fiscal Year 2021 and 2024 Enacted Budgets, are incorporated into the capital schedule and labeled "Total (95%) and Total (Additional 10% Reduction)," respectively.

A comprehensive capital workbook was developed to assist facilities with the attestation process. Requested changes to the capital rate **MUST** be accompanied by the workbook. A webinar with instructions for the workbook is posted on the HCS under the heading Nursing Home Cost Report/ Archive/ Webinars.

The capital workbook and attestation are attached to this letter and posted with the Notice Rates in the HCS. The attestation and any applicable workbooks should be emailed in their original file type to nfrates@health.ny.gov by **COB Wednesday, December 3, 2025**. 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.

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 implementation of the January 1, 2026 rates.

If you have questions regarding the rates, please send an email with "2026 NF Notice Rate Inquiry" in the subject line to nfrates@health.ny.gov.

Sincerely,

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