



MEMORANDUM

To: Mainstream Medicaid Managed Care Plans, Health and Recovery Plans (HARPs), HIV Special Needs Plans (HIV SNPs), and Medicaid Advantage Plus (MAP) Plans

From: New York State (NYS) Office of Mental Health (OMH)

Date: July 1, 2025

Subject: April 1, 2025 Rate Update for Cost-of-Living-Adjustment (COLA)

Dear Health Plan Administrators,

Effective April 1, 2025, the mental health outpatient service rates have been increased to reflect a legislatively mandated 2.6 percent COLA, which is consistent with the State Fiscal Year 2025-26 Enacted State Budget and will be reflected in premiums upon State and Federal approvals.

This letter is being sent to alert Mainstream Medicaid Managed Care Plans, HARPs, HIV SNPs, and MAP Plans (collectively referred to as “MMCPs” herein) of the adjustments to ensure compliance with the statutorily required payment of government rates. NYS will issue an additional notification to MMCPs upon Division of Budget (DOB) approval.

Please refer to the [OMH Medicaid Reimbursement Rates](#) webpage for the following services that will be receiving the COLA¹.

- Assertive Community Treatment (ACT)
- Continuing Day Treatment (CDT)
- Comprehensive Psychiatric Emergency Program (CPEP)
- Partial Hospitalization (PH)
- Personalized Recovery Oriented Services (PROS)
- Mental Health Outpatient Treatment Rehabilitation Services (MHOTRS) under Ambulatory Patient Groups (APGs)
- Community Oriented Recovery and Empowerment (CORE) Services
- Adult Behavioral Health Home and Community Based Services (BH HCBS)
- Crisis Intervention: Mobile Crisis Services

¹ For more information regarding the April 1, 2025, COLA increase for Children and Family Treatment and Support Services (CFTSS) and Children’s Home and Community Based Services (HCBS), please go to the NYS Department of Health (DOH) [CFTSS](#) and [HCBS Provider Manual and Rates](#) webpages.

- Crisis Intervention: Crisis Residences
- Health Home Plus (HH+)²

Please note that this document is only being transmitted electronically. No hard copy will be forthcoming. If you have any questions regarding these rate changes, please contact OMH Managed Care at 518-402-2822 or BHO@omh.ny.gov.

² For more information regarding the April 1, 2025, COLA increase for HH+, please go to the NYS DOH [HH Rate Codes](#) webpage.