



Office of
Mental Health

Office of Addiction
Services and Supports

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Dear CCBHC Provider:

On September 27, 2023 an email was sent to each Certified Community Behavioral Health Clinic (CCBHC) advising of the methodology to be used to calculate the Demonstration Year (DY)8 CCBHC Medicaid rates which will be effective July 1, 2024, as well as the requested submission date for the DY7 CCBHC Cost Report which would cover the period from July 1, 2023 through June 30, 2024. The information provided was as follows:

Methodology to Calculate the DY8 CCBHC Medicaid Rates

As part of the federal approval for inclusion of anticipated costs for Workforce Recruitment and Retention in the DY6 and DY7 CCBHC Medicaid rates, effective July 1st of 2022 and 2023 respectively, the Centers for Medicare and Medicaid Services (CMS) has required that New York State (NYS) re-base the DY8 CCBHC Medicaid rates, which will be effective July 1, 2024, using the DY7 CCBHC Cost Report. The cost per visit determined from this Cost Report will be adjusted to the rate year by applying the applicable Medicare Economic Index, as required by the CCBHC Demonstration. The DY7 CCBHC Cost Report **will not** include any anticipated costs or anticipated visits, unless instructed to do so by NYS, after receiving guidance from CMS and Substance Abuse and Mental Health Services Administration (SAMHSA) but should reflect actual expenditure of the investment of the Workforce Recruitment and Retention funding in your CCBHCs, along with any related increases in daily visits.

DY7 CCBHC Cost Report Submission

NYS is committed to its efforts to have CCBHC Medicaid rates issued in line with the expectations of the Prospective Payment System, however, it is recognized that the CMS requirement to utilize the DY7 CCBHC Cost Report to calculate the DY8 Medicaid rates will delay issuance of these rates until sometime after July 1, 2024 (the start of DY8). To assist in minimizing the delay associated with calculating and obtaining approval of the DY8 CCBHC Medicaid rates as soon as possible after the conclusion of DY7, **NYS is requesting that the DY7 CCBHC Cost Report be submitted no later than October 31, 2024.** While we understand that this may create some difficulties, especially for those providers preparing a Consolidated Fiscal Report for the same fiscal period, the early submission of the cost report is the best opportunity available to allow the DY8 rates to be issued as soon as possible after the rate period begins. Any providers that do not believe they will be able to comply with this due date should submit an email to CCBHC@OMH.NY.GOV as soon as possible.

Due to the fact the DY8 CCBHC Medicaid rates will be issued after July 1, 2024, the DY7 Medicaid rates will continue to be paid until such time as the DY8 rates are approved and entered in MMIS. When the DY8 rates are finally entered into MMIS all claims that have already been processed with a date of service on or after July 1, 2024 will be automatically re-adjudicated, with the following results:

- If the DY8 rate is greater than the DY7 rate the re-adjudication will result in a net payment to the provider. If there any outstanding Medicaid receivables due to NYS, the payment will be applied in full to the outstanding balance, and you will be paid the amount over the balance.
- If the DY8 rate is less than the DY7 rate the re-adjudication will result in a net due to NYS (retroactive recovery or receivable). In such instances, the following would take place:
 - A liability will be issued for the amount due which will be recouped at a rate that will provide full payment within 1 year or the minimum of 15% per week whichever is higher.
 - Interest will begin to accrue on any outstanding balance after 10 weeks, at a rate of prime plus 2%, and continue to accrue each week until the principal is paid in full.
 - Any questions on alternative payment arrangements should be directed to the Department of Health at Bimamail@health.ny.gov.

It is recommended that you establish an escrow account to repay any overpayments should you project that the DY8 Medicaid rate will be less than the DY7 Medicaid rate. This will allow you to avoid a cash offset to your regular Medicaid payments and will also eliminate the need to also pay interest on a recovery that might take longer than 10 weeks to be recovered.

Any questions should be submitted to CCBHC@OMH.NY.GOV.

Sincerely,

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