

**KATHY HOCHUL**  
Governor

**ANN MARIE T. SULLIVAN, M.D.**  
Commissioner

**MOIRA TASHJIAN, MPA**  
Acting Executive Deputy Commissioner

## MEMORANDUM

**To:** Mainstream Medicaid Managed Care Plans (MMCPs), Health and Recovery Plans, and HIV Special Needs Plans  
**From:** New York State Office of Mental Health (OMH)  
**Date:** January 18, 2022  
**Subject:** Mental Health Outpatient Rate Increase Notification

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Dear Health Plan Administrators,

Upon final approval by Centers for Medicare and Medicaid Services (CMS), the mental health outpatient service rates will be increased to reflect the expenditure of the funds generated by the 10 percent increase to the federal medical assistance percentage (FMAP) for certain Medicaid expenditures provided by Section 9817 of the American Rescue Plan Act of 2021 (ARP) (Pub. L. 117-2)<sup>1</sup>. This letter is being sent to alert Medicaid Managed Care Plans (MMCPs), including Mainstream Medicaid Managed Care Plans, Health and Recovery Plans, and HIV Special Needs Plans, of the adjustments to ensure compliance with the statutorily required payment of government rates. Rates for the services below are being increased based on models developed by the Office of Mental Health (OMH).

Please refer to the OMH Medicaid Reimbursement Page:

[https://www.omh.ny.gov/omhweb/medicaid\\_reimbursement/](https://www.omh.ny.gov/omhweb/medicaid_reimbursement/) which has been updated for the below services with rate enhancements effective October 2021, January 2022 and April 2022. Please note the rates on the Medicaid Reimbursement Page incorporate all the following adjustments (including enhancements and reductions) into one rate for reimbursement to the provider.

Additional rate enhancements for Adult BH HCBS and CORE will be forthcoming shortly.

- **Assertive Community Treatment (ACT)**

- 10/7/2021 rate includes the following adjustments:
  - eFMAP HCBS program enhancement increase
  - eFMAP HCBS workforce investment increase
  - eFMAP HCBS expansion rates for Children’s ACT and Transition Age Youth ACT teams
- 1/1/2022 rate includes the following adjustments:
  - 10/7/2021 eFMAP from above
  - Minimum wage increase<sup>2</sup>
- 4/1/2022 rate includes the following adjustments:

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<sup>1</sup> [Spending Plan for Implementation of American Rescue Plan Act of 2021, Section 9817](#)

<sup>2</sup> The minimum wage increase notification (effective 1/1/2022) was released to MMCPs November 8, 2021.

- 1/1/2022 minimum wage increases from above
  - eFMAP HCBS workforce investment removal
  - eFMAP HCBS program enhancement increase reduction to ongoing amount
  - eFMAP HCBS expansion rates for Children’s ACT and Transition Age Youth ACT teams removal
- **Personalized Recovery Oriented Services (PROS)**
    - 10/14/2021 rate includes the following adjustments:
      - eFMAP HCBS program enhancement increase
      - eFMAP HCBS workforce investment increase
    - 1/1/2022 rate includes the following adjustments:
      - 10/14/2021 eFMAP from above
      - Minimum wage increase<sup>3</sup>
    - 4/1/2022 rate includes the following adjustments:
      - eFMAP HCBS workforce investment removal
      - eFMAP HCBS program enhancement increase reduction to ongoing amount

Per Chapter 57 of the Laws of 2019, MMCPs are required to pay claims based on the effective date of the rate changes. As a result, MMCPs must complete necessary systems edits to ensure ACT and PROS claims are reimbursed at the newly effective rates as listed above and are required to conduct retrospective reconciliation to adjust payment for claims as necessary within 90 days of receipt of this notification.

Please note that this document is only being transmitted electronically. No hard copy will be forthcoming.

If you have any questions regarding these changes, please contact OMH Managed Care at 518-408-2822 or [BHO@omh.ny.gov](mailto:BHO@omh.ny.gov)

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<sup>3</sup> The minimum wage increase notification (effective 1/1/2022) was released to MMCPs November 8, 2021.