



MEMORANDUM

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

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

Date: July 10, 2026

Subject: Quality Improvement Collaboratives (QIC) Enhancement for Newly Eligible Mental Health Outpatient Treatment and Rehabilitative Services (MHOTRS) Providers

Dear Health Plan Administrators,

This letter is to alert Mainstream Medicaid Managed Care Plans, HARPs, HIV SNPs, and MAP Plans (collectively referred to as “MMCPs” herein) that, as a result of the ongoing OMH QIC Initiative, 46 hospital-based and 36 freestanding OMH-licensed MHOTRS providers have had their Quality Incentive enhancements activated, effective April 1, 2025.

OMH’s QIC projects aim to build on the success of past OMH QIC projects, align with statewide priorities to improve health and behavioral health-related outcomes for the NYS Medicaid population, and harness the expanding capacities of the OMH Psychiatric Services and Clinical Knowledge Enhancement System (PSYCKES) application. The enhanced Ambulatory Patient Group (APG) peer group base rates are available for all fee-for-service and Medicaid managed care services provided in OMH-licensed MHOTRS programs.

The newly participating MHOTRS providers, listed in the attached Appendix B- Newly Eligible QIC MHOTRS Providers (April 1, 2025), will receive the enhanced [MHOTRS APG Peer Group Base Rates](#), which can be found on the [OMH Medicaid Reimbursement Rates](#) webpage. The APG Grouper Pricer is anticipated to be updated as of September 2026.

Per Chapter 57 of the Laws of 2022 and Chapter 451 of the Laws of 2019, MMCPs are required to pay claims based on the effective date of the rate changes. MMCPs must complete the following as soon as possible, but no later than 90 days from the date of this notification:

1. Retrospective reconciliation to adjust payments for previously paid MHOTRS claims that are eligible to receive the QIC enhancement.
2. System configurations to ensure MHOTRS claims, with dates of service beginning on or after April 1, 2025, are paid no less than the enhanced QIC rate.

Please note: 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 by phone at 518-402-2822 or by email at BHO@omh.ny.gov (MMCP inquiries) or OMH-Managed-Care@omh.ny.gov (provider inquiries).