



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: May 29, 2025

Subject: Rate Approval: Mental Health Outpatient Treatment and Rehabilitative Services (MHOTRS) Quality Improvement Collaboratives (QIC) – Notification of Division of Budget (DOB) Approval

Dear Health Plan Administrators,

On March 31, 2025, OMH notified Mainstream Medicaid Managed Care Plans, HARPs, HIV SNPs, and MAP Plans (collectively referred to as “MMCPs” herein) of MHOTRS rate updates for free-standing and hospital-based providers participating in the OMH QIC Initiative, effective October 1, 2024. The QIC rate enhancement has been raised by 2.8% for MHOTRS freestanding and hospital-based providers eligible for QIC, bringing the total enhancement percentage from 5.7% to 8.5%. This memorandum is being sent to alert MMCPs that DOB approved the rate increases for MHOTRS participating in QIC on April 21, 2025.

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. As a result, MMCPs must complete necessary systems edits to ensure payable claims for dates of service October 1, 2024, and thereafter for QIC participating MHOTRS programs are reimbursed at the newly effective rates. Additionally, MMCPs are required to conduct retrospective reconciliation to adjust payments for clean claims as necessary. MMCPs must complete these activities as soon as possible, but no later than 90 days from the date of this notification, **August 27, 2025**.

The Ambulatory Patient Group (APG) QIC rates have been posted to the [APG Peer Group Base Rates](#) file on the [OMH Medicaid Reimbursement](#) webpage. Please refer to Appendix A – List of QI Providers 03.13.2025 that was distributed with the original [Mandated Rate Update: Mental Health Outpatient Treatment and Rehabilitative Services \(MHOTRS\) Quality Improvement Collaboratives \(QIC\) \(ny.gov\)](#) notification to MMCPs for a list of MHOTRS hospital-based and freestanding providers in receipt of the QIC enhancement and corresponding rates.

If you have any questions regarding these rate changes, please contact OMH Managed Care at 518-402-2822 or BHO@omh.ny.gov.