



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 6, 2025

SUBJECT: Mandated Rate Update and Notification of Division of Budget (DOB) Approval: October 1, 2024, Partial Hospitalization

Dear Health Plan Administrators,

Effective October 1, 2024, the OMH Partial Hospitalization services rate has been increased by 25%, consistent with the State Fiscal Year (SFY) 2024-25 Enacted State Budget and will be reflected in premiums upon NYS and Federal approvals. This memorandum is being sent to alert Mainstream Medicaid Managed Care Plans, HARPs, HIV SNPs, and MAP Plans, herein collectively referred to as "MMCPs" in this notification of the adjustments. DOB approval was received on April 8, 2025, for these adjustments. MMCPs will have 90 days from the date of this notification to ensure compliance with the statutorily required payment of government rates.

Please refer to the [OMH Medicaid Reimbursement Rates](#) webpage for the Partial Hospitalization rate update.

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 change. As a result, MMCPs must complete necessary systems edits to ensure payable claims for dates of service October 1, 2024, and thereafter for OMH Partial Hospitalization at the newly effective rates. Additionally, MMCPs are required to conduct retrospective reconciliation to adjust payments for clean claims as necessary by **August 4, 2025**.

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.