



KATHY HOCHUL  
Governor

ANN MARIE T. SULLIVAN, M.D.  
Commissioner

MOIRA TASHJIAN, MPA  
Executive Deputy Commissioner

## 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:** June 12, 2024

**Subject:** April 1, 2024 Rate Updates for Minimum Wage Increase (MWI) and Cost-of-Living Adjustment (COLA)

---

Dear Health Plan Administrators,

Effective April 1, 2024, the mental health outpatient service rates have been increased to reflect a legislatively mandated Minimum Wage Increase (MWI) and a 2.84% Cost-of-Living Adjustment (COLA), which is consistent with State Fiscal Year (SFY) 2023-24 and SFY 2024-25 Enacted State Budgets and will be reflected in premiums upon State and Federal approvals.

This letter is being sent to alert Mainstream Medicaid Managed Care Plans, Health and Recovery Plans, HIV Special Needs Plans, and Medicaid Advantage Plus Plans (collectively referred to as “MMCPs” herein), of the adjustments to ensure compliance with the statutorily required payment of government rates. NYS will issue an additional notification to MMCPs upon Division of Budget (DOB) approval.

Please refer to the [OMH Medicaid Reimbursement](#) page for the following services that will be getting a MWI<sup>1</sup> and/or COLA.

- Assertive Community Treatment (ACT)\*
- Continuing Day Treatment (CDT)
- Comprehensive Psychiatric Emergency Program (CPEP)\*
- Partial Hospitalization (PH)
- Personalized Recovery Oriented Services (PROS)\*
- Mental Health Outpatient Treatment Rehabilitation Services (MHOTRS) under Ambulatory Patient Groups (APGs)\*

---

<sup>1</sup> Services receiving the MWI in addition to the COLA are indicated with an asterisk (\*). More information regarding the April 1, 2024 COLA increase for Children and Family Treatment and Support Services (CFTSS) can be found at [Children and Family Treatment and Support Services \(ny.gov\)](#).

- Community Oriented Recovery and Empowerment (CORE) Services
- Adult Behavioral Health Home and Community Based Services (BH HCBS)
- Crisis Intervention: Mobile Crisis Services
- Crisis Intervention: Crisis Residences

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](mailto:BHO@omh.ny.gov).