



## Department of Health

**ANDREW M. CUOMO**  
Governor

**HOWARD A. ZUCKER, M.D., J.D.**  
Commissioner

**SALLY DRESLIN, M.S., R.N.**  
Executive Deputy Commissioner

May 26, 2017

Mr. Kenneth J. Munnelly  
Chairman  
New York State Workers' Compensation Board  
328 State Street, Suite 2  
Schenectady, New York 12305

Dear Mr. Munnelly:

The Office of Health Insurance Programs has calculated rates of reimbursement for the period January 1, 2016 through December 31, 2016 for acute per case inpatient rates, exempt hospitals, exempt units and detoxification inpatient rates. These rates have been calculated for services rendered to patients covered under the Workers' Compensation Law, the Volunteer Firefighters' Benefit Law, the Volunteer Ambulance Workers' Benefit, and the Comprehensive Motor Vehicle Insurance Reparations Act.

Pursuant to section 2807(4) of the Public Health Law, I hereby certify to you that the rates appearing on the enclosed schedules have been developed in accordance with section 2807-c of the Public Health Law, as amended by the Health Care Reform Act, and Part 86-1 of the Title 10 (Health) of the Codes, Rules and Regulations of the State of New York.

Sincerely,

Jason A. Helgerson  
Medicaid Director  
Office of Health Insurance Programs

Enclosure(s)



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Mr. Kenneth J. Munnelly  
Chairman  
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328 State Street, Suite 2  
Schenectady, New York 12305

Dear Mr. Munnelly:

Enclosed please find the certification letter and schedules of hospital reimbursement rates for services rendered to patients covered under the Workers' Compensation Benefit Law, the Volunteer Ambulance Workers' Benefit Law and the Comprehensive Motor Vehicle Reparation Act. These rates are for the period January 1, 2016 through December 31, 2016 for acute per case inpatient rates, exempt hospitals, exempt units and detoxification inpatient rates. Rates of payment for these services for these payers is to be based upon rates determined for state governmental agencies (Medicaid) in accordance with Article 2807-c (6-1) of the Public Health Law.

The most recent weights and thresholds (from July 1, 2014) will continue to be used for claims processing associated with discharges from January 1, 2016 – December 31, 2016. With the implementation of ICD-10 effective October 1, 2015, the Department implemented v.33 of the 3M APR-DRG grouper in eMedNY as of that date. This grouper will continue to be used for payment of Medicaid claims for discharges on and after January 1, 2016.

The rates on the attached schedules are based upon the same methodology and data used in the rates effective April 1, 2015 through December 31, 2015, but also take into consideration the following:

1. Inclusion of 2016 budgeted capital as reported by hospitals and calculated in accordance with Section 8 of Article 2807-c of the Public Health Law.
2. The inclusion of an initial 2016 trend factor of 1.3% based upon the initial CPI as published in the most recent Federal Register and as required by Section 10 of Article 2807-c of the Public Health Law. A final trend factor for 2015 of 0.1% has also been incorporated into the necessary roll factors applied to the Workers' Compensation rates.
3. Implementation of prospective capital rate adjustments associated with capital reconciliations for the periods December 1, 2009 – December 31, 2009, January 1, 2010 – December 31, 2010, January 1, 2011 – December 31, 2011, January 1, 2012 – December 31, 2012 and January 1, 2013 – December 31, 2013.
4. Various hospital appeals

Should you have any questions or require further information, please contact Janet Baggetta at 518-486-7164 or via email at [HospFFSunit@health.ny.gov](mailto:HospFFSunit@health.ny.gov).

Sincerely,

John E. Ulberg, Jr.  
Medicaid Chief Financial Officer  
Division of Finance and Rate Setting  
Office of Health Insurance Programs