



# Department of Health

**ANDREW M. CUOMO**  
Governor

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

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

April 3, 2017

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

Dear Mr. Munnely:

The Office of Health Insurance Programs has calculated rates of reimbursement for the period January 1, 2017 through December 31, 2017 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  
New York State Workers' Compensation Board  
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, 2017 through December 31, 2017 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. Please note that the rates for the period January 1, 2016 through December 31, 2016 are still going through the review and approval process.

The APR-DRG Service Intensity Weights (SIWs) for 2017 will not be updated until later this year, on a prospective basis. For discharges beginning on or after January 1, 2017, the SIWs, cost thresholds and average length of stay (ALOS) effective July 1, 2014 should be used for payment purposes with the APR-DRG grouper version 33. At the time that the 2017 SIWs, cost thresholds and ALOS are updated, the APR-DRG grouper should be updated to grouper version 34.

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

1. Inclusion of 2017 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 a 2017 trend factor of 2.4% 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 2016 of 1.3% has also been incorporated into the necessary roll factors applied to the Workers' Compensation rates.
3. Adjustments to the acute services, critical access hospital and medical rehabilitation rates as a result of Article 19 of the NYS Labor Law that established new minimum wage increases beginning January 1, 2017.

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