



Department of Health

KATHY HOCHUL
Governor

JAMES V. McDONALD, MD, MPH
Commissioner

JOHANNE E. MORNE, MS
Executive Deputy Commissioner

August 15, 2025

Ms. Freida D. Foster
Chair
New York State Workers' Compensation Board
328 State Street, Suite 2
Schenectady, New York 12305

Dear Ms. Foster:

Enclosed please find the schedules of hospital reimbursement inpatient 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. The Office of Health Insurance Programs has calculated rates of reimbursement for the period January 1, 2025 through December 31, 2025 for acute per case, exempt hospital, exempt unit and chemical dependency detoxification services. Rates of payment for these services for these payers were based upon rates determined for state governmental agencies (Medicaid) in accordance with Article 2807-c (b-1) of the Public Health Law.

The January 1, 2025 inpatient rates were previously released to your office in a letter dated July 21, 2025. However, a technical error was subsequently discovered which caused several rates to be missing from the exempt unit/exempt hospital rate fee schedule. Attached is an updated complete set of rate schedules reflecting the correction to the exempt unit/exempt hospital rates. The acute per case and chemical dependency detox rates were not impacted, therefore those rates remain unchanged.

For discharges beginning on or after January 1, 2025, the Service Intensity Weights (SIWs), cost thresholds and average length of stay (ALOS) effective July 1, 2018 should continue to be used for payment purposes with the Solventum All Patient Refined Diagnosis Related Groups (APR-DRGs) grouper version 34.

The rates on the attached schedules are based upon the same methodology and data used in the rates effective January 1, 2024 through December 31, 2024, but also take into consideration the following updates:

1. Inclusion of 2025 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 2025 trend factor of 2.4% based upon the initial Consumer Price Index (CPI), as published by the Congressional Budget Office and as required by Section 10 of Article 2807-c of the Public Health Law. The final trend for 2023 was also updated to 4.1%.

3. Adjustments to the acute, specialty hospital, critical access hospital, and medical rehabilitation hospital rates, where applicable, 's Article 19 of the NYS Labor Law that established new minimum wage increases beginning January 1, 2025.
4. Implementation of prospective capital rate adjustments associated with capital cost and utilization reconciliations for the period January 1, 2021 - December 31, 2021. For some hospitals, this resulted in an overall negative capital rate.

Should you have any questions or require further information, please contact Tami Berdi or John Neuberger via email at HospFFSunit@health.ny.gov.

Sincerely,



Kevin Wright

Medicaid Chief Financial Officer & Director
Division of Finance and Rate Setting
Office of Health Insurance Programs

Enclosures