



March 24, 2022

Dear Managed Care Organization (MCO):

On **March 2, 2022**, the New York State Division of Budget approved rate enhancements as a result of the American Rescue Plan Act of 2021 (ARPA) for Freestanding (non-hospital) Part 822 Outpatient Service Programs.

Freestanding outpatient providers have been granted a temporary **10% base rate increase** for all APG rate codes and all OTP weekly bundle rate codes **for dates of service from November 1, 2021, to June 30, 2022**. The fee-for-service (FFS) Medicaid rates have received all necessary approvals and have already been loaded to the Medicaid billing system (eMedNY). **Managed care plans** are required to mirror these rates over the affected period, including **paying the retroactive rate changes** on claim submissions that have already been paid under the old rates. This will not require the providers to rebill. The plans should adjust any existing claims they have already received.

In addition, new “in-community” (off-site) APG rate codes have been created for in-person Part 822 services provided outside a certified setting. These new rate codes have the same 10% bump other APG rate codes received, as well as an additional increase for the time period of **November 1, 2021, to June 30, 2022**. The new in-community rate codes are 1080 for clinic and outpatient rehab and 1088 for OTP. Where appropriate, providers may adjust a previously billed APG claim from one of the old rate codes to one of the new in-community rate codes. **For all Outpatient Providers**, the In Community base rate will be **\$182.13 for Upstate and \$213.11 for Downstate**.

The new rate codes have been loaded into the 3M Grouper and providers have been notified that they can bill against these codes. As given in the **Medicaid Model Contract Section 4.3**, plans are expected to make these modifications within 60 days of receipt of this letter.

The following pages include information that was sent to OASAS Providers on **January 21, 2022**, and **March 15, 2022**, regarding these changes. Providers have been instructed to move forward based on the information given below. Plans should utilize this information in making the necessary retroactive reimbursement adjustments.

Please note the information below also includes provisions for Part 820 Residential Services. The increases for Part 820 have not yet been approved but should be reviewed for future consideration. If you have any questions regarding this letter please send them to the [PICM Mailbox](#).

Sincerely

Patricia Lincourt, LCSW

Associate Commissioner of Addiction Treatment and Recovery

Office of Addiction Services and Supports

OASAS Rate Enhancements as a Result of the American Rescue Plan Act of 2021 (ARPA)

OASAS is working to implement the following Medicaid rate enhancements in response to additional Federal funding made possible by the American Rescue Plan Act of 2021 (ARPA).

NOTE: These proposals apply only to “rehabilitation services” as technically defined by CMS. In terms of the rate enhancements for OASAS services, that definition applies only to:

- **Freestanding (non-hospital) Part 822 outpatient services** reimbursed under APGs (Ambulatory Patient Groups) or under the OASAS OTP (Opioid Treatment Program) weekly bundles, and
- **Part 820 Residential Services**, with the intent that in addition to the Stabilization and Rehabilitation elements of the Part 820 service, the Reintegration element will also become a Medicaid reimbursable service (again, subject to CMS approval).

Changes to Freestanding Outpatient Services – Freestanding outpatient providers have been granted a temporary 10% base rate increase for all APG rate codes and all OTP weekly bundle rate codes for dates of service from 11-1-21 to 6-30-22. The fee-for-service (FFS) Medicaid rates have received all necessary approvals and have already been loaded to the Medicaid billing system (eMedNY). Managed care plans are required to mirror these rates over the affected period, including paying the retroactive rate changes on claim submissions that have already been paid under the old rates. This will not require the providers to rebill. The plans should adjust any existing claims they have already received.

In addition, new “in-community” (off-site) APG rate codes have been created for in-person Part 822 services provided outside a certified setting. These new rate codes have the same 10% bump other APG rate codes received, as well as an **additional increase** for the time period of **November 1, 2021, to June 30, 2022**. The new in-community rate codes are 1080 for clinic and outpatient rehab and 1088 for OTP. Where appropriate, providers may adjust a previously billed APG claim from one of the old rate codes to one of the new in-community rate codes. **For all Outpatient Providers**, the in community base rate will be **\$182.13 for Upstate and \$213.11 for Downstate**.

The in-community enhancement does not apply to the OTP weekly bundles; however, OTP providers always have the option of billing any given week for any given patient under an APG rate code as opposed to an OTP weekly bundle rate code. Providers may not bill under APGs (“in-community” or otherwise) **and** an OTP weekly bundle for the same patient for the same week. When appropriate, providers may adjust a previously billed APG claim submission from one of the old rate codes to one of the new in-community rate codes.

The new in-community rate codes and fees are as follows:

Service Type	Rate Code	Previous Base Rates or Fees		New 11-1-21 Base Rates or Fees		7-1-22 Base Rates or Fees	
		Upstate	Downstate	Upstate	Downstate	Upstate	Downstate
Outpatient Addiction Rehab (APGs)	1080	Not applicable	Not applicable	\$ 182.13	\$ 213.11	\$ 150.52	\$ 176.12
Outpatient Addiction Day Rehab (APGs)	1080	Not applicable	Not applicable	\$ 182.13	\$ 213.11	\$ 150.52	\$ 176.12
Opioid Treatment Program (APGs)	1088	Not applicable	Not applicable	\$ 182.13	\$ 213.11	\$ 150.52	\$ 176.12

The other Part 822 rate changes are as follows:

Service Type	Rate Codes (see note)	Previous Base Rates or Fees		New 11-1-21 Base Rates or Fees		7-1-22 Base Rates or Fees	
		Upstate	Downstate	Upstate	Downstate	Upstate	Downstate
Outpatient Addiction Rehab (reimbursed using APGs)	1540 (plus 1114, 1468, 1486)	\$ 150.11	\$ 175.64	\$ 165.12	\$ 193.20	\$ 150.11	\$ 175.64
Outpatient Addiction Day Rehab (APGs)	1573 (plus 1570)	\$ 150.52	\$ 176.12	\$ 165.57	\$ 193.73	\$ 150.52	\$ 176.12
Opioid Treatment Program (APGs)	1564 (plus 1116, 1130, 1471)	\$ 138.31	\$ 161.82	\$ 152.14	\$ 178.00	\$ 138.31	\$ 161.82
OTP Weekly Bundle (Methadone Full Bundle)	7969	\$ 178.80	\$ 209.19	\$ 196.68	\$ 230.11	\$ 178.80	\$ 209.19
OTP Weekly Bundle (Methadone Take-Home Only)	7970	\$ 35.28	\$ 35.28	\$ 38.81	\$ 38.81	\$ 35.28	\$ 35.28
OTP Weekly Bundle (Buprenorphine Full Bundle)	7971	\$ 222.73	\$ 260.59	\$ 245.00	\$ 286.65	\$ 222.73	\$ 260.59
OTP Weekly Bundle (Buprenorphine Take-Home)	7972	\$ 86.26	\$ 86.26	\$ 94.89	\$ 94.89	\$ 86.26	\$ 86.26

Note: Primary freestanding billing rate code (plus other minor rate codes affected - i.e., physical health, integrated services, DSRIP).

Changes to Part 820 Residential Services – NOTE! These changes are not fully approved and the proposed fees have not yet been loaded to eMedNY. Therefore, plans are not yet required to implement these changes. Once all approvals have been received and the rates are loaded to eMedNY, plans will be notified by OASAS and should then begin paying the approved fees, both prospectively and retroactively. Although the Part 820 fee changes are not approved, the state is providing this information to plans to assist with future planning for associated claims and contract configurations.

The Stabilization and Rehabilitation elements (rate codes 1144 and 1145) of Part 820 services will receive a temporary 10% rate increase for dates of service from 11-1-21 to 6-30-22. Again, this increase must be paid retroactively to the extent necessitated by approval delays. On 7-1-22, the rates for rate codes 1144 and 1145 will revert to their previous levels.

A new rate code for the Reintegration element of Part 820 services will be created effective 11-1-21. Upstate and Downstate regional rates will be established for the new rate code (rate code 1146). For the period 11-1-21 to 6-30-22 the rates will be set at 150% of the level of the ongoing rates. Beginning 7-1-22, the rates will revert to 100% of the level of the ongoing rates and continue at that level for the foreseeable future. Providers will not be able to bill against rate code 1146 until the necessary approvals have been received and the rates are loaded to eMedNY. Therefore, providers that operate certified Part 820 Reintegration programs that serve

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Medicaid patients have been instructed to accumulate the necessary information to bill Medicaid (FFS and MMC) but not attempt to bill. Once the rates are loaded to eMedNY, plans will be notified and providers will begin billing.

The proposed rate changes to Part 820 services are as follows:

Service Type	Rate Code	Existing Fees		Proposed 11-1-21 Fees		Proposed 7-1-22 Fees	
		Upstate	Downstate	Upstate	Downstate	Upstate	Downstate
Residential Stabilization	1144	\$ 151.53	\$ 165.27	\$ 166.68	\$ 181.80	\$ 151.53	\$ 165.27
Residential Rehabilitation	1145	\$ 142.01	\$ 163.56	\$ 156.21	\$ 179.92	\$ 142.01	\$ 163.56
Residential Reintegration	1146	Not applicable	Not applicable	\$ 173.13	\$ 202.55	\$ 115.42	\$ 135.03

For questions regarding this information please contact the [Healthcare Finance Mailbox](#).