



## Department of Health

**ANDREW M. CUOMO**  
Governor

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

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

July 3, 2019

Dear Administrator:

This letter provides you with information relating to the recent adopted Regulations on May 29, 2019 to Section 505.9 of 18 NYCRR and Section 86.2.40 of 10 NYCRR, which amends Medicaid reimbursement of reserved bed days due to hospitalization leaves of absences.

Effective for dates of service provided on and after May 29, 2019, the following bed hold reimbursement policy will apply:

- Patients under 21 will be reimbursed at 100% of the Medicaid rate for hospital, therapeutic and hospice leaves of absences. There are no day limits for patients under 21 years old.
- Patients 21 and over on hospice will be reimbursed at 50% of the Medicaid rate otherwise payable to the facility for services provided. Payments cannot exceed 14 days in any 12 month period.
- Patients 21 and over on therapeutic leaves of absences will be made at 95% of the Medicaid rate otherwise payable to the facility for services provided and payments cannot exceed 10 days in any 12 month period.

The provider billing manual will be updated to capture the above changes. Please note that any claims submitted for dates of service after May 29, 2019 not in accordance with this policy will be denied. If you have any questions regarding the implementation of reserved bed days, please call Laura Rosenthal at 518-473-0045 or send an email to [nfrates@health.ny.gov](mailto:nfrates@health.ny.gov) and she will respond to your questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael Ogborn".

Michael Ogborn  
Medicaid Chief Financial Officer  
Division of Finance and Rate Setting  
Office of Health Insurance Program