NEW YORK STATE | Department of Health

Medicaid Global Spending Cap Report

April 2025 through September 2025 Quarterly Report

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Overview

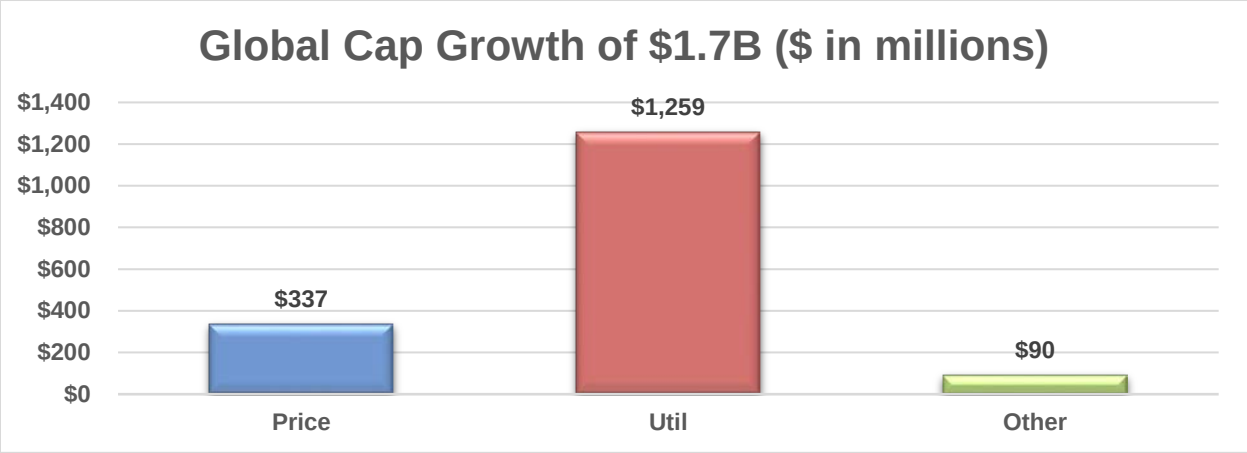
The Medicaid Global Spending Cap increased from $31.7 billion in FY 2025 to $33.4 in FY 2026, a net increase of $1.7 billion. The Global Cap growth index (6.1% for FY 2026) is based on the 5-year rolling average of the Medicaid annual growth rate within the National Health Expenditure Accounts produced by the Office of the Actuary in the Centers for Medicare and Medicaid Services (CMS).[1]

This net increase includes the updated Global Cap index growth of $1.5 billion; increased costs for minimum wage rate adjustments ($314M), increases in funding for the takeover of local Medicaid growth ($182M), decreases to account for Healthcare Stability Fund disbursements being shifted outside the Global Cap ($350M), and other Medicaid Administration/Other funds ($11M).

Anticipated DOH Medicaid Spending Outside the Global Cap Index:

($ millions)	FY25	FY26	$ Change
Medicaid Global Cap Index	**$24,930**	**$26,458**	**$1,528**
DOH Medicaid Spending Outside of Global Cap Index	**$6,802**	**$6,959**	**$157**
Medicaid Local Growth Takeover	$2,013	$2,195	$182
Minimum Wage	$2,430	$2,441	$11
Home Care Minimum Wage	$1,480	$1,794	$314
Medicaid Administration/Other	$529	$529	$0
Healthcare Stability Fund	$350	$0	($350)
Total DOH Medicaid Global Cap Target	**$31,732**	**$33,417**	**$1,685**

The following chart breaks out the projected major components of the annual increase.



Price ($337M): Components of price growth include:

- Trend increases for Mainstream Managed Care rates ($657M);
- Trend decreases for Managed Long Term Care rates ($463M);
- Various increases for Fee-for-Service (FFS) rates, which are primarily related to increases included in the FY 2026 Enacted Budget or rates that were not implemented in FY 2025 ($143M).

[1] *https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/NationalHealthExpendData/NationalHealthAccountsProjected*

Utilization ($1,259M): The Enacted Medicaid Global Cap model assumed that Medicaid enrollment would increase by 111,453 New Yorkers or 1.6 percent, from 6.9 million enrollees as of March 2025 to 7.0 million enrollees by March 2026[2].

- Mainstream Managed Care enrollment including HIV Special Needs Plans (SNPs) & Health and Recovery Plans (HARPs) is projected to increase by 90,727 individuals from March 2025 through the end of March 2026.
- Managed Long Term Care enrollment is projected to increase by 47,623, individuals from March 2025 through the end of March 2026. Managed Long Term Care is on average the costliest population within Medicaid.
- The total number of FFS recipients is expected to decrease by 26,897 individuals from March 2025 through March 2026.

Medicaid Redesign Team (MRT) II/One-Timers/Other ($90M): MRT budget actions, one-time costs/savings, or other payments that do not fall into price or utilization primarily include various year to year changes in non-claims payments, as well as changes in the accounting mechanisms of Other State Agency Medicaid payments and timing revisions to expected recoupments within the Medicaid program.

[2] Enrollment counts are from the Medicaid Data Warehouse (enrollment database) and are reported on DOH's website: NYS Medicaid Enrollment Databook. Data is pulled monthly to account for any retroactive updates.

Projected Medicaid Spending (Medicaid Claims, Supplemental Programs & Offsets)

The $33.4 billion projected Medicaid State Funds Spending can be organized into three major components:

1. **Medicaid Claims:** Health care provider claim spending reflects the cost of FFS care and Managed Care capitation payments based on the price and utilization of services by sector (i.e., categories of spending) of the Medicaid program (e.g., hospitals, nursing homes, managed care, long term care, pharmacy, transportation, etc.). These payments occur weekly **within** the Medicaid claiming system (eMedNY).

   Projections for most categories of spending begin with the number of eligible recipients reported at the end of the previous fiscal year and the average spending per recipient for that period. Adjustments to spending projections are then made for anticipated rate (i.e., price) changes, transitions of populations/benefits to managed care (if any), fluctuations in the amount and type of service units (i.e., utilization), and any non- recurring or one-time payments/credits.

2. **Supplemental Programs:** Payments through administrative or intergovernmental financial mechanisms occur **outside** the eMedNY billing system, such as Disproportionate Share Hospital (DSH), Upper Payment Limit (UPL), Medicare Clawback Part D, Medicare Supplemental Medical Insurance (SMI) Part A/B, Medicaid Local District Social Services Administration and State Operations. These supplemental programs are projected on an individual basis according to their historical spending trends and/or latest programmatic information.

3. **Offsets:** Additional financial resources are used to offset State Medicaid, such as additional Federal funding, audit collections, drug manufacturer rebates, enhanced funding offsets for Child Health Plus, and Local County contributions, all of which also occur outside the eMedNY billing system. These offsets are projected on an individual basis according to their historical spending trends and/or latest programmatic information.

Forecasting Methodology/Data:

- State Medicaid disbursements are forecasted on a cash basis and updated on a quarterly basis, consistent with the schedule for revising the State's Financial Plan.
- The Medicaid forecast involves an evaluation of all major spending categories using a specific approach, depending on whether expenditures are based on monthly plan premiums for Managed Care or weekly fee-for-service payments.
- The forecast uses spending category specific data. This includes detail on total paid claims and premiums, retroactive spending adjustments, caseload, and service utilization.
- This data is incorporated into a forecast modeling application that uses historical expenditure patterns, as well as price and utilization trends to provide time-series analyses that are used to project future expenditures.
- The models also consider non-claims data (e.g., managed care enrollment, Federal Medicare premiums, and trends in the pharmaceutical industry) in certain areas to generate program specific expenditure projections.

Factors Impacting the Medicaid Forecast:

Medicaid spending is determined by:

- Price of services provided through the program (e.g., nursing homes, hospitals, prescription drugs);
- Utilization of services (reflects both the number of individuals enrolled in Medicaid and the utilization of services); and
- MRT budget actions, one-time costs/savings, or other payments that do not fall into price or utilization.

Medicaid price and utilization are influenced by a multitude of factors, including:

- Economic conditions;
- Total enrollment and population mix in Medicaid;
- Changes in the health care marketplace;
- Prescription drug pricing and product development by manufacturers;
- Complex reimbursement formulas which themselves are affected by another set of factors (e.g., length of hospital stays);
- Behavior and composition of recipients accessing services; and
- Litigation.

The State share of Medicaid spending is also dependent on two factors:

- Local government contributions toward Medicaid costs; and
- Federal funding, which can be affected by both statutory and administrative changes at the Federal level.

The following table outlines the FY 2026 Medicaid projections by major health care sector (i.e., category of spending) for Medicaid claims, supplemental programs, and offsets.

Enacted Budget Projected FY 2026 Medicaid Spending ($ in millions)				
Category of Spending	**Medicaid Claims**	**Supplemental Programs**	**Offsets**	**Total**
Medicaid Managed Care	**$21,631**	**$2,201**	**($2,091)**	**$21,741**
Mainstream Managed Care	$10,422	$1,729	($575)	$11,576
Managed Long Term Care	$11,209	$472	($1,516)	$10,165
Total Fee-For-Service	**$13,948**	**$1,606**	**($2,582)**	**$12,972**
Inpatient	$2,138	$1,122	($15)	$3,245
Outpatient/Emergency Room	$446	$1	($3)	$444
Clinic	$745	$178	($73)	$850
Nursing Homes	$3,467	$203	$0	$3,670
Personal Care	$1,573	$27	($15)	$1,585
Home Health	$304	$0	($5)	$299
Other Long Term Care	$223	$8	$0	$231
Pharmacy	$3,594	$3	($2,429)	$1,167
Transportation	$536	$63	($1)	$598
Non-Institutional	$923	$0	($41)	$882
Other State Agencies	**$3,042**	**$0**	**($3,599)**	**($557)**
Mental Hygiene Stabilization Fund (MHSF)	**$0**	**$723**	**$0**	**$723**
Medicare Part A/B & D	**$0**	**$4,214**	**$0**	**$4,214**
VAPAP	**$0**	**$744**	**$0**	**$744**
Net Hospital Advances	**$0**	**$0**	**($131)**	**($131)**
All Other	**$27**	**$1,128**	**($623)**	**$533**
Medicaid Administration	**$0**	**$948**	**$0**	**$948**
State Operations	**$0**	**$398**	**$0**	**$398**
Local Cap Contribution	**$0**	**$0**	**($7,634)**	**($7,634)**
COVID-19 eFMAP	**$0**	**$0**	**$0**	**$0**
Audit Collections	**$0**	**$0**	**($533)**	**($533)**
TOTAL	**$38,648**	**$11,961**	**($17,192)**	**$33,417**

Major Supplemental Programs:

Medicaid Managed Care ($2.2 billion)

- Mainstream Managed Care: 2 Percent Encounter Withhold Repayments and Directed Payment Template (DPT) payments for Financially Distressed, Safety Net, and Sole Community Hospitals.
- Managed Long Term Care: 1.5 Percent Encounter Withhold Repayments; 3 Percent Enrollment Withhold Repayments.

Fee For Service ($1.6 billion)

- Inpatient: Disproportionate Share Hospital (DSH), Voluntary Upper Payment Limit (UPL), and Indigent Care Payments.
- 1115 State Matching Funds: A condition of the latest 1115 Waiver approval requires additional state matching funds over the course of the waiver period.
- Clinic: NYRx reinvestments included in the FY 2024 Enacted Budget to support Federally Qualified Health Centers (FQHCs).

- Nursing Homes: Advance Training Initiatives, Historic Appeals, and 2 Percent Supplemental Payments.
- Transportation: Transportation Management Initiative, Supplemental Ambulance, and Rural Transportation Investments.

Medicare SMI Part A/B & Clawback Part D ($4.2 billion)

- Supplemental Medical Insurance (SMI) Part A/B: This voluntary Social Security insurance pays a substantial part of Medicare dual enrollees' expenses for hospital, physician, home health, and other medical health services. States must contribute to the Federal Government a portion of the total expenses.
- Clawback Part D: Under the Medicare Part D drug benefit program, most costs are paid by beneficiary premiums and general tax revenues. States must contribute to the Federal Government for beneficiaries who are eligible for both Medicare and Medicaid who receive drug coverage through Part D.

Vital Access Provider Assurance Program (VAPAP) ($744 million)

- The VAPAP program provides State-only support for facilities in need of essential and immediate cash assistance with the ultimate requirement of sustainability and access to care. At the discretion of the Department and the Division of the Budget, VAPAP may be available to hospitals meeting program eligibility requirements.
- Funding is made available under Hospital VAPAP to hospitals and health systems with serious financial instability and requiring extraordinary financial assistance to enable these facilities to maintain operations and provision of vital services while they implement longer-term solutions to achieve sustainable health care service delivery.
- The Department has determined need for VAPAP funds based on provider submission of financial documentation, plans for improving financial sustainability, and the Department's assessment of the risk of loss of vital services in the absence of this assistance.

All Other ($1,128 million)

The All Other category includes a variety of Medicaid payments and offsets, the largest components of which are described as follows:

- The Healthcare Safety Net Transformation Program ($240 million): This program seeks to leverage partnerships with safety net facilities to make critical operational improvements and to achieve sustainability. Additional Safety Net Transformation funding, separate from Medicaid Global Cap funding, provided in the Enacted Budget through the Healthcare Stability fund.
- Vital Access/Safety Net Provider Program ($186 million): The Vital Access/Safety Net Provider Program (VAP) supports projects for facilities that were selected due to their serious financial condition and critical role in providing services to New York State’s fragile, elderly, and low-income population. These awards support multi-year projects submitted by hospitals, nursing homes, free standing clinics, and home health providers. The VAP funds are used primarily to improve community care including expand access to ambulatory services, open urgent care centers, expand services in rural areas, and provide more effective services that meet community needs.
- Supportive Housing ($93 million): This program seeks to ensure that certain high-risk Medicaid members have proper housing and supportive services.

- Remaining funding is for various miscellaneous programs including: NY Connects, Alzheimer's Caregiver Support, Ryan White Centers, End of AIDS, liabilities associated with ACA FFP, and others.

Medicaid Administration ($948 million)

- The annual county Medicaid caps for Local Administration is projected to remain at their historic/current levels during FY 2026, although it is anticipated that county Administration costs will continue to decrease over time as the State assumes more administrative functions previously borne by local districts.

- The Department of Health continues to work collaboratively with local governments and the Division of the Budget to facilitate the transition of Medicaid administrative functions and associated costs to the State. The latest annual report detailing the Medicaid Administration Takeover can be found at: Medicaid Administration Annual Report.

- Medicaid Administration estimates are currently comprised of costs related to local district reimbursement, the Managed Care Broker contract, and the Global Hospital Budget Initiative.

State Operations ($398 million)

The State Operations budget reflects the Non-Federal share of personal services (i.e., salaries of staff) and non-personal services costs (i.e., contractual services). The FY 2026 budget is projected to total $398 million. Contracts for the Enrollment Center, the NYSOH Customer Service Center, eMedNY/MMIS, and various MRT initiatives comprise a significant portion of the total non-personal service budget.

State Operations FY 2026 Budget ($ in millions)	
Medicaid Service Costs	**Annual Budget**
Personal Services	$67
Non-Personal Services	$326
General State Charges	$5
TOTAL	**$398**

Major Offsets:

Medicaid Managed Care (-$2.1 billion)

- Mainstream Managed Care (MMC): Transfer of Child Health Plus (CHP) claims out of the Medicaid Global Cap to the Child Health Plus Special Revenue Fund. Historically, the cost of the CHP program has been paid by the Special Revenue Fund; however, in the first instance those costs are paid by the Medicaid Global Cap and are then reimbursed.
- Managed Long Term Care (MLTC): Supplemental Federal Revenue (i.e., 6% eFMAP) for Community First Choice Option (CFCO) services to expand home and community-based services and supports to individuals in need of long-term care for help with everyday activities and health-related tasks that can be performed by an aide or direct care worker.

Fee-For-Service (-$2.6 billion)

- Pharmacy: Federally required (OBRA) and Supplemental rebate collections from drug manufacturers.

Other State Agencies & MHSF (-$3.6 billion)

Transfers from Other State Agencies (OSA) to support State-share Medicaid expenditures for services of the Office for People with Developmental Disabilities (OPWDD), Office of Mental Health (OMH), Office of Children and Family Services (OCFS), State Education Department (SED), Department of Corrections & Community Supervision (DOCCS) and Office of Addiction Services and Supports (OASAS). Additionally, as of the FY 2026 Enacted Budget, the local share of Medicaid expenses that would typically be charged to the DOH budget will be included in the quarterly transfers along with the State-share of claims.

All Other (-$623 million)

The FY 2026 Enacted Budget includes an assessment on managed care organizations (MCO) which took effect on January 1, 2025. These resources will be used to offset existing Global Cap Medicaid spending and provide additional funding for the Healthcare Safety Net Transformation Program, as well as increased funding for hospitals, nursing homes, outpatient clinics, maternal health services, and other health care providers.

Local Cap Contribution (-$7.6 billion)

The Local Cap Contribution represents the contribution the State receives from Local Districts for their share of the Medicaid program. The Local share of Medicaid expenditures has been capped since FY 2016. Through FY 2026, local governments will have saved nearly $54 billion since FY 2016.

Net Hospital Advances (-$131 million):

These State-only Net Hospital Advances were used as a short-term financial bridge for the recipient hospitals while they were awaiting Federal payment approval and processing of the related FY 2022 to FY 2024 DPT payments for Financially Distressed, Safety Net, and Sole Community Hospitals. The Enacted Financial Plan assumes partial repayment of prior year advancements of $131 million in FY 2026.

Audit Collections (-$533 million)

The Department of Health collaborates with the Office of the Medicaid Inspector General (OMIG) and the Office of the Attorney General (AG) in recovering improperly expended Medicaid funds. OMIG conducts and coordinates the investigation, detection, audit, and review of Medicaid providers and recipients to ensure they are complying with all applicable laws and regulations. OMIG recovers any improper payments through cash collections and voided claim recoveries. Cash collections are recovered through three avenues: direct payments, payment plans, and withholds.

In addition to cash collections, OMIG finds inappropriately billed claims within Managed Care capitation payments or provider fee-for-service claims. To correct an error, OMIG and DOH process the current accurate claim, and reduce this claim by the inappropriate claim value to recoup the previous overclaim and decrease state spending. Beginning in FY 2017, void recoveries were included as part of the audit collections to more accurately reflecting accounting for cash collections. These cash audit collection recoveries are used to offset Global Cap spending.

Results April through September 2026 – Global Cap Target vs. Actual Spending

Through September 2026, total actual Global Cap Medicaid spending was approximately $346 million above the Medicaid Global Spending Cap projection. Spending through September resulted in total expenditures of $18,682 billion compared to the projected cashflow of $18,336 billion. Due to the complex projected fluctuations in monthly spending, simply trending the variance in a linear fashion would not be an accurate method for gauging year-end results.

Quarter 2	Estimated	Actual	Variance	Percent
Managed Care	**$12,089**	**$11,995**	**($95)**	**(1%)**
Mainstream Managed Care	$6,716	$6,716	$0	**0%**
Long Term Managed Care	$5,374	$5,279	($95)	**(2%)**
Total Fee For Service	**$6,932**	**$7,009**	**$77**	**1%**
Inpatient	$1,709	$1,718	$9	1%
Outpatient/Emergency Room	$207	$212	$5	2%
Clinic	$470	$491	$21	4%
Nursing Homes	$1,696	$1,714	$18	1%
Personal Care	$885	$904	$19	2%
Home Health	$172	$169	($3)	(2%)
Other Long Term Care	$114	$113	($1)	(1%)
Pharmacy	$960	$958	($2)	0%
Transportation	$298	$305	$7	2%
Non-Institutional	$421	$425	$4	1%
Other State Agencies	**($67)**	**($18)**	**$49**	**(73%)**
Mental Hygiene Stabilization Fund	**$361**	**$361**	**$0**	**0%**
Medicare Part A/B & D	**$2,152**	**$2,119**	**($33)**	**(2%)**
VAPAP	**$386**	**$226**	**($160)**	**(41%)**
Net Hospital Advances	**($58)**	**($59)**	**($1)**	**2%**
All Other	**($104)**	**$150**	**$254**	**(244%)**
Medicaid Administration Costs	**$542**	**$691**	**$149**	**27%**
State Ops w/ EP	**$186**	**$206**	**$20**	**11%**
Local Funding Offset	**($3,817)**	**($3,817)**	**$0**	**0%**
COVID eFMAP	**$0**	**($11)**	**($11)**	**-**
Medicaid Audits	**($266)**	**($170)**	**$96**	**-36%**
TOTAL	**$18,336**	**$18,682**	**$346**	**2%**

The following explanations detail the significant variances between the Global Cap Target through September and the actual spending.

Medicaid Managed Care

Medicaid spending in major Managed Care categories was $95 million, or 1 percent, under anticipated spending.

- Mainstream Managed Care spending was in line with Enacted targets for a variance of less than 1 percent.

- Long Term Managed Care was $95 million, or 2 percent under anticipated spending, which was primarily due to lower than projected enrollment levels through September, partially offset by acceleration of timing of certain offline payments.

Fee-For-Service

Medicaid spending in major fee-for-service categories was $77 million, or 1 percent, over target.

Other State Agencies

Other State Agency spending was $49 million higher than expected as a result of the timing of offsets that shift Medicaid Mental Hygiene costs from the Medicaid Global Cap to the Mental Hygiene budgets of the Financial Plan.

VAPAP

VAPAP spending was $160 million, or 41 percent, under projections primarily attributable the timing of the September VAPAP package, which was paid out in October, and other support that provided assistance to distressed facilities, including DPT payments, as well as the Global Hospital Budget initiative investment, which mitigated the immediate need for VAPAP support to hospitals.

All Other

All Other spending was higher than projected by $254 million as a result of a delay in credits from the Healthcare Stability Fund intended to provide relief to the Global Cap. These offsets are pending additional collections and reconciliations of the MCO tax revenue and are expected later in the year.

Medicaid Administration Costs

Medicaid Administration was $149 million, or 27 percent over, primarily due to the timing of costs related to Workforce Investment Organizations (WIOs) and Social Care Network (SCNs) grants that are part of New York's Health Equity Reform (NYHER) 1115 Waiver. The WIO and SCN grant costs were charged against State funds in the first instance until the NYHER Waiver Federal funding can be claimed and adjudicated within the fiscal year.

State Operations

State Operations exceeded projections by $20 million, or 11 percent, which was primarily due to the timing in processing contractual payments.

Enrollment

Medicaid total enrollment reached 6,823,649 enrollees at the end of September 2025, a net decrease of 108,431 from March 2025.

Mainstream Managed Care (includes HIV/SNPS and HARPs): Mainstream Managed Care enrollment in September 2025 reached enrollees 4,601,831 a net decrease of 30,577 from March 2025.

Managed Long Term Care (includes Medicaid Advantage Plus, PACE and Partial Capitation): MLTC enrollment reached 379,153 at the end of September 2025, a net increase of 1,721 individuals from March 2025.

Medicaid Enrollment Summary Medicaid Managed Care vs Fee-for-Service				
	March 2025	**September 2025**	**Net Increase / (Decrease)**	**% Change**
Mainstream Managed Care	4,632,408	4,601,831	(30,577)	(0.66%)
Managed Long Term Care	377,432	379,153	1,721	0.46%
Fee-For-Service	1,922,240	1,842,665	(79,575)	(4.14%)
TOTAL	**6,932,080**	**6,823,649**	**(108,431)**	**(1.56%)**

Medicaid Enrollment Summary by NYC vs Rest of State				
	March 2025	**September 2025**	**Net Increase / (Decrease)**	**% Change**
NYC	4,040,680	3,947,962	(92,718)	(2.29%)
Rest of State	2,891,400	2,875,687,	(15,713)	(0.54%)
TOTAL	**6,932,080**	**6,823,649**	**(108,431)**	**(1.56%)**

Note: Enrollment counts are from the Medicaid Data Warehouse (enrollment database) and are reported on DOH's website: NYS Medicaid Enrollment Databook. Data is pulled monthly to account for any retroactive updates. These counts reflect the net impact of new enrollment and disenrollment that occurred from March 2025 through September 2025 based on data pulled October 2025.

Notable Events

Federal Budget Reconciliation Bill: On July 4, 2025, the United States Congress passed House Resolution 1 (H.R.1) of the 119th Congress that would significantly alter Federal assistance for critical supports programs that provide services to New York families and individuals. Beginning January 1, 2026, certain non-citizen populations will be disqualified from obtaining premium tax credits, which eliminates the Federal funding received for this population in the EP. Individuals with incomes below 138 percent of the Federal Poverty Level (FPL), pregnant/post-partum individuals, and Deferred Action for Childhood Arrivals individuals who currently qualify and are enrolled in the EP but are also eligible for Medicaid may be moved to Medicaid at a projected State cost of $3 billion per year when fully annualized. To alleviate new State costs and maintain coverage for as many individuals as possible, DOH has submitted a request to Centers for Medicare & Medicaid Services (CMS) to terminate its 1332 State Innovation Waiver (1332 Waiver) and EP expansion and reactivate its (currently suspended) Basic Health Program authorized under Section 1331 of the Affordable Care Act (ACA).

Effective January 1, 2027, States are required to establish Medicaid community engagement requirements for certain individuals. Non-exempted Medicaid recipients must participate in at least 80 hours of work, education, and/or community service per month to maintain eligibility. Exempted recipients include, but are not limited to, pregnant women, people with disabilities, and caregivers of young children. DOH estimates as many as 750,000 enrollees may be impacted. In addition, the loss of Federal funding previously provided for reproductive healthcare services and the coverage of vaccinations will cost the State over $100 million over the multi-year Financial Plan.

FFCRA & ARPA MOE Requirements: Section 6008 of the March 2020 Families First Coronavirus Response Act (FFCRA) imposed a Maintenance of Effort (MOE) requirement conditioned on states receiving the 6.2 percent enhanced Federal Medical Assistance Percentage (eFMAP) during the Federal PHE. Additionally, Section 9817 of the March 2021 American Rescue Plan Act (ARPA) imposed an MOE requirement for the duration of the period over which states can spend the 10 percent eFMAP related to certain home and community-based services. As of January 17, 2025, New York's ARPA HCBS spending plan is officially closed out. Accordingly, CMS has confirmed that the associated MOE requirements have been lifted from the State. This has enabled the State to move forward with implementing the MRT II initiative to modify benefit eligibility criteria for Personal Care Services (PCS)/Consumer Directed Personal Assistance Program (CDPAP) benefits, effective September 1, 2025. This proposal, which was previously on hold due to associated MOE requirements, would require that individuals need to require assistance with more than 2 activities of daily living (ADL) in order to receive PCS/CDPAP, with an exception for individuals with Alzheimer's or Dementia who need to require assistance with more than 1 ADL.

Medicaid Funding: Federal funding for Medicaid, authorized under NYS 1115 demonstration waiver, is subject to review by CMS every five years. Funding has been extended at current levels through March 31, 2027, which supports the Medicaid Managed Care programs, children's HCBS, and self-directed personal care services.

In addition, on January 9, 2024, the State received approval for a new three-year programmatic 1115 waiver amendment that allows the state to scale healthcare delivery system transformation, improve access to services, advance health outcomes, and generate Medicaid cost savings. This is being achieved through a series of investments in HRSN services, population health, and workforce capacity that augment each other and are tied to accountability measures.

Appendix A. Inventory of Rate Packages

Below are the largest rate packages processed in FY 2026 so far:

Category of Service	Rate Package Description	Month Paid
Managed Care	Mainstream FY 2026 Initial Rates	May
	HARP FY 2026 Initial Rates	May
	HIV Special Needs Plans (HIV SNP) FY 2026 Initial Rates	May
	Mainstream FY 2025 Supplemental Rates	
	HARP FY 2025 Supplemental Rates	
	Mainstream Encounter Withhold CY 2025	
	HARP Encounter Withhold CY 2025	August
	HARP Quality Pools FY 2024	August
	HIV SNP Incentive Pool Payment CY 2023	August
Managed Long Term Care	MAP FY 2026 Initial Rates	June
	Partial Cap FY 2026 Initial Rates	June
	PACE FY 2026 Initial Rates	June
	MAP FY 2025 Supplemental Rates	July
	Partial Cap FY 2025 Supplemental Rates	July
	MAP FY 2025 Final Rates	
	Partial Cap FY 2025 Final Rates	
	MAP FY 2025 Updated Rates	May
	Partial Cap FY 2025 Updated Rates	May
	MLTC Encounter Withhold	Sept
	MLTC Enrollment Withhold	
Inpatient	Acute & Exempt Unit Inpatient Rates eff 1/1/2025	
	Statewide Inpatient Rates CY 2025 & CY 2026	
	Acute & Exempt Capital Reduction	
Outpatient / Emergency Room	FQHC MEI Increase FY 2026	
	APG Capital Update CY 2023 - CY 2025	
	PROS Capital Update CY 2022 - CY 2025	
Clinic	Expand the Comprehensive Psychiatric Emergency Program (CPEP) FY 2024	
	APG Capital Update CY 2021-CY 2024	
	FQHC MEI Increase FY 2026	
	FQHC Wrap	
Nursing Homes	NH Initial Rates CY 2025	
	CRA Reconciliation CY 2023	August
	CRA Reconciliation CY 2024	
	NH Advanced Training Initiative (ATI) FY 2026	
	NH 2% Supplemental Payment FY 2026	
Personal Care	Personal Care/CDPAP NYC HRA Rates CY 2024	June
	Personal Care/CDPAP ROS Rates CY 2024	
	Personal Care/CDPAP Rates CY 2025	

Appendix B. FY 2026 Enacted Budget

(http://www.health.ny.gov/health_care/medicaid/redesign/mrt_budget.htm)

Below is a condensed version of the FY 2026 Enacted Scorecard which focuses the list on budget actions anticipated to be implemented in FY 2026. Any lost savings or availed spending will be accommodated within the Medicaid Global Cap.

(State Share - $ in millions)	Eff. Date	Article VII/ Admin	FY 2026	Implemented - Y/N	Achieved Amount
Global Cap Forecast (Surplus)/Deficit			**$2,935.6**		**$2,935.5**
Signed Legislation			**$41.5**		**$0.3**
Medically Fragile Young Adults (S5969A/A3674A)	4/12/25	Legal	$11.7	N	$0.0
Medically Fragile Adult Demo Program (A10189B/S9519A)	12/21/24	Legal	$29.8	N	$0.0
Treatment in Place (A9102C/S8486C)	10/1/24	Legal	($0.5)	N	$0.0
Enhancing Access for Opioid Use Disorder (S7177B/A5984B)	2/20/25	Legal	$0.5	Y	$0.3
Global Cap Index Update	4/1/23	Admin	**($209.2)**	**Y**	**($209.2)**
Reallocation of Other State Agency Costs	4/1/25	Admin	**($2,111.3)**	**Y**	**($2,111.3)**
Global Cap (Surplus)/Deficit			**$656.6**		**$615.0**
Budget Actions			**($138.6)**		**($105.4)**
Hospital Actions			**($56.7)**		**($56.7)**
Restructure the Public Indigent Care Pool	4/1/25	Art. VII	($56.7)	Y	($56.7)
Other Long-Term Care Actions			**($40.6)**		**($22.4)**
Discontinue Funding for Managed Long-Term Care Quality Pool	4/1/25	Admin	($22.4)	Y	($22.4)
Reform the Nursing Home Transition & Diversion (NHTD) Waiver	7/1/25	Admin	($18.2)	N	$0.0
Managed Care Actions			**($41.3)**		**($26.3)**

Shift Funding for Managed Care Quality Pool	4/1/25	Admin	($26.3)	Y	($26.3)
MMC to FFS Shift for Nursing Home Long-Term Stays	10/1/25	Art. VII	($7.6)	N	$0.0
Authorize Plan Penalties	4/1/25	Art. VII	($5.0)	N	$0.0
Applied Behavior Analysis (ABA) Reforms	10/1/25	Admin	($2.4)	N	$0.0
State of the State Investments			**$9.6**		**$0.0**
Improve & Expand Access to Infertility Treatments	10/1/25	Art. VII	$2.3	N	$0.0
Support Mobility for People with Physical Disabilities	1/1/26	Admin	$4.1	N	$0.0
Health Equity for Justice-Involved Youth	7/1/25	Admin	$3.2	N	$0.0
Total Global Cap (Surplus)/Deficit			**$527.6**		**$509.6**
Healthcare Stability Fund Investments			**$1,470.0**		**$0.0**
Hospital Investments	4/1/25	Art. VII	$305.0	N	$0.0
Nursing Home/Hospice Investments	4/1/25	Art. VII	$222.5	N	$0.0
Assisted Living Program (ALP) Investments	4/1/25	Art. VII	$7.5	N	$0.0
Physician Fee Schedule Investments	4/1/25	Admin	$50.0	N	$0.0
Clinic Investments	4/1/25	Art. VII	$20.0	N	$0.0
Value Based Provider Investments	4/1/25	Admin	$15.0	N	$0.0
Managed Care Quality Pool Investments	4/1/25	Admin	$50.0	N	$0.0
Safety Net Transformation Program Investments	4/1/25	Admin	$300.0	N	$0.0
Healthcare Stability Fund Global Cap Offset	4/1/25	Admin	$500.0	N	$0.0
Global Cap Adjustments			**($1,970.0)**		**$0.0**
Healthcare Stability Fund Investment Exclusion	4/1/25	Admin	($1,470.0)	N	$0.0
Global Cap Offset	4/1/25	Admin	($500.0)	N	$0.0
Total Global Cap			**$27.6**		**$509.6**
Adds			**$502.3**		**$228.3**

Financially Distressed and Safety-net Hospital Support	4/1/25	Admin	$500.0	Y	$226.0
Neoplastic Disease Care Hospital Investments	4/1/25	Admin	$2.3	Y	$2.3
Financial Plan Resources			**($529.9)**		**($529.9)**
Financial Plan Support for Restorations and Adds	4/1/25	Admin	($529.9)	Y	($529.9)
Total Global Cap			**($0.0)**		**$208.0**

Appendix C. Regional Spending Data

The chart below represents total provider spending that occurred within the Medicaid claiming system (eMedNY) through September 2026 for each region. These values represent physically where the services were provided, but not necessarily where the recipient of the services reside.

Medicaid Regional Spending ($ in millions)	
Economic Region	**Non-Federal Total Paid**
New York City	$12,306
Long Island	$2,003
Mid-Hudson	$1,990
Western	$893
Finger Lakes	$758
Capital District	$578
Central	$459
Mohawk Valley	$388
Southern Tier	$307
North Country	$229
Out of State	$321
TOTAL	**$20,233**

More detailed regional information can be found on the Department of Health's website at: http://www.health.ny.gov/health_care/medicaid/regulations/global_cap/

Appendix D. State-Only Payments (YTD)

State-only Payments ($ in millions)	Non-Federal Total Paid
VAPAP	$226
Net Hospital Advances	($59)
Supportive Housing	$32
Alzheimer's Caregiver Support	$9
Ryan White Clinics	$8
End of AIDS	$5
Assisted Living Voucher Demo	$4
VAPAP: Nursing Homes	$1
MLTC Ombudsman	$1
CSEA Buy-in	$1
ACA Federal Financial Participation Liability	$0
TOTAL	**$227**

Appendix E. Additional Information

Fee-For-Service Rates for General Hospitals:

- Inpatient Rates: https://www.health.ny.gov/facilities/hospital/reimbursement/apr-drg/rates/ffs/index.htm
- Outpatient Rates: https://www.health.ny.gov/health_care/medicaid/rates/apg/rates/hospital/index.htm

Fee-For-Service Rates of Pharmaceutical Drugs on the Preferred Drug List (PDL):
https://newyork.fhsc.com/downloads/providers/NYRx_PDP_PDL.pdf

Fiscal Intermediaries: Article VII – HMH Part HH:
The FY 2025 Enacted Budget provided new provisions regarding Fiscal Intermediaries, which required DOH to procure a single statewide fiscal intermediary, which has been established as of April 1, 2025.

Appendix F. Results April through June 2025 – Global Cap Target vs. Actual Spending

Medicaid spending was $250 million below forecasted expenditures through June due to the following factors:

- Managed Care was lower due to enrollment and claims for Long Term Managed Care being lower than initially expected.
- Fee For Service was higher than projected primarily due to increases in Personal Care, largely as a result of increasing enrollment in the NHTD waiver program, and the timing of rebate collections.

Quarter 1	Estimated	Actual	Variance	Percent
Managed Care	**$6,734**	**$6,355**	**($379)**	**-6%**
Mainstream Managed Care	**$4,075**	**$4,008**	($67)	**-2%**
Long Term Managed Care	**$2,659**	**$2,347**	($312)	**-12%**
Total Fee For Service	**$3,460**	**$3,600**	**$139**	**4%**
Inpatient	**$735**	**$728**	($7)	**-1%**
Outpatient/Emergency Room	**$106**	**$111**	$5	**5%**
Clinic	**$321**	**$321**	$0	**0%**
Nursing Homes	**$842**	**$849**	$7	**1%**
Personal Care	**$439**	**$465**	$26	**6%**
Home Health	**$76**	**$79**	$3	**4%**
Other Long Term Care	**$57**	**$57**	$0	**0%**
Pharmacy	**$516**	**$619**	$103	**20%**
Transportation	**$148**	**$152**	$4	**3%**
Non-Institutional	**$221**	**$219**	($2)	**-1%**
Other State Agencies	**$126**	**$281**	**$155**	**123%**
Mental Hygiene Stabilization Fund	**$181**	**$181**	**$0**	**0%**
Medicare Part A/B & D	**$1,059**	**$1,054**	**($5)**	**0%**
VAPAP	**$227**	**$192**	**($35)**	**-15%**
VAPAP Advance Recoupments	**($28)**	**($30)**	**($2)**	**7%**
All Other	**($186)**	**($331)**	**($145)**	**78%**
Medicaid Administration Costs	**$267**	**$268**	**$1**	**0%**
State Ops w/ EP	**$90**	**$94**	**$4**	**4%**
Local Funding Offset	**($1,908)**	**($1,908)**	**$0**	**0%**
COVID eFMAP	**$0**	**($4)**	**($4)**	**-**
Medicaid Audits	**($133)**	**($113)**	**$20**	**-15%**
TOTAL	**$9,889**	**$9,639**	**($250)**	**-3%**

Note: Due to the complex projected fluctuations in monthly spending, simply trending the variance in a linear fashion would not be an accurate method for gauging year-end results.