Department of Health
# Medicaid Update
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# Policy and Billing

## New York State Medicaid No Longer Accepts Paper Claims for Medicare Health Insurance Claim Attachments Beginning January 1, 2026

**Effective October 1, 2025, in preparation for changes per the enacted 2024-25 budget to the reimbursement of practitioner administered drugs, Medicare Part B Claims Processing Contractors will no longer accept paper claims for Medicare Health Insurance Claim attachments. By August 1, 2026, Medicare will allow the submission of claims for Medicare Part B services via electronic means only. Medicare Part B claims with attachments will be accepted via electronic means only beginning January 1, 2026.**

The following:

- Medicare Part B - Unbundled drugs
- Medicare Part B - Unbundled Anesthesia

The above drug codes will continue to be billed on paper claim on a Medical Assistance Health Insurance Claim Form (HINCF) (3350-U-1).

Medicaid Fee-for-Service (FFS) will continue to accept paper claims for Medicare Part B services. The FFS Medicaid Program will require providers to attach documentation as required by the National Drug Code and quantity. Drugs dispensed via the 340B program must be identified by modifier UD and the 340B ceiling price must be reported.

Providers will not be required to HCPCS code, unless Medicaid FFS requires the HCPCS code for reimbursement. Providers will continue to use the revenue codes to be sent for certain drugs. To learn more about the additional clinical criteria, practitioners should visit the NYS Draft Time Table Medicare Part B Claims Processing Contractor Implementation Timeline.

**All other FFSs will be accepted HCPCS code may be billed via an electronic claim form (837P) for the following categories of service (COS) and with a paper attachment, if required, as described below:**

- Durable Medical Equipment (COS 0400)
- Home Health Care Services (COS 0500) (Medicaid Fee-for-Service Only)
- Nurse Practitioner ("COS 0440")
- Clinic ("COS 0600" "Hospital Clinic" and "COS 0601" "Nurse Practitioner Manual" and single.
- Adults ("COS 0800")
- Pediatric ("COS 0900" "Pediatric Clinic" and "COS 0901" "Pediatric Clinic Manual")
- Free Standing or Hospital Based Ordered Ambulatory ("COS 0940" the Clinic Based and "COS 0200" for Hospital Based)
- Ordered Ambulatory ("COS 0200" "Hospital Based" and "COS 0940" "Free Standing Ambulatory")
- Ordered Ambulatory ("COS 0200" "Hospital Based" and "COS 0940" "Free Standing Ambulatory")
- Ambulance information can be found on the 3350-PT "Medicaid Transport Manual" web page.

Please note: The provisions of this notice do not apply to services rendered in the inpatient setting or the annual review of the drug dosage administered in the outpatient setting.

Practitioners should refer to the associated eMedNY provider manual and provider bulletin posted above, for additional program policy and billing guidance. It is recommended that providers review the Medicaid Fee-for-Service Claiming Requirements for Medicare Part B Claims Processing Contractors. Questions regarding the Medicaid Fee-for-Service Claiming Requirements for Medicare Part B Claims Processing Contractors should be sent to the Office of Health Insurance Program Division of Program Development and Management by telephone at (518) 473-2160 or by email at PolicyandPractice@health.ny.gov.

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## Increase in Reimbursement for Article 28 Clinic Providers Delivering Mental Health Services

**Effective January 1, 2026**, the New York State (NYS) Medicaid fee-for-service (FFS) program, and **effective March 1, 2026**, for Medicaid managed care health services, to Article 28 Hospital Outpatient Departments, Freestanding Diagnosis and Treatment Centers, and Federally Qualified Health Centers (FQHCs) that have opted into the Ambulatory Patient Group (APG) reimbursement methodology, will be eligible for increased reimbursement for mental health services provided by licensed clinical social workers, psychiatrists, and Mental Health Practitioner Technicians (MHPTs) codes, defined below.

The enhanced base rate utilized in the tiered payment calculation will only be utilized when an Article 28 rate code (OPD or OTC) is billed in conjunction with a qualifying mental health service code. Qualifying mental health service codes are: "90791" "90792" "90834" "90837" "90839" "90840" "90846" "90847" "90849" "90853" "90785" "90791" "90792" "90833" "90836" "90838