



## CDPAP Rate Cuts Struck Down **Lawsuit Challenged DOH's Per Member Per Month Rate Structure**

On October 11, the State Supreme Court for Albany County [struck down](#) the new DOH rate methodology for CDPAP Medicaid recipients that had taken effect on September 1. The court declared the new rate null and void and ordered DOH to reinstate its previous rate reimbursement methodology.

In its decision, the court held that DOH violated the State Administrative Procedures Act (SAPA) by implementing the new rate methodology without adhering to the formal rule-making process.

Several options are available to DOH, including appealing the decision, attempting to enact an emergency regulation, issuing a proposed rule in compliance with SAPA, or addressing the matter in next year's budget process.

Fiscal intermediaries should be aware that this court decision has no impact on the fiscal intermediary procurement process enacted in this year's budget. The procurement process requires existing fiscal intermediaries to apply for a contract within 60 days after DOH posts contracting requirements on its website. [Contact](#) Michael Weiner with any questions about the reimbursement methodology or procurement process.

---

**DISCLAIMER:** The information contained herein is provided by Glaser & Weiner, LLP for informational purposes only. These materials should not be considered as, or as a substitute for, legal advice and they are not intended to nor do they create an attorney-client relationship. Because the materials included here are general, they may not apply to your individual legal or factual circumstances. This document contains information that may be modified or rendered incorrect by future legislative or judicial developments. You should not take (or refrain from taking) any action based on the information you obtain from this document without first obtaining professional counsel. It is possible that under the laws, rules or regulations of certain jurisdictions, this may be construed as an advertisement or solicitation. © 2019 Glaser & Weiner, LLP. All Rights Reserved.