

Tuesday at Ten: How Today's CFR Shapes Tomorrow's Reimbursement
IDD & Behavioral Health

October 13, 2026

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Meet the Presenters



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Agenda

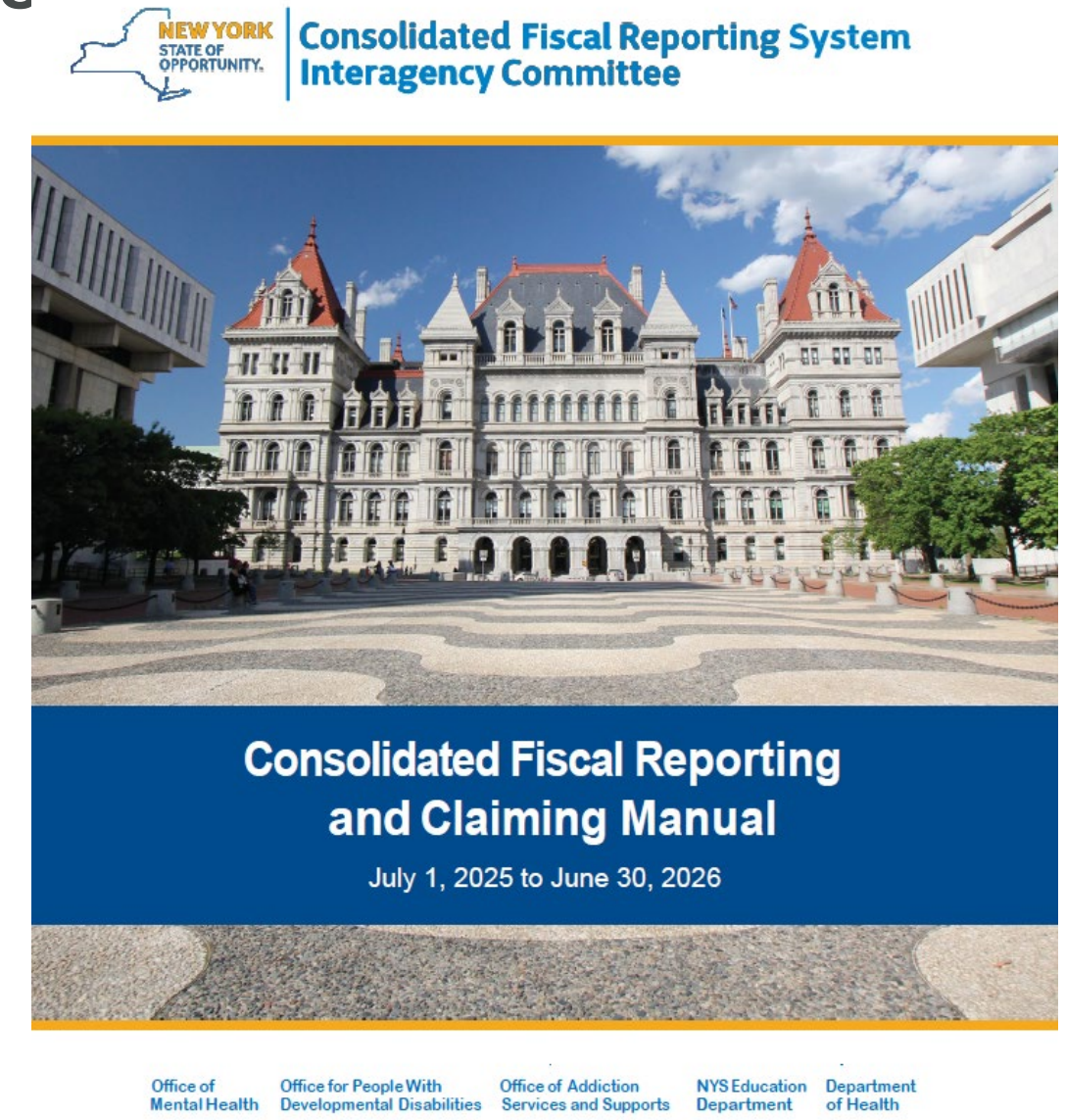
- CFR Update
- Understanding the CFR as a Strategic Financial Tool
- OPWDD State of our Industry
- OPWDD Reimbursement
- New York State of Special Education
- SED Reimbursement
- Questions



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CFR Update – CFR Manual Changes

- Submission requirement
- Electronic certification
- CFR-iiA – Independent Accountant's Report information update
- Adjustment/Non-Allowable Costs
- Program code changes
- Funding source code changes



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CFR Update – Program Code Changes

Programs added

- **OMH**
  - 1350 - Short-Term Transitional Residence (STTR)
  - 7330 - Personalized Recovery Oriented Services (PROS) Service Dollars
- **OASAS**
  - 1700 – Supportive Crisis Stabilization Center
  - 1710 – Intensive Crisis Stabilization Center
  - 3590 – Withdrawal Management and Rehabilitation Services
- **DOH**
  - 2540 – HCBS Consolidated Children's Waiver: Bereavement Assessment & Counseling
  - 8120 – HCBS Consolidated Children's Waiver: Transitional Care Coordination

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CFR Update – Funding Source Codes Changes

Funding Source Codes added

- **OMH**
  - 030 - SOS CTI – (OMH Only)
  - 034C - CCCED – (OMH Only)
  - 037B - INSET – (OMH Only)
  - 039F - Public Protection – (OMH Only)
  - 046C - Collaborative Care – (OMH Only)
  - 046T - Trauma Prevention – (OMH Only)
  - 067 - Youth Suicide Prevention – (OMH Only)
  - 068 - Mobile Crisis – (OMH Only)
  - 104 - Crisis Support Centers – (OMH Only)
  - 109C – C-SPOA – (OMH Only)
  - 122R - Prior Year Liability – Res - (OMH Only)
  - 160A - High Fidelity Wrap – (OMH Only)
  - 160B - Individual Placement & Support – (OMH Only)
  - 170 - SPCNY – (OMH Only)
  - 501A - OTNY – (OMH Only)

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Understanding the CFR as a Strategic Financial Tool

Traditional View

Compliance filing
Historical reporting
Accounting exercise
Auditor requirement

Strategic View

- Reimbursement blueprint
- Future rate driver
- Strategic finance exercise
- Executive decision-making tool

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The State of Our Industry – OPWDD

Challenges leading to uncertainty

- **Financial Pressure**
- **Workforce**
- **Regulatory Scrutiny**

OPWDD Reimbursement at a Crossroads

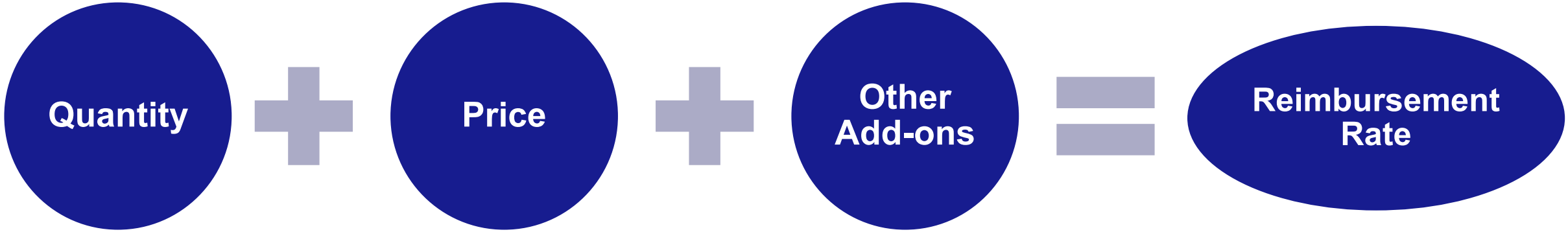
Path 1	Continuation of rate rationalization with new base year
Path 2	Rate reform
Path 3	Combination of rate rebasing and rate reform

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The CFR Impact on OPWDD Reimbursement

Today's CFR decisions shape tomorrow's reimbursement, both for individual agencies and the industry as a whole.





- Update the cost baseline using a new base year
- Reflect the current cost structure and service model

- Redesign the payment model and methodology
- Align reimbursement with regional costs and acuity levels

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Rate Rationalization

Supervised and Supportive IRA Rate Calculation Sample

	RATE CALCULATION SUMMARY (see details below)	SUPERVISED IRA	SUPPORTIVE IRA	
A	DC Hours (Adj for 01/01/2026) (A)	501,282	21,704	Quantity
B	75/25 Split_Wef DC Brick (B)	$37.86	$38.60	Price
C	DC Hours * Wef DC Brick (A)*(B) = (C)	$18,980,977	$837,685	
D	Salaried Clinical Hours (Adj for 01/01/2026) (D)	14,679	1,188	Quantity
E	75/25 Split_Wef Clin Brick (E)	$51.96	$45.90	Price
F	Salaried Clinical Hours * Wef Clin Brick (D)*(E) = (F)	$762,793	$54,527	
G	Contract Clinical Hours (Adj for 01/01/2026) (G)	314	7	Quantity
H	Contracted Clinical Brick (H)	$57.40	$51.20	Price
I	Contracted Clin Hours *Cont Clin Brick (G)*(H) = (I)	$18,022	$369	
J	WFS Bonus $ (J)	($2,933,824)	($193,500)	
K	Operating Base: (C)+(F)+(I)+(J) = (K)	$16,827,968	$699,080	
L	1% COLA effective 4/1/21 (K)*1% = (L)	$0	$0	COLA/TII
M	Minimum wage effective 1/1/22 (M)	$0	$0	Minimum wage
N	Sub-Total (K)+(L)+(M) = (N)	$16,827,968	$699,080	
O	5.4% COLA effective 4/1/22 (N)*5.4% = (O)	$681,533	$28,313	COLA/TII
P	Minimum wage effective 1/1/2023 (P)	$0	$0	Minimum wage
Q	Subtotal (N)+(O)+(P) = (Q)	$17,509,501	$727,392	
R	4% COLA effective 4/1/23 (Q)*4% = (R)	$700,380	$29,096	COLA/TII
S	Minimum wage effective 1/1/2024 (S)	$24,800	$1,950	Minimum wage
T	Subtotal (Q)+(R)+(S) = (T)	$18,234,681	$758,438	
U	2.84% COLA effective 4/1/24 (T)*2.84% = (U)	$517,865	$21,540	COLA/TII
V	Minimum wage effective 1/1/2025 (V)	$8,400	$560	Minimum wage
W	Subtotal (T)+(U)+(V) = (W)	$18,760,946	$780,538	
X	2.6% TII effective 4/1/25 (W)*2.6% = (X)	$487,785	$20,294	COLA/TII
Y	Minimum wage effective 1/1/2026 (Y)	$11,600	$940	Minimum wage
Z	Subtotal (W)+(X)+(Y) = (Z)	$19,260,330	$801,772	
AA	2024 Occupancy Adj = (1 + Occup %) (AA)	1.0381	N/A	Occupany Adj
AB	Subtotal (Z)*(AA) = (AB)	$19,993,429	$801,772	
AC	Budget Neutrality Factor (AC)	1.1355	1.2347	Budget Neutrality Factor (Price)
AD	Total Operating (AB)*(AC) = (AD)	$22,702,539	$989,948	
AE	01/01/2026 Rate Units (AE)	51,100	216	
AF	Operating Rate (AD)/(AE) = (AF)	$444.28	$4,583.09	

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Rate Rationalization

Price - IRA

	AGENCY TOTAL DIRECT CARE RATE - 07/01/2024	SUPERVISED IRA	SUPPORTIVE IRA	
A	DC Salaried (excl Contracted) $ (A)	$12,940,500	$742,300	
B	DC Salaried (excl Contracted) Hours (B)	486,200	28,650	
C	**Direct Care Agency Average Wage (A)/(B) = (C)**	**$26.62**	**$25.91**	
D	Employee Related $ (D)	$2,975,000	$158,400	
E	ERE % = Employee Related $ (D) / DC Salaried $ (A) = (E)	22.99%	21.34%	
F	**Employee Related = ERE% (E) * DC Agency Avg Wage (C) = (F)**	**$6.12**	**$5.53**	
G	Program Support $ (G)	$806,400	$79,600	
H	PS % = Program Support $ (G) / DC Salaried $ (A) = (H)	6.23%	10.72%	
I	**Program Support = PS % (H) * DC Agency Avg Wage (C) = (I)**	**$1.66**	**$2.78**	
J	General & Administrative $ (J)	$1,564,200	$96,800	
K	DC Contracted $ (K)	$212,500	$0	
L	Total Costs 2021 (A)+(D)+(G)+(J)+(K) = (L)	$18,498,600	$1,077,100	
M	G&A % = G&A $ (J) / Total 2021 Costs (L) = (M)	8.46%	8.99%	
N	DC Avg Wage (C) + ERE (F) + PS (I) = (N)	$34.39	$34.22	
O	**(N) / (1 - G&A% (M)) - (N) = (O)**	**$3.18**	**$3.38**	
P	**Agency Total DC Rate (C)+(F)+(I)+(O) = (P)**	**$37.57**	**$37.60**	Price (Provider)

	75/25 SPLIT_WEF DC RATE CALCULATION - 07/01/2024	SUPERVISED IRA	SUPPORTIVE IRA	
A	Agency Total Direct Care Rate (A)	$37.57	$37.60	Price (Provider)
B	Agency Total Direct Care Rate (A) * .75 = (B)	**$28.18**	**$28.20**	
C	Regional Average Direct Care Rate (C)	$38.75	$41.60	Price (Regional)
D	Regional Average Direct Care Rate (C) * .25 = (D)	**$9.69**	**$10.40**	
E	75/25 Split_WEF & DC Rate (B)+(D) = (E)	**$37.86**	**$38.60**	Price (WEF)

	AGENCY CLINICAL RATE - 07/01/2024	SUPERVISED IRA	SUPPORTIVE IRA	
A	2021 Clin $ (Excl Contracted) (A)	$812,600	$63,400	
B	2021 Salaried Clin Hours (B)	14,260	1,320	
C	Agency Avg Clin Wage (A)/(B) = (C)	$56.98	$48.03	
D	Agency Clinical Rate (D)	**$56.98**	**$48.03**	Price (Provider)

	75/25 SPLIT_WEF CLINICAL RATE CALCULATION - 07/01/2024	SUPERVISED IRA	SUPPORTIVE IRA	
A	Agency Total Clinical Rate (A)	$56.98	$48.03	Price (Provider)
B	Agency Total Clinical Rate (A) * .75 = (B)	**$42.74**	**$36.02**	
C	Regional Average Clinical Rate (C)	$36.90	$39.50	Price (Regional)
D	Regional Average Clinical Rate (C) * .25 = (D)	**$9.23**	**$9.88**	
E	75/25 Split_WEF & Clinical Rate (B)+(D) = (E)	**$51.96**	**$45.90**	Price (WEF)

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Rate Rationalization
Quantity - IRA

	DC HOURS (Adj for 01/01/2026)	SUPERVISED IRA	SUPPORTIVE IRA	
A	2021 Rate Cap (A)	136	20	
B	State Wide Avg Hours for IRA's Only (B)	3,467	920	
C	Acuity Factor (for IRAs only) (C)	1.0145	1.1980	Acuity Factor (Quantity)
D	Total 2021 DC Hours (A)*(B)*(C) = (D)	478,349	22,043	
E	01/01/2026 Rate Capacity (E)	140	18	
F	Total 01/01/2026 DC Hours = (Total 2021 DC Hours (D) / 2021 Rate Cap (A)) * 01/01/2026 Rate Cap (E) = (	492,418	19,839	
G	Budget Neutrality Factor for Hours (G)	1.0180	1.0940	Budget Neutrality Factor (Quantity)
H	DC Hours (Adj for 01/01/2026) (F)*(G) = (H)	501,282	21,704	
I	DC Hours (Adj for 01/01/2026) (I)	501,282	21,704	Quantity

	SALARIED CLINICAL HOURS (Adj for 01/01/2026)	SUPERVISED IRA	SUPPORTIVE IRA	
A	2021 Rate Cap (A)	136	20	
B	Total 2021 Salaried Clinical Agency CFR Hours (B)	14,260	1,320	
C	01/01/2026 Rate Capacity (C)	140	18	
D	Total 01/01/2026 Salaried Clinical Hours = Total 2021 Salaried Clinical Agency Hours (B) / 2021 Rate Cap (	14,679	1,188	
E	Salaried Clinical Hours (Adj for 01/01/2026) (E)	14,679	1,188	Quantity

	CONTRACT CLINICAL HOURS (Adj for 01/01/2026)	SUPERVISED IRA	SUPPORTIVE IRA	
A	2021 Rate Cap (A)	136	20	
B	Total 2021 Contracted Clinical Agency CFR Hours (B)	305	8	
C	01/01/2026 Rate Capacity (C)	140	18	
D	Total 01/01/2026 Contracted Clinical Hours = Total 2021 Contracted Clinical Agency Hours (B) / 2021 Rate (	314	7	
E	Contract Clinical Hours (Adj for 01/01/2026) (E)	314	7	Quantity

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OPWDD Path 1: Continuation of Rate Rationalization with a New Base Year

RATE CALCULATION SUMMARY	FY 2025 Rate Sheet Trended	FY 2025 Actual	FY 2026 Rate Sheet Trended	FY 2026 Actual
DC Hours (Adj for 01/01/2025) (A)	501,282	501,245	501,282	501,245
75/25 Split_Wef DC Brick (B)	$ 43.23	$ 42.98	$ 44.40	$ 42.62
DC Hours * Wef DC Brick (A)*(B) = (C)	$21,672,221	$21,543,527	$22,257,371	$21,363,078
Salaried Clinical Hours (Adj for 01/01/2025) (D)	14,679	8,286	14,679	11,847
75/25 Split_Wef Clin Brick (E)	$ 59.33	$ 62.68	$ 60.93	$ 65.37
Salaried Clinical Hours * Wef Clin Brick (D)*(E) = (F)	$870,946	$519,351	$894,462	$774,462
Contract Clinical Hours (Adj for 01/01/2025) (G)	314	654	314	431
Contracted Clinical Brick (H)	$ 65.54	$ 65.54	$ 67.31	$ 67.31
Contracted Clin Hours *Cont Clin Brick (G)*(H) = (I)	$20,577	$42,867	$21,133	$29,023
WFS Bonus $ (J)	($3,349,800)		($3,440,244)	
Minimum wages	$46,386		$47,638	
Operating Base: (C)+(F)+(I)+(J) = (K)	$19,260,330	$22,105,746	$19,780,359	$22,166,564
Occupancy Adj = (1 + Occup %) (Z)	1.0381	1.0381	1.0381	1.0381
Subtotal (Y)*(Z) = (AA)	19,993,429	22,947,148	20,533,252	23,010,281
Budget Neutrality Factor (AB)	1.1355	1.0000	1.1355	1.0000
Total Operating (AA)*(AB) = (AC)	22,702,539	22,947,148	23,315,507	23,010,281
01/01/2025 Rate Units (AD)	51,100	51,100	51,100	51,100
Operating Rate (AC)/(AD) = (AE)	$444.28	$449.06	$456.27	$450.30

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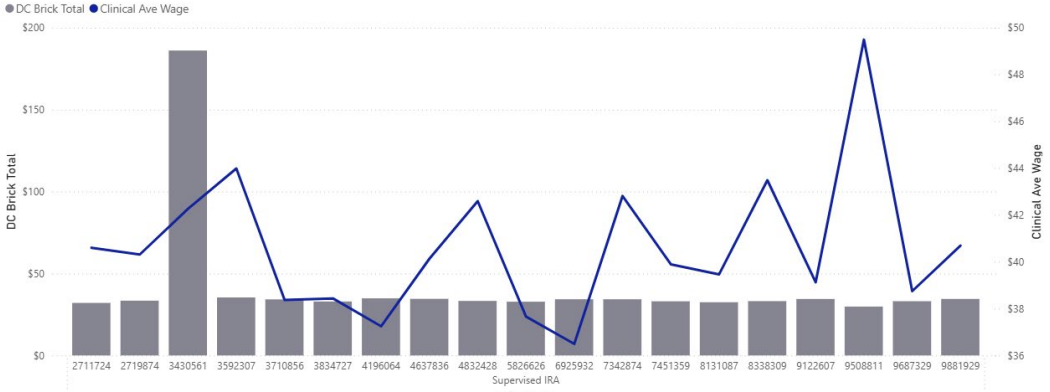
OPWDD Path 2: Rate Reform

Provider Brick Components

Rate Rationalization Program Direct Care Brick Analysis - By Site

Provider Name	RR Programs Name	Site Code	Year
ABC, Inc.	Supervised IRA	Multiple selections	FY 2025

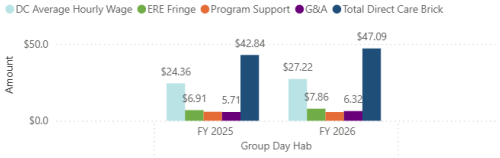
DC Brick Total and Clinical Ave Wage by Program Name and Site Code



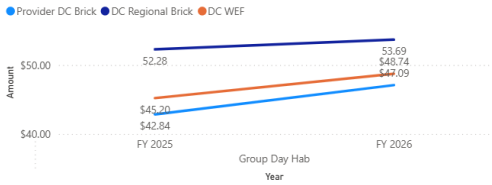
Provider Brick Components

Rate Rationalization Program Direct Care Brick Analysis - By Site

Provider Name	RR Programs Name	Site Code	Year
ABC, Inc.	Group Day Hab	All	All



Direct Care Brick



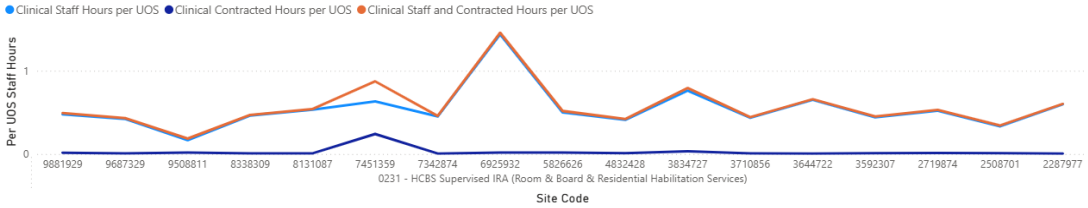
Program Name	Site Code	Year	Direct Care Average Hourly Wage	ERE Fringe	Program Support	G&A	Total Direct Care Brick
Group Day Hab	1885556	FY 2025	$24.40	$6.72	$5.05	5.85	$42.03
		FY 2026	$27.39	$8.19	$6.95	6.59	$49.12
	3204112	FY 2025	$22.38	$8.19	$4.27	5.83	$40.68
		FY 2026	$25.23	$6.84	$2.29	5.00	$39.36
	3826283	FY 2025	$24.92	$7.48	$13.06	7.23	$52.68
		FY 2026	$25.07	$7.56	$6.46	5.77	$44.87
	4615832	FY 2025	$23.09	$6.03	$5.35	4.77	$39.24
		FY 2026	$29.34	$7.60	$7.10	7.02	$51.07
	7433512	FY 2025	$28.45	$9.29	$9.83	8.46	$56.04
		FY 2026	$27.08	$8.43	$5.22	7.60	$48.33
	8606863	FY 2025	$24.27	$6.86	$2.83	4.53	$38.48
		FY 2026	$27.35	$7.86	$2.61	5.26	$43.08
	9723816	FY 2025	$23.88	$6.67	$5.88	5.39	$41.83
		FY 2026	$27.66	$7.70	$7.51	6.37	$49.25

General CFR Analysis

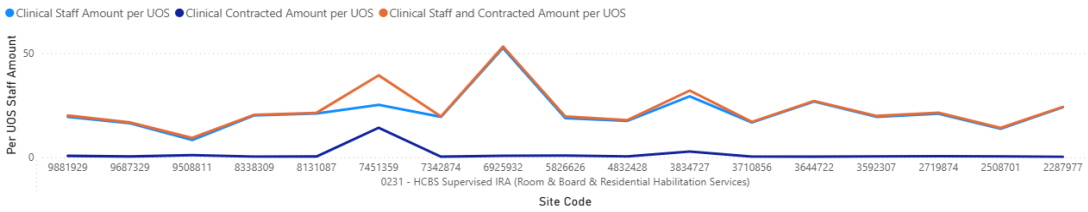
Clinical Staffing Per Unit of Service Analysis

Provider Name	Program	RR Programs Name	Site Code	Year
ABC, Inc.	All	Supervised IRA	Multiple selections	FY 2025

Clinical Staffing Hours per UOS Analysis



Clinical Staffing Amount per UOS Analysis



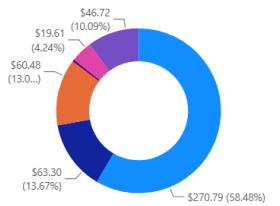
General CFR Analysis

Per Unit of Service Analysis

Provider Name	Program	RR Programs Name	Site Code	Year
ABC, Inc.	0231 - HCBS Supervise...	All	Multiple selections	Multiple selections

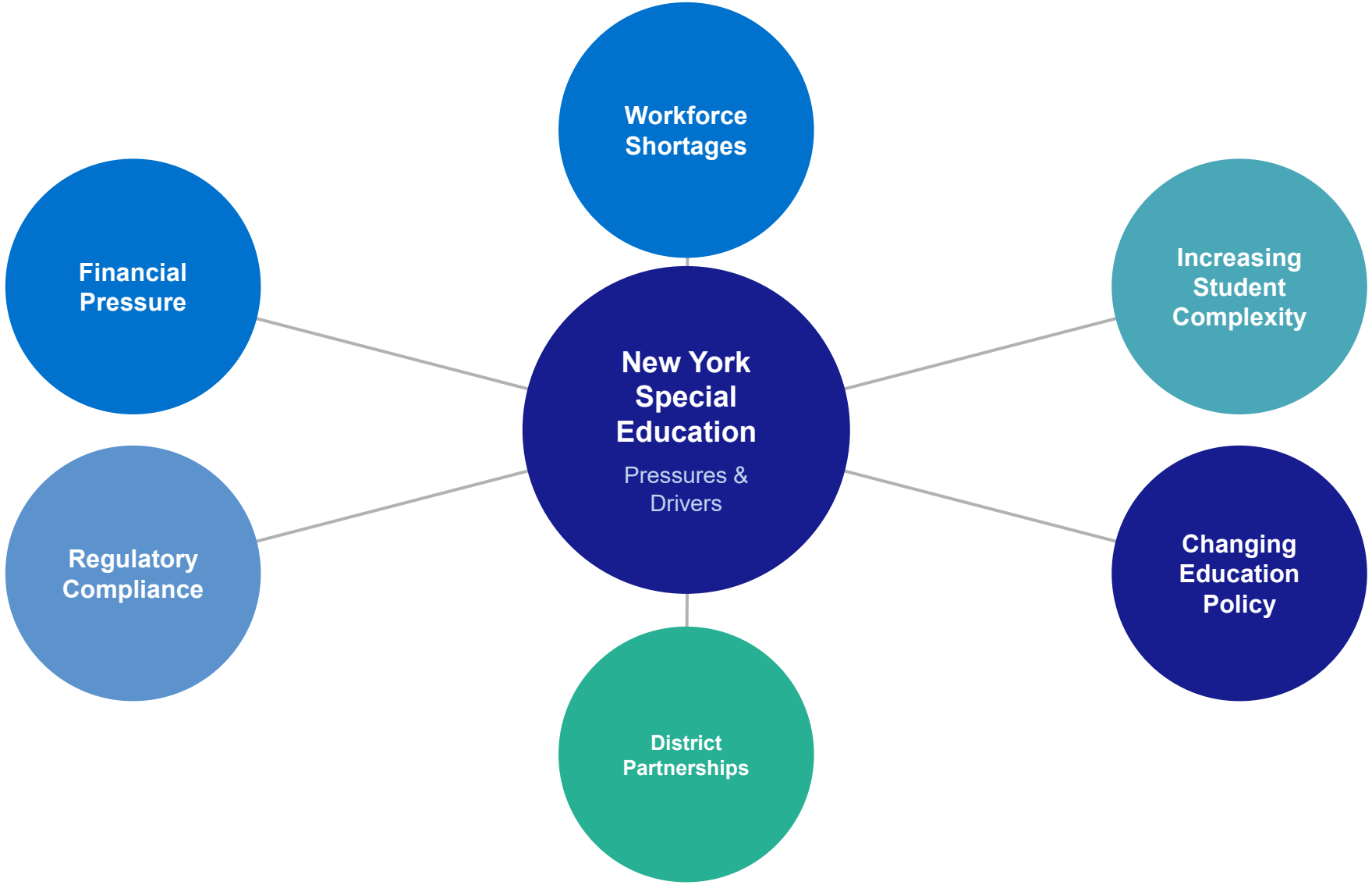
Program Code	Site Code	Year	Salary per UOS	Fringe Benefit per UOS	OTPS per UOS	Equipment per UOS	Property per UOS	AA Allocation per UOS
0231	2287977	FY 2025	$303.25	$68.94	$60.89	$3.27	$37.12	$50.53
		FY 2026	$359.62	$86.09	$72.53	$1.72	$42.10	$62.14
	2711724	FY 2025	$312.99	$71.15	$45.12	$2.50	$15.20	$50.09
		FY 2026	$351.30	$84.10	$46.12	$0.69	$15.02	$57.73
	3430561	FY 2025	$140.56	$31.95	$55.99	$1.91	$84.01	$26.66
		FY 2026	$59.79	$14.31	$49.04	$0.04	$53.51	$14.77
	3592307	FY 2025	$207.96	$47.27	$56.42	$0.42	$21.27	$36.36
		FY 2026	$221.18	$52.95	$59.28	$0.14	$20.24	$39.98
	3644722	FY 2025	$264.77	$60.19	$64.78	$2.64	$2.34	$45.48
		FY 2026	$250.97	$60.08	$64.53	$1.06	$2.65	$45.04
	3710856	FY 2025	$300.49	$68.31	$78.79	$0.86	$29.22	$52.23
		FY 2026	$391.11	$93.63	$89.20	$0.71	$35.92	$68.82
	3834727	FY 2025	$302.01	$68.66	$43.70	$1.20	$3.12	$48.35
		FY 2026	$254.09	$60.83	$82.83	$0.46	$3.67	$47.70
	4196064	FY 2025	$279.08	$63.44	$68.78	$7.18	$38.82	$47.99
		FY 2026	$270.96	$64.87	$55.71	$5.90	$37.22	$46.95
	4637836	FY 2025	$299.17	$68.01	$71.77	$5.54	$27.31	$51.22
		FY 2026	$268.45	$64.27	$46.97	$7.78	$25.73	$45.53
	4832428	FY 2025	$215.97	$49.10	$59.42	$6.69	$24.50	$37.86
		FY 2026	$256.79	$61.48	$63.37	$0.88	$26.02	$45.76
	5826626	FY 2025	$232.08	$52.76	$58.86	$2.67	$1.33	$40.10
		FY 2026	$256.39	$61.38	$56.43	$0.78	$1.87	$44.87

Per Units of Service Analysis



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The State of Special Education in New York



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SED Reimbursement Focus Areas
Tuition Rate Methodology

Price
- Maximum rate

Quantity
- Student enrollment

Screens
- Median Salary
- Offsetting revenue
- Non-direct expense
- Total cost screen
- Excess surplus above limitations

Waiver



IMPORTANT

STUDENT ENROLLMENT!

STUDENT ENROLLMENT!

STUDENT ENROLLMENT!

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SED Reimbursement Focus Areas

Basics of Rate Methodology

Rate Data	Min Wage	ETTPP	Waiver	Dollars	Per Diem
Total Non-Direct Costs				2,535,000	130.00
Total Direct Care Costs				4,290,000	220.00
Median Adjustments				(19,500)	(1.00)
Offsetting Revenue				(97,500)	(5.00)
Gross Costs				6,708,000	344.00
Nondirect Care Cost Screens				(224,835)	(11.53)
Total Cost Screens Max Growth		9,750	-	(48,165)	330.00
Reimbursable Dollars				6,444,750	330.50
Enrollment Adjustment Factor				29,250	1.50
Recon Adjustment					
Recon Adjustment (for Prosp-base yrs recon)					-
Final Reimbursable Dollars				6,474,000	332.00
Final per Diem					332.00

Enrollment data

	F.T.E.	Care Days
2 Month	50.00	1,500
10 Month	100.00	18,000
Total		19,500

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SED Reimbursement Focus Areas
Tuition Methodology – Rates

- Tuition Rates are set by SED
- Paid by County (Preschool) or School District (School-Age)
- Annual Methodology letter issued by SED

Interim Plus Rate
- Issued when the rate methodology has not been approved
- Provides cash flow
- Usually based on School's last certified rate
- Last few years have included current year growth factor

Prospective Rate
- Based on reconciliation rates - School's CFR data from 2 years earlier (24/25 CFR data will be basis for 26/27 prospective rate)
- Includes current year growth factor
- Includes allocated ETTP money

Reconciliation Rates
- SED CFR desk audit
- Subject to screens – final reimbursable rate
- Can generate a receivable or payback
- Basis of your prospective rate (26/27 CFR data will be basis for 28/29 prospective rate

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Categorization is critical!

DIRECT EXPENSES V. NON-DIRECT EXPENSES

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Key Performance Focus for SED Program Success



Continuous Monitoring and Data-Driven Decisions

Effective SED programs rely on ongoing tracking of enrollment and staffing to anticipate outcomes and adjust operations proactively.

Staffing & Classroom Efficiency

Tracking teacher and teaching assistant ratios, vacant positions, and classroom utilization can help reduce the likelihood of cost overruns and support more effective resource allocation.

Monthly Rate Calculations and Forecasting

Regular rate reconciliation and forecasting can support earlier risk identification and more consistent financial management throughout the year.

Plan for Surplus or Deficit

Forecast surplus or deficit scenarios throughout the fiscal year to support informed operational decisions and help reduce year-end reconciliation surprises.

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Thank you!

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