

STATE OF NEW YORK

7560--A

2023-2024 Regular Sessions

IN ASSEMBLY

May 25, 2023

Introduced by M. of A. PAULIN, L. ROSENTHAL, SIMON, GUNTHER, BURDICK, RIVERA, SIMONE, RAGA, BRONSON, ARDILA, DICKENS, SHIMSKY, STECK, SHRESTHA, HEVESI, McDONALD, KELLES, MAMDANI, FAHY, LEVENBERG, DAVILA, LUNSFORD, JEAN-PIERRE, GIBBS, EACHUS, DINOWITZ, BEEPHAN, DARLING, BICHOTTE HERMELYN, REYES, MEEKS, SOLAGES, BLANKENBUSH, THIELE, KIM, LEMONDES, LAVINE, ROZIC -- read once and referred to the Committee on Health -- recommitted to the Committee on Health in accordance with Assembly Rule 3, sec. 2 -- reported and referred to the Committee on Ways and Means -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the public health law, in relation to federally qualified health center rate adequacy

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Paragraph (b) of subdivision 8 of section 2807 of the
2 public health law, as added by section 28 of part B of chapter 1 of the
3 laws of 2002, is amended to read as follows:
4 (b) For each twelve month period following September thirtieth, two
5 thousand one and continuing through September thirtieth, two thousand
6 twenty-five, the operating cost component of such rates of payment shall
7 reflect the operating cost component in effect on September thirtieth of
8 the prior period as increased by the percentage increase in the Medicare
9 Economic Index as computed in accordance with the requirements of 42 USC
10 § 1396a(aa)(3) and as adjusted pursuant to applicable regulations to
11 take into account any increase or decrease in the scope of services
12 furnished by the facility. For each twelve month period following
13 September thirtieth, two thousand twenty-five, the operating cost compo-
14 nent shall be calculated consistent with rates of payment established
15 pursuant to paragraph (c-1) of this subdivision, and then annually
16 adjusted by using the FQHC Market Basket inflator as calculated under
17 federal law, and as adjusted pursuant to applicable regulations to take

EXPLANATION--Matter in italics (underscored) is new; matter in brackets
[-] is old law to be omitted.

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1 into account any increase or decrease in the scope of services furnished
2 by the facility.

3 § 2. Subdivision 8 of section 2807 of the public health law is amended
4 by adding a new paragraph (c-1) to read as follows:

5 (c-1) As soon as practicable the department shall analyze the actual
6 federally qualified health center costs filed as required by department
7 regulations, during the prior five year reporting periods. In addition
8 to such data, the commissioner shall consider, the scope of services,
9 including type, intensity, duration and amount, provided by such facili-
10 ties; staffing to meet competitive market and case mix needs of popu-
11 lations served; physical plant and maintenance costs, infrastructure;
12 technology costs associated with telehealth modality of service deliv-
13 ery; informational technology costs; and other costs deemed necessary by
14 the commissioner. Notwithstanding any other statute, rule, or regu-
15 lation otherwise imposing ceilings or caps on payments to federally
16 qualified health centers, provided that such payments are still subject
17 to federal financial participation, beginning on April first, two thou-
18 sand twenty-five, the department shall develop and issue updated rates
19 of payments reflecting the actual costs and updated aggregated data.

20 § 3. This act shall take effect immediately.