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I N S E N A T E

April 19, 2010

Introduced by Sen. HANNON -- read twice and ordered printed, and when printed to be committed to the Committee on Health

AN ACT to amend the social services law, in relation to a medical assistance information and payment system

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 Section 1. Subparagraph 2 of paragraph (b) of subdivision 8 of section  
2 367-b of the social services law, as amended by chapter 109 of the laws  
3 of 2007, is amended to read as follows:  
4 (2) Coordination of benefits. Develop, test and implement an automated  
5 process to improve the coordination of benefits between the medical  
6 assistance program and other sources of coverage for medical assistance  
7 recipients. Such initiative shall initially examine the savings poten-  
8 tial to the medical assistance program through retrospective review of  
9 claims paid which shall be completed not later than January thirty-  
10 first, two thousand seven. If, based upon such initial experience, the  
11 Medicaid inspector general deems the automated process to be capable of  
12 including or moving to a prospective review, with negligible effect on  
13 the turnaround of claims for provider payment or on recipient access to  
14 services, then the Medicaid inspector general in subsequent tests shall  
15 examine the savings potential through prospective, pre-claims payment  
16 review. PROVIDED, HOWEVER, THAT THE DEPARTMENT OF HEALTH SHALL IMPLE-  
17 MENT AN INITIATIVE ESTABLISHING AN AUTOMATED REAL TIME PROSPECTIVE PRE-  
18 CLAIMS PAYMENT REVIEW PROCESS, INCLUDING, BUT NOT LIMITED TO, A PRIOR  
19 PHARMACY AUTHORIZATION AND PRE-PHARMACY CLAIMS REVIEW OF ALTERNATIVE  
20 INSURANCE COVERAGE PROGRAM, PROVIDED HOWEVER THAT ANY SUCH INITIATIVE  
21 HAS MINIMAL INITIAL COSTS TO THE DEPARTMENT OF HEALTH. ANY INITIATIVE  
22 IMPLEMENTED BY THE DEPARTMENT OF HEALTH SHALL HAVE A NEGLIGIBLE EFFECT  
23 ON THE TURNAROUND OF CLAIMS FOR PROVIDER PAYMENT OR ON RECIPIENT ACCESS  
24 TO SERVICES AND DEMONSTRATE SAVINGS POTENTIAL.  
25 S 2. The department of health shall issue a request for proposal for  
26 the purpose of providing the system described in subparagraph (2) of  
27 paragraph (b) of subdivision 8 of section 367-b of the social services  
28 law, as amended by section one of this act, within 90 days of the effec-

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

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1 tive date of this act. Bids from qualified vendors shall be received by  
2 the department of health no later than 60 days following the issuance of  
3 the request for proposal. Any contract issued pursuant to this section  
4 shall be issued within 90 days following receipt of bids and installa-  
5 tion of such system completed by the successful bidder within 180 days  
6 of the issuance of such contract.

7 S 3. This act shall take effect immediately.