S T A T E O F N E W Y O R K

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I N A S S E M B L Y

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Introduced by M. of A. BRADLEY, BENEDETTO, BENJAMIN, SCHIMEL, ZEBROWSKI, GUNTHER, BROOK-KRASNY, JAFFEE -- Multi-Sponsored by -- M. of A. COOK, DelMONTE, GALEF, JOHN, KOON, MAYERSOHN, REILLY, TOWNS -- read once and referred to the Committee on Health

AN ACT to amend the public health law, in relation to hospital and physician clinical integration

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

Section 1. Legislative findings and determinations. The legislature finds and determines that in order to promote the quality and continuity of care provided to residents of the state, it shall be the policy of this state to encourage cooperative, collaborative and integrative arrangements among general hospitals, among physicians, and among general hospitals and physicians involving clinical integration. The knowledge provided through multiple providers working together is key to improving clinical care and outcomes.

The legislature further finds and determines that in order to improve patient care and increase the efficiency of delivering the highest quality of care at the lowest costs possible, clinical, economic and policy experts across the nation are recommending increased integration of the management of patient care. Within this context, integration is the sharing of best practices through group interaction and planning, including the documentation and measurement of patient outcomes based on documented standards of care, comparing future performance to baseline measures that are currently available pursuant to publicly reported state and federal quality measures.

The legislature additionally finds and determines that despite the anticipated and documented benefits, there currently exist only a few such venues for such sharing of information and advancement of medicine. Such collaboration and integration represents an important shift in the practice of medicine away from the current culture of blame and informa-

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

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tion suppression to a culture of informed, interconnected health systems. As a result, collaborations acknowledge that everyone is striving toward the same high quality care, everyone experiences successes and shortcomings in their practices, and everyone can learn from others' experiences.

S 2. The public health law is amended by adding a new section 2821 to read as follows:

S 2821. HOSPITAL AND PHYSICIAN CLINICAL INTEGRATION. 1. FOR THE PURPOSES OF THIS SECTION, THE TERM "CLINICAL INTEGRATION" SHALL MEAN:

(A) THE ESTABLISHMENT OF GOALS RELATING TO QUALITY AND APPROPRIATE UTILIZATION OF SERVICES BY THE PROVIDERS PARTICIPATING IN THE JOINT VENTURE;

(B) THE DEVELOPMENT AND APPLICATION OF PRACTICE STANDARDS AND PROTOCOLS TO GOVERN TREATMENT AND UTILIZATION OF SERVICES;

(C) THE REVIEW OF THE CARE RENDERED BY THE PROVIDERS IN THE JOINT VENTURE IN LIGHT OF THESE STANDARDS AND PROTOCOLS WITH REMEDIAL ACTION FOR POOR PERFORMANCE;

(D) THE MONITORING OF PATIENT SATISFACTION;

(E) THE DEVELOPMENT OF INFORMATION SYSTEMS NECESSARY TO GATHER AGGREGATE AND INDIVIDUAL PROVIDER DATA ON THE COST, QUANTITY, AND NATURE OF SERVICES PROVIDED BY THE PROVIDERS;

(F) THE MEASUREMENT OF PERFORMANCE OF THE JOINT VENTURE AS A WHOLE AND THE INDIVIDUAL PROVIDERS IN THE JOINT VENTURE AGAINST COST AND QUALITY BENCHMARKS; AND

(G) THE PUBLICATION OF DETAILED PUBLIC REPORTS ON THE COST AND QUANTITY OF SERVICES PROVIDED, AND ON THE JOINT VENTURE'S SUCCESS IN MEETING ITS GOALS.

2. (A) THE DEPARTMENT SHALL HEREBY INSTITUTE A PROGRAM TO ENCOURAGE COOPERATIVE, COLLABORATIVE AND INTEGRATIVE ARRANGEMENTS AMONG GENERAL HOSPITALS, AMONG PHYSICIANS, AND AMONG GENERAL HOSPITALS AND PHYSICIANS INVOLVING CLINICAL INTEGRATION. IT SHALL BE THE POLICY OF THE DEPARTMENT IN INSTITUTING SUCH PROGRAM TO SEEK IMPROVEMENTS AND EFFICIENCIES IN HEALTH CARE RESULTING FROM CLINICAL INTEGRATION. IN THE IMPLEMENTATION AND EFFECTUATION OF THIS PROGRAM, THE DEPARTMENT SHALL ENCOURAGE THE NEGOTIATION OF REIMBURSEMENT RATES WITH PAYERS ON BEHALF OF THEIR PARTICIPANTS.

(B) THE DEPARTMENT'S CLINICAL INTEGRATION ENCOURAGEMENT PROGRAM SHALL SUPPORT THE POLICY OF CLINICAL INTEGRATION REGARDING BEST PRACTICES WITHIN AND AMONG PHYSICIAN OFFICES AND HOSPITALS. SUCH POLICY SHALL FURTHER SEEK TO USE CLINICAL INTEGRATION IN A MANNER TO PROVIDE THE BEST QUALITY OF CARE, IN THE MOST EFFICIENT MEANS POSSIBLE, FOR THE PEOPLE OF THE STATE OF NEW YORK. SUCH POLICY SHALL ALSO SEEK TO USE CLINICAL INTEGRATION TO PRODUCE SAVINGS REALIZED THROUGH IMPROVED EFFICIENCIES OF HEALTH EXPENDITURES BY REDUCED DUPLICATION OF TESTING, IMPROVED RAPIDITY OF DIAGNOSIS AND TREATMENT, AND A REDUCTION IN MEDICAL ERRORS.

(C) THE DEPARTMENT'S CLINICAL INTEGRATION ENCOURAGEMENT PROGRAM SHALL FURTHER SEEK THE RESULT, WHERE PARTICIPATING HOSPITALS AND PHYSICIANS WILL HAVE MET THE FEDERAL THRESHOLD FOR CLINICAL INTEGRATION, AND HAVE THE ABILITY TO ENTER GROUP NEGOTIATIONS WITH HEALTH INSURERS. SUCH PROGRAM SHALL THEREBY ATTEMPT TO REBALANCE THE OBTAINMENT OF REIMBURSEMENT AT LEVELS SUFFICIENT TO OFFER EVIDENCE-BASED CLINICAL ADVANCEMENTS TO THE COMMUNITIES SERVED BY SUCH PARTICIPATING HOSPITALS AND PHYSICIANS.

3. THE COMMISSIONER SHALL HAVE OVERSIGHT AND MANAGEMENT OVER THE DEPARTMENT'S PROGRAM TO ENCOURAGE COOPERATIVE, COLLABORATIVE AND INTEGRATIVE ARRANGEMENTS AMONG GENERAL HOSPITALS, AMONG PHYSICIANS, AND

AMONG GENERAL HOSPITALS AND PHYSICIANS INVOLVING CLINICAL INTEGRATION. WHETHER A PROVIDER JOINT VENTURE INITIALLY MEETS, AND CONTINUES TO MEET, THE CRITERIA FOR CLINICAL INTEGRATION AS DEFINED IN SUBDIVISION ONE OF THIS SECTION SHALL BE DETERMINED BY THE COMMISSIONER. THE DEPARTMENT SHALL HAVE THE AUTHORITY TO ISSUE REGULATIONS TO EFFECTUATE THE PROVISIONS AND TERMS OF THIS SECTION.

4. TO THE EXTENT THE DEPARTMENT'S CLINICAL INTEGRATION ENCOURAGEMENT, OR THE CLINICAL INTEGRATION MEASURES CONDUCTED THEREUNDER, ARE DEEMED ANTI-COMPETITIVE WITHIN THE MEANING OR INTENT OF ANY FEDERAL OR STATE ANTITRUST LAW OR REGULATION, STATE ACTION IMMUNITY UNDER SUCH ANTITRUST LAWS AND REGULATIONS IS HEREBY CONFERRED WITH RESPECT TO THE PLANNING, IMPLEMENTATION AND OPERATION OF SUCH CLINICAL INTEGRATION MEASURES AND/OR JOINT VENTURES. SUCH MEASURES AND JOINT VENTURES SHALL ALSO BE DEEMED EXEMPT FROM THE PROVISIONS OF ARTICLE TWENTY-TWO OF THE GENERAL BUSINESS LAW INVOLVING CONTRACTS OR AGREEMENTS IN RESTRAINT OF TRADE.

S 3. This act shall take effect immediately.