

8336

2011-2012 Regular Sessions

I N A S S E M B L Y

June 14, 2011

Introduced by M. of A. ROBERTS, GOTTFRIED -- read once and referred to
the Committee on Health

AN ACT to amend the public health law, in relation to prior settlements
and general hospitals

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

1 Section 1. Paragraph (f) of subdivision 8-a of section 2807-j of the
2 public health law, as amended by a chapter of the laws of 2011 amending
3 the public health law relating to authorizing the commissioner of health
4 to extend the use of audit findings to subsequent un-audited periods
5 with regard to payments to patient service providers and assessments on
6 covered lives as proposed in legislative bills numbers S. 5553 and A.
7 8085, is amended to read as follows:
8 (f) The commissioner may enter into agreements with designated provid-
9 ers of services, and with third-party payors, in regard to which audit
10 findings OR PRIOR SETTLEMENTS have been made pursuant to this section or
11 section twenty-eight hundred seven-s of this article, extending and
12 applying such audit findings OR PRIOR SETTLEMENTS, or a portion thereof,
13 in settlement and satisfaction of potential audit liabilities for subse-
14 quent un-audited periods. The commissioner may reduce or waive payment
15 of interest and penalties otherwise applicable to such subsequent unau-
16 dited periods when such amounts due as a result of such agreement, other
17 than reduced or waived penalties and interest, are paid in full to the
18 commissioner or the commissioner's designee within sixty days of
19 execution of such agreement by all parties to the agreement. Any
20 payments made pursuant to agreements entered into in accordance with
21 this paragraph shall be deemed to be in full satisfaction of any liabil-
22 ity arising under this section and section twenty-eight hundred seven-s
23 of this article, as referenced in such agreements and for the time peri-
24 ods covered by such agreements, provided, however, that the commissioner
25 may audit future retroactive adjustments to payments made for such peri-

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

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1 ods based on reports filed by providers and payors subsequent to such
2 agreements.

3 S 2. Paragraph (f) of subdivision 10 of section 2807-t of the public
4 health law, as amended by a chapter of the laws of 2011 amending the
5 public health law relating to authorizing the commissioner of health to
6 extend the use of audit findings to subsequent un-audited periods with
7 regard to payments to patient service providers and assessments on
8 covered lives as proposed in legislative bills numbers S. 5553 and A.
9 8085, is amended to read as follows:

10 (f) The commissioner may enter into agreements with specified third-
11 party payors in regard to which audit findings OR PRIOR SETTLEMENTS have
12 been made pursuant to this section, extending and applying such audit
13 findings OR PRIOR SETTLEMENTS, or a portion thereof, in settlement and
14 satisfaction of potential audit liabilities for subsequent un-audited
15 periods. The commissioner may reduce or waive payment of interest and
16 penalties otherwise applicable to such subsequent unaudited periods when
17 such amounts due as a result of such agreement, other than reduced or
18 waived interest and penalties, are paid in full to the commissioner or
19 the commissioner's designee within sixty days of execution of such
20 agreement by all parties to the agreement. Any payments made pursuant to
21 agreements entered into in accordance with this paragraph shall be
22 deemed to be in full satisfaction of any liability arising under this
23 section, as referenced in such agreements and for the time periods
24 covered by such agreements, provided, however, that the commissioner may
25 audit future retroactive adjustments to payments made for such periods
26 based on reports filed by payors subsequent to such agreements.

27 S 3. Subdivision 18 of section 2807-c of the public health law is
28 amended by adding a new paragraph (i) to read as follows:

29 (I) THE COMMISSIONER MAY ENTER INTO AGREEMENTS WITH GENERAL HOSPITALS
30 SUBJECT TO THIS SUBDIVISION, IN REGARD TO WHICH AUDIT FINDINGS OR PRIOR
31 SETTLEMENTS HAVE BEEN MADE PURSUANT TO THIS SUBDIVISION, EXTENDING AND
32 APPLYING SUCH AUDIT FINDINGS OR PRIOR SETTLEMENTS OR A PORTION THEREOF,
33 IN SETTLEMENT AND SATISFACTION OF POTENTIAL AUDIT LIABILITIES FOR SUBSE-
34 QUENT UN-AUDITED PERIODS. THE COMMISSIONER MAY REDUCE OR WAIVE PAYMENT
35 OF INTEREST AND PENALTIES OTHERWISE APPLICABLE TO SUCH SUBSEQUENT UN-AU-
36 DITED PERIODS WHEN SUCH AMOUNTS DUE AS A RESULT OF SUCH AGREEMENT, OTHER
37 THAN REDUCED OR WAIVED PENALTIES AND INTEREST, ARE PAID IN FULL TO THE
38 COMMISSIONER OR THE COMMISSIONER'S DESIGNEE WITHIN SIXTY DAYS OF
39 EXECUTION OF SUCH AGREEMENT BY ALL PARTIES TO THE AGREEMENT. ANY
40 PAYMENTS MADE PURSUANT TO AGREEMENTS ENTERED INTO IN ACCORDANCE WITH
41 THIS PARAGRAPH SHALL BE DEEMED TO BE IN FULL SATISFACTION OF ANY LIABIL-
42 ITY ARISING UNDER THIS SUBDIVISION, AS REFERENCED IN SUCH AGREEMENTS AND
43 FOR THE TIME PERIODS COVERED BY SUCH AGREEMENTS, PROVIDED, HOWEVER, THAT
44 THE COMMISSIONER MAY AUDIT FUTURE RETROACTIVE ADJUSTMENTS TO PAYMENTS
45 MADE FOR SUCH PERIODS BASED ON REPORTS FILED BY HOSPITALS SUBSEQUENT TO
46 SUCH AGREEMENTS.

47 S 4. This act shall take effect on the same date and in the same
48 manner as a chapter of the laws of 2011 amending the public health law
49 relating to authorizing the commissioner of health to extend the use of
50 audit findings to subsequent un-audited periods with regard to payments
51 to patient service providers and assessments on covered lives as
52 proposed in legislative bills numbers S. 5553 and A. 8085 takes effect;
53 provided that the amendments to paragraph (f) of subdivision 8-a of
54 section 2807-j of the public health law, made by section one of this
55 act, shall not affect the expiration of such section and shall expire
56 therewith; provided, further, that the amendments to paragraph (f) of

1 subdivision 10 of section 2807-t of the public health law, made by
2 section two of this act, shall not affect the expiration of such section
3 and shall expire therewith.