

8336

2011-2012 Regular Sessions

I N   A S S E M B L Y

June 14, 2011

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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.

LBD13079-01-1

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.