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

April 29, 2014

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

AN ACT to amend the public health law, in relation to covered lives assessments in the Rochester region

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

Section 1. Subdivision 6 of section 2807-s of the public health law is amended by adding a new paragraph (g) to read as follows:

(G) A FURTHER GROSS ANNUAL AMOUNT ALLOCATED TO THE ROCHESTER REGION BEGINNING JANUARY FIRST, TWO THOUSAND FIFTEEN SHALL BE ONE HUNDRED TEN MILLION DOLLARS. FOR CALENDAR YEARS TWO THOUSAND SIXTEEN AND THEREAFTER, THAT AMOUNT SHALL BE INDEXED FOR STATEWIDE HEALTH CARE INFLATION IN AN AMOUNT DETERMINED BY THE COMMISSIONER. SUCH AMOUNT SHALL BE EXCLUDED FROM ALL COMPUTATIONS AND ADJUSTMENTS MADE PURSUANT TO PARAGRAPH (B) OF SUBDIVISION SIX OF SECTION TWO THOUSAND EIGHT HUNDRED SEVEN-T OF THIS ARTICLE.

S 2. Subdivision 7 of section 2807-s of the public health law is amended by adding a new paragraph (d) to read as follows:

(D)(I) FIVE MILLION DOLLARS OF THE FUNDS ALLOCATED TO THE ROCHESTER REGION PURSUANT TO PARAGRAPH (G) OF SUBDIVISION SIX OF THIS SECTION SHALL BE DISTRIBUTED TO A ROCHESTER REGIONAL HEALTH PLANNING ORGANIZATION FOR USE IN FUNDING REGIONAL HEALTH CARE IMPROVEMENT PROJECTS. THE REGIONAL HEALTH PLANNING ORGANIZATION SHALL DISBURSE THOSE FUNDS IN ACCORDANCE WITH THIS PARAGRAPH, OR PURSUANT TO GRANTS MADE BY THE ORGANIZATION IN ACCORDANCE WITH THIS PARAGRAPH. DISTRIBUTION OF ANY GRANT FUNDS ADMINISTERED BY THE REGIONAL HEALTH PLANNING ORGANIZATION SHALL BE PURSUANT TO A MULTI-STAKEHOLDER PROCESS. THE REGIONAL HEALTH CARE IMPROVEMENT GRANT FUND PROJECTS SHALL INCLUDE THREE MILLION DOLLARS PER YEAR FOR A SHARED COMMUNITY HEALTH INFRASTRUCTURE DESIGNED ON THE BASIS OF COLLABORATIVE COMMUNITY EFFORTS, INCLUDING COMMUNITY-WIDE PATIENT SAFETY AND QUALITY IMPROVEMENT PROGRAMS, ELIMINATION OF HEALTH DISPARITIES, HEALTH INFORMATION TECHNOLOGY, AND TWO MILLION DOLLARS TO FUND THE REGIONAL HEALTH PLANNING ORGANIZATION. THE HEALTH PLANNING ORGANIZATION

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

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SHALL USE REASONABLE EFFORTS TO GENERATE MATCHING FUND CONTRIBUTIONS IN THE FORM OF GRANTS, DONATIONS AND OTHER CONTRIBUTIONS.

(II) ONE HUNDRED FIVE MILLION DOLLARS OF THE FUNDS ALLOCATED TO THE ROCHESTER REGION PURSUANT TO PARAGRAPH (G) OF SUBDIVISION SIX OF THIS SECTION SHALL BE ALLOCATED TO A NOT-FOR-PROFIT ORGANIZATION OR ASSOCIATION THAT HAS BEEN DESIGNATED THROUGH A MULTI-STAKEHOLDER PROCESS, WHICH SHALL DISTRIBUTE THOSE FUNDS TO ALL OF THE HOSPITALS IN THE REGION ENGAGED IN GRADUATE MEDICAL EDUCATION IN ORDER TO FUND GRADUATE MEDICAL EDUCATION. ONE HUNDRED MILLION DOLLARS OF SUCH FUNDING SHALL BE DISTRIBUTED PROPORTIONALLY TO EACH OF THE HOSPITALS IN AMOUNTS WHICH REFLECT EACH HOSPITAL'S CURRENT COSTS FOR GRADUATE MEDICAL EDUCATION, AND FIVE MILLION DOLLARS OF UNREIMBURSED ADMINISTRATIVE AND OTHER GRADUATE MEDICAL EDUCATION RELATED COSTS SHALL BE ALLOCATED IN THE SAME PROPORTIONS. ONE HUNDRED MILLION DOLLARS OF THE DISTRIBUTED FUNDS SHALL BE IN LIEU OF CURRENT FUNDING OF SUCH COSTS AS CURRENTLY INCLUDED IN CLAIMS PAYMENTS BY THE TWO LARGEST NON-GOVERNMENTAL THIRD PARTY PAYORS RESULTING IN A REDUCTION IN THE AMOUNT PAID BY SUCH THIRD PARTY PAYORS IN AN AMOUNT EQUAL TO THE ONE HUNDRED MILLION DOLLARS. PRIOR TO THE ALLOCATION OF FUNDS PURSUANT TO THIS SUBDIVISION, THE PARTICIPATING HOSPITALS AND SUCH THIRD PARTY PAYORS SHALL DEVELOP A PROCESS FOR THE DISTRIBUTION OF SUCH FUNDS AND A MECHANISM TO ENSURE THAT THE REQUIRED REDUCTION OF PAYMENTS BY SUCH THIRD PARTY PAYORS TO THE HOSPITALS OCCURS. THE AFFECTED HOSPITALS AND THE TWO LARGEST NON-GOVERNMENTAL THIRD PARTY PAYORS IN THE ROCHESTER REGION SHALL JOINTLY SELECT AN INDEPENDENT THIRD PARTY TO DETERMINE THE REDUCTIONS WHICH SHALL OCCUR FROM PREVIOUSLY NEGOTIATED RATES FOR CLAIMS PAYMENTS TO SUCH HOSPITALS BY SPECIFIED THIRD PARTY PAYORS IN ORDER TO AVOID DUPLICATE FUNDING PURSUANT TO THIS PARAGRAPH.

S 3. This act shall take effect January 1, 2015, provided however, that the amendments made to section 2807-s of the public health law made by sections one and two of this act shall not affect the expiration of such section and shall be deemed to expire therewith.