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I N   A S S E M B L Y

April 29, 2014

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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 ASSEM-  
BLY, DO ENACT AS FOLLOWS:

1     Section 1. Subdivision 6 of section 2807-s of the public health law is  
2     amended by adding a new paragraph (g) to read as follows:  
3     (G) A FURTHER GROSS ANNUAL AMOUNT ALLOCATED TO THE ROCHESTER REGION  
4     BEGINNING JANUARY FIRST, TWO THOUSAND FIFTEEN SHALL BE ONE HUNDRED TEN  
5     MILLION DOLLARS. FOR CALENDAR YEARS TWO THOUSAND SIXTEEN AND THEREAFTER,  
6     THAT AMOUNT SHALL BE INDEXED FOR STATEWIDE HEALTH CARE INFLATION IN AN  
7     AMOUNT DETERMINED BY THE COMMISSIONER. SUCH AMOUNT SHALL BE EXCLUDED  
8     FROM ALL COMPUTATIONS AND ADJUSTMENTS MADE PURSUANT TO PARAGRAPH (B) OF  
9     SUBDIVISION SIX OF SECTION TWO THOUSAND EIGHT HUNDRED SEVEN-T OF THIS  
10    ARTICLE.  
11    S 2. Subdivision 7 of section 2807-s of the public health law is  
12    amended by adding a new paragraph (d) to read as follows:  
13    (D)(I) FIVE MILLION DOLLARS OF THE FUNDS ALLOCATED TO THE ROCHESTER  
14    REGION PURSUANT TO PARAGRAPH (G) OF SUBDIVISION SIX OF THIS SECTION  
15    SHALL BE DISTRIBUTED TO A ROCHESTER REGIONAL HEALTH PLANNING ORGANIZA-  
16    TION FOR USE IN FUNDING REGIONAL HEALTH CARE IMPROVEMENT PROJECTS. THE  
17    REGIONAL HEALTH PLANNING ORGANIZATION SHALL DISBURSE THOSE FUNDS IN  
18    ACCORDANCE WITH THIS PARAGRAPH, OR PURSUANT TO GRANTS MADE BY THE ORGAN-  
19    IZATION IN ACCORDANCE WITH THIS PARAGRAPH. DISTRIBUTION OF ANY GRANT  
20    FUNDS ADMINISTERED BY THE REGIONAL HEALTH PLANNING ORGANIZATION SHALL BE  
21    PURSUANT TO A MULTI-STAKEHOLDER PROCESS. THE REGIONAL HEALTH CARE  
22    IMPROVEMENT GRANT FUND PROJECTS SHALL INCLUDE THREE MILLION DOLLARS PER  
23    YEAR FOR A SHARED COMMUNITY HEALTH INFRASTRUCTURE DESIGNED ON THE BASIS  
24    OF COLLABORATIVE COMMUNITY EFFORTS, INCLUDING COMMUNITY-WIDE PATIENT  
25    SAFETY AND QUALITY IMPROVEMENT PROGRAMS, ELIMINATION OF HEALTH DISPARI-  
26    TIES, HEALTH INFORMATION TECHNOLOGY, AND TWO MILLION DOLLARS TO FUND THE  
27    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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1 SHALL USE REASONABLE EFFORTS TO GENERATE MATCHING FUND CONTRIBUTIONS IN  
2 THE FORM OF GRANTS, DONATIONS AND OTHER CONTRIBUTIONS.

3 (II) ONE HUNDRED FIVE MILLION DOLLARS OF THE FUNDS ALLOCATED TO THE  
4 ROCHESTER REGION PURSUANT TO PARAGRAPH (G) OF SUBDIVISION SIX OF THIS  
5 SECTION SHALL BE ALLOCATED TO A NOT-FOR-PROFIT ORGANIZATION OR ASSOCI-  
6 ATION THAT HAS BEEN DESIGNATED THROUGH A MULTI-STAKEHOLDER PROCESS,  
7 WHICH SHALL DISTRIBUTE THOSE FUNDS TO ALL OF THE HOSPITALS IN THE REGION  
8 ENGAGED IN GRADUATE MEDICAL EDUCATION IN ORDER TO FUND GRADUATE MEDICAL  
9 EDUCATION. ONE HUNDRED MILLION DOLLARS OF SUCH FUNDING SHALL BE DISTRIB-  
10 UTED PROPORTIONALLY TO EACH OF THE HOSPITALS IN AMOUNTS WHICH REFLECT  
11 EACH HOSPITAL'S CURRENT COSTS FOR GRADUATE MEDICAL EDUCATION, AND FIVE  
12 MILLION DOLLARS OF UNREIMBURSED ADMINISTRATIVE AND OTHER GRADUATE  
13 MEDICAL EDUCATION RELATED COSTS SHALL BE ALLOCATED IN THE SAME  
14 PROPORTIONS. ONE HUNDRED MILLION DOLLARS OF THE DISTRIBUTED FUNDS SHALL  
15 BE IN LIEU OF CURRENT FUNDING OF SUCH COSTS AS CURRENTLY INCLUDED IN  
16 CLAIMS PAYMENTS BY THE TWO LARGEST NON-GOVERNMENTAL THIRD PARTY PAYORS  
17 RESULTING IN A REDUCTION IN THE AMOUNT PAID BY SUCH THIRD PARTY PAYORS  
18 IN AN AMOUNT EQUAL TO THE ONE HUNDRED MILLION DOLLARS. PRIOR TO THE  
19 ALLOCATION OF FUNDS PURSUANT TO THIS SUBDIVISION, THE PARTICIPATING  
20 HOSPITALS AND SUCH THIRD PARTY PAYORS SHALL DEVELOP A PROCESS FOR THE  
21 DISTRIBUTION OF SUCH FUNDS AND A MECHANISM TO ENSURE THAT THE REQUIRED  
22 REDUCTION OF PAYMENTS BY SUCH THIRD PARTY PAYORS TO THE HOSPITALS  
23 OCCURS. THE AFFECTED HOSPITALS AND THE TWO LARGEST NON-GOVERNMENTAL  
24 THIRD PARTY PAYORS IN THE ROCHESTER REGION SHALL JOINTLY SELECT AN INDE-  
25 PENDENT THIRD PARTY TO DETERMINE THE REDUCTIONS WHICH SHALL OCCUR FROM  
26 PREVIOUSLY NEGOTIATED RATES FOR CLAIMS PAYMENTS TO SUCH HOSPITALS BY  
27 SPECIFIED THIRD PARTY PAYORS IN ORDER TO AVOID DUPLICATE FUNDING PURSU-  
28 ANT TO THIS PARAGRAPH.

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