

5902

2013-2014 Regular Sessions

I N   S E N A T E

June 20, 2013

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Introduced by COMMITTEE ON RULES -- read twice and ordered printed, and  
when printed to be committed to the Committee on Rules

AN ACT to amend the public health law, in relation to authorizing the establishment of a corporation to organize a voluntary network of hospitals in Brooklyn and to amend chapter 56 of the laws of 2013, amending the education law and the public health law, relating to funding to SUNY Downstate Medical Center and directing the restructuring of hospital, in relation to Medicaid funds for delivery system reform incentive payments and Medicaid Redesign-Team initiatives; and providing for the repeal of such provisions upon expiration thereof

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

1     Section 1. The public health law is amended by adding a new section  
2     2824 to read as follows:  
3     S 2824. CORPORATION; BROOKLYN HOSPITAL NETWORK. 1. THE LEGISLATURE  
4     HEREBY FINDS AND DECLARES AS FOLLOWS:  
5     (A) THE STATE HAS A STRONG INTEREST IN THE QUALITY, ACCESSIBILITY,  
6     EFFICIENCY AND VIABILITY OF HEALTH CARE IN BROOKLYN. THE CURRENT HEALTH  
7     CARE DELIVERY SYSTEM IN BROOKLYN IS FRAGMENTED AND ILL-EQUIPPED TO  
8     PROVIDE THE 2.5 MILLION RESIDENTS OF KINGS COUNTY WITH CONSISTENT AND  
9     SUSTAINABLE ACCESS TO QUALITY CARE.  
10    (B) AT THE SAME TIME, FINANCIAL DIFFICULTIES AT THE STATE UNIVERSITY  
11    OF NEW YORK DOWNSTATE MEDICAL CENTER HAVE THREATENED THE VIABILITY OF  
12    SUNY'S ACADEMIC ENTERPRISE. SUNY DOWNSTATE MEDICAL SCHOOL EDUCATES MANY  
13    PHYSICIANS WHO GO ON TO PRACTICE IN NEW YORK CITY, AND MAINTAINING THIS  
14    ACADEMIC PRESENCE IS CRITICAL TO MEETING HEALTH CARE NEEDS IN BROOKLYN  
15    OVER THE LONG TERM.  
16    (C) TO ORGANIZE AN ECONOMICAL AND EFFECTIVE RESPONSE TO THE CHALLENGES  
17    OF MEETING THE HEALTH CARE NEEDS OF THE RESIDENTS OF KINGS COUNTY AND  
18    THE STATE OF NEW YORK, THIS SECTION WILL AUTHORIZE THE ESTABLISHMENT OF  
19    A CORPORATION THAT WILL CREATE A VOLUNTARY NETWORK OF BROOKLYN HOSPITALS

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

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FOR THE VITAL PUBLIC PURPOSES OF TRANSFORMING THE DELIVERY OF HEALTH CARE IN BROOKLYN AND SUPPORTING THE TEACHING PROGRAMS AND CORE ACADEMIC MISSION OF SUNY DOWNSTATE.

(D) THE CORPORATION ESTABLISHED PURSUANT TO THIS SECTION WILL CARRY OUT THE FUNCTIONS NECESSARY TO PROMOTE AND IMPROVE THE QUALITY OF HEALTH CARE SERVICES AND FACILITIES FOR THE BENEFIT OF THE RESIDENTS OF THE STATE OF NEW YORK AND KINGS COUNTY, INCLUDING PERSONS IN NEED OF HEALTH CARE SERVICES WITHOUT THE ABILITY TO PAY AS REQUIRED BY LAW, AND TO SUPPORT THE TEACHING PROGRAMS AND CORE ACADEMIC MISSION OF SUNY DOWNSTATE MEDICAL CENTER. THE CREATION AND OPERATION OF THE CORPORATION, AS PROVIDED IN THIS SECTION, IS IN ALL RESPECTS FOR THE BENEFIT OF THE PEOPLE OF THE STATE OF NEW YORK AND KINGS COUNTY AND CONSTITUTES A STATE, COUNTY AND PUBLIC PURPOSE, AND THE EXERCISE BY SUCH CORPORATION OF THE FUNCTIONS, POWERS AND DUTIES AS PROVIDED IN THIS SECTION CONSTITUTES THE PERFORMANCE OF AN ESSENTIAL PUBLIC AND GOVERNMENTAL FUNCTION.

(E) ESTABLISHMENT OF THIS CORPORATION IS CONSISTENT WITH THE SUNY DOWNSTATE SUSTAINABILITY PLAN DEVELOPED IN ACCORDANCE WITH PART Q OF CHAPTER FIFTY-SIX OF THE LAWS OF TWO THOUSAND THIRTEEN, WHICH REQUIRED SUNY TO "SET FORTH RECOMMENDATIONS FOR ACCOMPLISHING THE RESTRUCTURING OF DOWNSTATE HOSPITAL FOR THE PURPOSE OF ACHIEVING FISCAL VIABILITY WHILE PRESERVING ITS STATUS AS A TEACHING HOSPITAL." THE SUSTAINABILITY PLAN IDENTIFIED A NUMBER OF CHANGES TO BRING EFFICIENCIES TO DOWNSTATE HOSPITAL AND CALLED FOR THE CREATION OF A "BROOKLYN HEALTH-IMPROVEMENT COLLABORATIVE" TO SUPPORT THE ACADEMIC MISSION OF SUNY DOWNSTATE MEDICAL CENTER.

2. FOR PURPOSES OF THIS SECTION, THE FOLLOWING DEFINITIONS SHALL APPLY:

(A) "BOARD" SHALL MEAN THE BOARD OF DIRECTORS OF THE CORPORATION AS PROVIDED IN THIS SECTION.

(B) "CORPORATION" SHALL MEAN THE CORPORATION THAT WILL BE FORMED PURSUANT TO THE AUTHORITY GRANTED UNDER THIS SECTION.

(C) "PARTICIPATING HOSPITAL" SHALL MEAN ANY HOSPITAL LOCATED IN THE COUNTY OF KINGS, EXCLUDING HOSPITALS OPERATED BY THE NEW YORK CITY HEALTH AND HOSPITALS CORPORATION, THAT ELECTS TO PARTICIPATE AND ENTERS INTO AN AGREEMENT WITH THE CORPORATION; PROVIDED, HOWEVER, THAT DOWNSTATE HOSPITAL SHALL CONSTITUTE A PARTICIPATING HOSPITAL UNDER THIS SECTION ONLY WITH THE APPROVAL OF THE SUNY BOARD OF TRUSTEES, AND SUCH APPROVAL SHALL NOT BE CONSTRUED TO INCLUDE ANY OTHER SUNY HOSPITAL, SUNY DOWNSTATE MEDICAL SCHOOL, OR ANY OTHER SUNY ACADEMIC INSTITUTION.

(D) "SUNY DOWNSTATE MEDICAL CENTER" SHALL MEAN THE STATE UNIVERSITY OF NEW YORK HEALTH SCIENCE CENTER AT BROOKLYN, CONSISTING OF THE SUNY DOWNSTATE MEDICAL SCHOOLS AND DOWNSTATE HOSPITAL.

(E) "SUNY DOWNSTATE MEDICAL SCHOOLS" SHALL MEAN THE ACADEMIC INSTITUTIONS OF SUNY DOWNSTATE MEDICAL CENTER.

(F) "DOWNSTATE HOSPITAL" SHALL MEAN THE UNIVERSITY HOSPITAL OF BROOKLYN.

(G) "STUDENTS" OR "SUNY DOWNSTATE STUDENTS" SHALL MEAN STUDENTS, INTERNS, FELLOWS AND RESIDENTS OF THE SUNY DOWNSTATE MEDICAL SCHOOLS.

3. NOTWITHSTANDING ANY PROVISION OF LAW TO THE CONTRARY, THE COMMISSIONER IS HEREBY AUTHORIZED TO ESTABLISH A CORPORATION, WHICH SHALL HAVE THE AUTHORITY NECESSARY TO ORGANIZE A NETWORK OF HOSPITALS LOCATED IN BROOKLYN, INCLUDING THE UNIVERSITY HOSPITAL OF BROOKLYN ("DOWNSTATE HOSPITAL") AND ALL PRIVATE HOSPITALS THAT ELECT TO PARTICIPATE, FOR THE FOLLOWING PURPOSES:

(A) IMPROVING THE OVERALL HEALTH OF THE COVERED POPULATION SERVED;

(B) PROMOTING THE EFFICIENT DELIVERY OF HEALTH CARE SERVICES;

1 (C) NEGOTIATING CONTRACTS WITH THIRD PARTY PAYERS;

2 (D) ASSURING OPPORTUNITIES FOR TRAINING MEDICAL PROFESSIONALS;

3 (E) RECEIVING FUNDS FROM ANY SOURCE AND DISBURSING FUNDS AS APPROPRI-  
4 ATE AND AS PERMISSIBLE UNDER FEDERAL LAW FOLLOWING APPROPRIATION BY THE  
5 LEGISLATURE;

6 (F) ESTABLISHING A PROCESS TO SOLICIT PUBLIC INPUT TO HELP INFORM THE  
7 ACTIVITIES UNDER THIS SECTION; AND

8 (G) CONDUCTING SUCH OTHER ACTIVITIES THAT MAY BE NECESSARY AND APPRO-  
9 PRIATE TO SERVE THE OBJECTIVES OF THIS SECTION.

10 SUCH CORPORATION SHALL NOT BE AUTHORIZED TO ENGAGE IN THE DIRECT  
11 PROVISION OF SERVICES.

12 4. (A) SUCH CORPORATION SHALL BE ESTABLISHED PURSUANT TO THE NOT-FOR-  
13 PROFIT CORPORATION LAW AND SHALL BE ORGANIZED AND OPERATED EXCLUSIVELY  
14 FOR THE PURPOSES SET FORTH IN THIS SECTION. IT IS HEREBY DECLARED THAT  
15 IN CARRYING OUT SUCH PURPOSES AND POWERS SUCH CORPORATION WILL BE  
16 PERFORMING AN ESSENTIAL GOVERNMENTAL FUNCTION.

17 (B) (I) THE CORPORATION SHALL BE GOVERNED BY A BOARD OF THIRTEEN  
18 DIRECTORS APPOINTED BY AND WITH THE CONSENT OF THE SENATE. SUCH BOARD  
19 SHALL CONSIST OF SEVEN DIRECTORS APPOINTED BY THE GOVERNOR, TWO DIREC-  
20 TORS RECOMMENDED BY THE TEMPORARY PRESIDENT OF THE SENATE, TWO RECOM-  
21 MENDED BY THE SPEAKER OF THE ASSEMBLY, ONE RECOMMENDED BY THE MINORITY  
22 LEADER OF THE SENATE AND ONE RECOMMENDED BY THE MINORITY LEADER OF THE  
23 ASSEMBLY. ALL DIRECTORS SHALL HAVE EXPERTISE IN RELEVANT AREAS INCLUDING  
24 HEALTH CARE FINANCE, BANKRUPTCY, CORPORATE RESTRUCTURING, COMMUNITY AND  
25 ECONOMIC DEVELOPMENT, HEALTH CARE DELIVERY AND HEALTH CARE INSURANCE, OR  
26 ARE MEMBERS OF THE PUBLIC WHO RESIDE IN BROOKLYN, PROVIDED THAT NONE OF  
27 THE INDIVIDUAL MEMBERS ARE DIRECTORS, OFFICERS OR EMPLOYEES OF HOSPITALS  
28 OR IMMEDIATE FAMILY MEMBERS OF DIRECTORS, OFFICERS OR EMPLOYEES OF  
29 HOSPITALS. DIRECTORS SHALL BE APPOINTED FOR TERMS OF THREE YEARS. IN  
30 THE EVENT OF A VACANCY CAUSED BY DEATH, RESIGNATION, REMOVAL OR DISABIL-  
31 ITY OF ANY MEMBER, THE VACANCY SHALL BE FILLED BY THE GOVERNOR BY AND  
32 WITH THE ADVICE AND CONSENT OF THE SENATE FOR THE UNEXPIRED TERM. THE  
33 GOVERNOR SHALL SELECT THE CHAIR OF THE BOARD FROM AMONG THE DIRECTORS.

34 (II) THE DIRECTORS SHALL NOT RECEIVE ANY COMPENSATION FOR THEIR  
35 SERVICES BUT SHALL BE ENTITLED TO REIMBURSEMENT FOR ACTUAL AND NECESSARY  
36 EXPENSES INCURRED IN THE PERFORMANCE OF THEIR OFFICIAL DUTIES. SUCH  
37 DIRECTORS, EXCEPT AS OTHERWISE PROVIDED BY LAW, MAY ENGAGE IN PRIVATE  
38 EMPLOYMENT, OR IN A PROFESSION OR BUSINESS. NO DIRECTOR SHALL FORFEIT  
39 HIS OR HER OFFICE OR EMPLOYMENT BY REASON OF HIS OR HER ACCEPTANCE OF  
40 APPOINTMENT AS AN OFFICER, DIRECTOR OR EMPLOYEE OF THE CORPORATION, NOR  
41 SHALL SERVICE AS AN OFFICER, DIRECTOR OR EMPLOYEE BE DEEMED INCOMPATIBLE  
42 OR IN CONFLICT WITH SUCH OFFICE OR EMPLOYMENT.

43 (III) THE AFFIRMATIVE VOTE OF SEVEN DIRECTORS SHALL BE NECESSARY FOR  
44 THE TRANSACTION OF ANY BUSINESS OR THE EXERCISE OF ANY POWER OR FUNCTION  
45 OF SUCH BOARD. SUCH BOARD MAY DELEGATE TO ONE OR MORE OF ITS MEMBERS OR  
46 AGENTS SUCH POWERS AND DUTIES AS IT MAY DEEM PROPER.

47 (IV) THE DIRECTORS SHALL SELECT AND SHALL DETERMINE THE SALARY AND  
48 BENEFITS OF AN EXECUTIVE DIRECTOR OF THE CORPORATION.

49 5. (A) TO CARRY OUT THE PURPOSES SET FORTH IN SUBDIVISION THREE OF  
50 THIS SECTION THE CORPORATION SHALL HAVE THE FOLLOWING POWERS AND DUTIES,  
51 IN ADDITION TO OTHER POWERS AND DUTIES AFFORDED TO A CORPORATION BY LAW:

52 (I) TO DIRECT THE PLACEMENT OF SUNY DOWNSTATE STUDENTS AMONG PARTIC-  
53 IPATING HOSPITALS, WITH THE APPROVAL OF THE SUNY DOWNSTATE MEDICAL  
54 SCHOOLS AND IN ACCORDANCE WITH THE REQUISITE ACCREDITATION ORGANIZA-  
55 TIONS;

1 (II) TO ASSIST THE DEPARTMENT OF HEALTH IN THE DEVELOPMENT AND IMPLE-  
2 MENTATION OF A BROOKLYN PLAN FOR FEDERAL DELIVERY SYSTEM REFORM INCEN-  
3 TIVE PROGRAM ("DSRIP") FUNDS, INCLUDING THE DEVELOPMENT OF BENCHMARKS  
4 FOR EACH PARTICIPATING HOSPITAL AND WORKFORCE RETRAINING INITIATIVES;

5 (III) TO SEEK THE INPUT OF THE LEGISLATURE IN DEVELOPING THE BROOKLYN  
6 DSRIP PLAN;

7 (IV) TO POST THE BROOKLYN DSRIP PLAN ON A PUBLICLY ACCESSIBLE WEBSITE  
8 AND PROVIDE WRITTEN COPIES OF SUCH PLAN TO THE CHAIRS OF THE SENATE  
9 FINANCE, ASSEMBLY WAYS AND MEANS, AND SENATE AND ASSEMBLY HEALTH COMMIT-  
10 TEES AT LEAST THIRTY DAYS BEFORE THE DATE ON WHICH IMPLEMENTATION IS  
11 EXPECTED TO BEGIN;

12 (V) TO MONITOR EACH PARTICIPATING HOSPITAL'S PERFORMANCE AGAINST SUCH  
13 PERFORMANCE BENCHMARKS AND ENSURE THE IMPLEMENTATION OF THE PLAN AS  
14 NECESSARY BY REQUIRING PARTICIPATING HOSPITALS TO TAKE APPROPRIATE  
15 ACTION;

16 (VI) TO DISBURSE BROOKLYN DSRIP FUNDS PURSUANT TO SUCH DSRIP PLAN AND  
17 IN ACCORDANCE WITH FEDERAL LAW BUT ONLY AFTER APPROPRIATION BY THE  
18 LEGISLATURE;

19 (VII) TO PREPARE QUARTERLY REPORTS ON THE ACTIVITIES OF THE CORPO-  
20 RATION, INCLUDING THE RECEIPT AND DISBURSEMENT OF FUNDS, WHICH SHALL BE  
21 MADE AVAILABLE ON A PUBLICLY ACCESSIBLE WEBSITE;

22 (VIII) TO ESTABLISH A PROCESS TO SOLICIT PUBLIC INPUT TO HELP INFORM  
23 THE ACTIVITIES OF THE CORPORATION, INCLUDING THE DEVELOPMENT AND IMPLE-  
24 MENTATION OF THE BROOKLYN DSRIP PLAN. SUCH PROCESS FOR THE SOLICITATION  
25 OF PUBLIC INPUT SHALL CONSIST OF AT LEAST THREE PUBLIC MEETINGS, AND  
26 PUBLIC AND PRIVATE CONSULTATIONS WITH HEALTH AND HOSPITAL STAKEHOLDERS  
27 IN BROOKLYN;

28 (IX) TO DEVELOP A TRANSITION STRATEGY DESIGNED TO SUPPORT THE LONG  
29 TERM SUSTAINABILITY OF THE HEALTH CARE SYSTEM IN BROOKLYN IN ANTIC-  
30 IPATION OF THE EXPIRATION OF THIS SECTION; AND

31 (X) TO CONDUCT SUCH OTHER ACTIVITIES AS NECESSARY AND APPROPRIATE TO  
32 SERVE THE OBJECTIVES OF THIS SECTION, PROVIDED THAT NO DSRIP PLAN OR  
33 TRANSITIONAL PLAN SHALL REQUIRE, DIRECTLY OR INDIRECTLY, THE REDUCTION  
34 OF BEDS AT DOWNSTATE HOSPITAL TO AN AMOUNT THAT IS FEWER THAN TWO  
35 HUNDRED FIFTY BEDS, OR THE CLOSURE OF THE SUNY DOWNSTATE MEDICAL  
36 SCHOOLS.

37 (B) SUCH CORPORATION WILL CONVENE AN ADVISORY COMMITTEE FOR THE  
38 PURPOSE OF PROVIDING ADVICE AND GUIDANCE TO THE CORPORATION IN THE  
39 ACHIEVEMENT OF THE OBJECTIVES SET FORTH IN THIS SECTION. THE ADVISORY  
40 COMMITTEE SHALL CONSIST OF ONE REPRESENTATIVE FROM EACH PARTICIPATING  
41 HOSPITAL, AS WELL AS THIRTEEN INDIVIDUALS WHO HAVE EXPERTISE IN RELEVANT  
42 AREAS INCLUDING HEALTH CARE FINANCE, BANKRUPTCY, CORPORATE RESTRUCTUR-  
43 ING, COMMUNITY AND ECONOMIC DEVELOPMENT, HEALTH CARE DELIVERY AND HEALTH  
44 CARE INSURANCE, OR ARE MEMBERS OF THE PUBLIC WHO RESIDE IN BROOKLYN,  
45 PROVIDED THAT NONE OF THE INDIVIDUAL MEMBERS ARE DIRECTORS, OFFICERS OR  
46 EMPLOYEES OF HOSPITALS OR IMMEDIATE FAMILY MEMBERS OF DIRECTORS, OFFI-  
47 CERS OR EMPLOYEES OF HOSPITALS. SUCH INDIVIDUAL MEMBERS SHALL INCLUDE  
48 TWO MEMBERS RECOMMENDED BY THE TEMPORARY PRESIDENT OF THE SENATE, TWO  
49 RECOMMENDED BY THE SPEAKER OF THE ASSEMBLY, ONE RECOMMENDED BY THE  
50 MINORITY LEADER OF THE SENATE AND ONE RECOMMENDED BY THE MINORITY LEADER  
51 OF THE ASSEMBLY.

52 6. (A) NOTWITHSTANDING ANY OTHER PROVISION OF LAW TO THE CONTRARY, THE  
53 COMMISSIONER SHALL ISSUE TO PARTICIPATING HOSPITALS OPERATING CERTIF-  
54 ICATES THAT SHALL LIST THE CORPORATION AS A CO-OPERATOR OF EACH OF THE  
55 HEALTH FACILITIES OF SUCH HOSPITALS. SUCH CORPORATION SHALL BE AUTHOR-  
56 IZED TO ENTER INTO AGREEMENTS WITH PARTICIPATING HOSPITALS UNDER WHICH

1 THE CORPORATION, ACTING AS A CO-OPERATOR OF EACH SUCH PARTICIPATING  
2 HOSPITAL, SHALL HAVE SUCH POWERS AS ARE CONSISTENT WITH THE PUBLIC  
3 PURPOSE AS SET FORTH IN THIS SECTION, AND SHALL BE DEEMED TO BE ACTING  
4 AS A PUBLIC HOSPITAL.

5 (B) WHENEVER THE CORPORATION OR A PARTICIPATING HOSPITAL DETERMINES  
6 THAT INCLUSION OF A HOSPITAL AS A PARTICIPANT IN THE CORPORATION'S  
7 NETWORK DOES NOT SERVE, OR IS NO LONGER NECESSARY TO SERVE, THE PURPOSES  
8 OF THIS SECTION, AS SET FORTH IN THE AGREEMENT BETWEEN THE CORPORATION  
9 AND SUCH HOSPITAL, THE CORPORATION, ON ONE HUNDRED EIGHTY DAYS WRITTEN  
10 NOTICE, SHALL ISSUE TO THAT HOSPITAL AN OPERATING CERTIFICATE THAT NO  
11 LONGER LISTS THE CORPORATION AS A CO-OPERATOR OF THE HOSPITAL.

12 7. (A) NOTHING IN THIS SECTION SHALL BE DEEMED TO SUBJECT THE STATE OR  
13 ANY OF ITS AGENCIES, THE CORPORATION, OR ANY OFFICER, MEMBER OR EMPLOYEE  
14 THEREOF TO LIABILITY FOR ANY ACT OR OMISSION BY ANY PARTICIPATING HOSPI-  
15 TAL. HOWEVER, THIS PARAGRAPH SHALL NOT ABSOLVE ANY PERSON OR ENTITY FOR  
16 LIABILITY FOR ITS OWN ACT OR OMISSION.

17 (B) NOTHING IN THIS SECTION SHALL BE DEEMED TO IMPOSE ANY LIABILITIES,  
18 OBLIGATIONS, OR RESPONSIBILITIES OF ANY PARTICIPATING HOSPITAL UPON THE  
19 STATE OR ANY OF ITS AGENCIES, THE CORPORATION, OR ANY OFFICER, MEMBER OR  
20 EMPLOYEE THEREOF EXCEPT AS PROVIDED IN THIS SECTION.

21 8. IN ORDER TO PROMOTE IMPROVED QUALITY OF, AND ACCESS TO, HEALTH CARE  
22 SERVICES AND PROMOTE IMPROVED CLINICAL OUTCOMES IN BROOKLYN, IT IS THE  
23 POLICY OF THE STATE TO ENCOURAGE COOPERATIVE, COLLABORATIVE AND INTEGRA-  
24 TIVE ARRANGEMENTS AMONG PAYORS OF HEALTH CARE SERVICES AND HEALTH CARE  
25 SERVICES PROVIDERS WHO MIGHT OTHERWISE BE COMPETITORS, UNDER THE ACTIVE  
26 SUPERVISION OF THE CORPORATION AND THE COMMISSIONER. IT IS THE INTENT  
27 OF THE STATE TO SUPPLANT COMPETITION WITH SUCH ARRANGEMENTS AND REGU-  
28 LATION ONLY TO THE EXTENT NECESSARY TO ACCOMPLISH THE PURPOSES OF THIS  
29 SECTION AND TO PROVIDE STATE ACTION IMMUNITY UNDER THE STATE AND FEDERAL  
30 ANTITRUST LAWS TO THE PARTICIPATING HOSPITALS.

31 S 2. Subdivision 20 of section 2807 of the public health law, as added  
32 by section 9 of part Q of chapter 56 of the laws of 2013, is amended to  
33 read as follows:

34 20. Notwithstanding any contrary provision of law and subject to the  
35 receipt of all necessary federal approvals and the availability of  
36 federal financial participation, the commissioner is authorized to enter  
37 into agreements with THE CORPORATION ESTABLISHED PURSUANT TO SECTION  
38 TWENTY-EIGHT HUNDRED TWENTY-FOUR OF THIS ARTICLE, SUNY downstate medical  
39 center, other public general hospitals, and/or with the sponsoring local  
40 governments of such other public general hospitals, under which such  
41 CORPORATION, facilities and/or such local government shall, by intergov-  
42 ernmental transfer, fund the non-federal share of Medicaid funds made  
43 available for Delivery System Reform Incentive [Payments ("DSRIPS")]  
44 PROGRAM ("DSRIP") PAYMENTS to such facilities. Such non-federal share  
45 payments shall be deemed voluntary and, further, such payments shall be  
46 excluded from computations made pursuant to section one of part C of  
47 chapter fifty-eight of the laws of two thousand five, as amended. In  
48 addition, the CORPORATION, facilities, and/or the sponsoring local  
49 governments of such facilities or the state may, by written notification  
50 to the other parties to the agreement, cancel such agreement at any time  
51 prior to the payment of the DSRIP funds.

52 S 3. Subdivision 21 of section 2807 of the public health law, as added  
53 by section 10 of part Q of chapter 56 of the laws of 2013, is amended to  
54 read as follows:

55 21. Notwithstanding any contrary provision of law and subject to the  
56 receipt of all necessary federal approvals and the availability of

1 federal financial participation, the commissioner is authorized to enter  
2 into agreements with THE CORPORATION ESTABLISHED PURSUANT TO SECTION  
3 TWENTY-EIGHT HUNDRED TWENTY-FOUR OF THIS ARTICLE, SUNY downstate medical  
4 center, other public general hospitals, and/or with the sponsoring local  
5 governments of such other public general hospitals, under which such  
6 CORPORATION, facilities and/or such local government shall, by intergov-  
7 ernmental transfer, fund the non-federal share of Medicaid funds made  
8 available for implementation of Medicaid Redesign Team initiatives,  
9 WHICH MAY ONLY BE DISBURSED SUBJECT TO APPROPRIATION BY THE LEGISLATURE.  
10 Such non-federal share payments shall be deemed voluntary and, further,  
11 such payments shall be excluded from computations made pursuant to  
12 section one of part C of chapter fifty-eight of the laws of two thousand  
13 five, as amended. In addition, the CORPORATION, facilities, and/or the  
14 sponsoring local governments of such facilities or the state may, by  
15 written notification to the other parties to the agreement, cancel such  
16 agreement at any time prior to the payment of the Medicaid Redesign Team  
17 initiatives funds.

18 S 4. The opening paragraph of section 6 of part Q of chapter 56 of the  
19 laws of 2013, amending the education law and the public health law,  
20 relating to funding to SUNY Downstate Medical Center and directing the  
21 restructuring of hospital, is amended to read as follows:

22 Notwithstanding any inconsistent provision of sections 112 and 163 of  
23 the state finance law, section 355 of the education law, or section 142  
24 of the economic development law, or any other law, [in academic fiscal  
25 year 2013-14] the chancellor, for the purpose of implementing a sustain-  
26 ability plan for Downstate Hospital is hereby authorized to enter into a  
27 contract or contracts under this section without a competitive bid or  
28 request for proposal process and provided further that such contract or  
29 contracts shall not be subject to the requirements set forth in subdivi-  
30 sions 2 and 3 of section 112 of the state finance law, provided, howev-  
31 er, that:

32 S 5. This act shall take effect immediately and shall expire and be  
33 deemed repealed six years from the date on which this act shall have  
34 become a law.