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I N S E N A T E

June 10, 2014

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 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 PURSUANT TO PARA-
14 GRAPH (G) OF SUBDIVISION SIX OF THIS SECTION SHALL BE DISTRIBUTED TO A
15 REGIONAL HEALTH PLANNING ORGANIZATION FOR USE IN FUNDING REGIONAL HEALTH
16 CARE IMPROVEMENT PROJECTS. THE REGIONAL HEALTH PLANNING ORGANIZATION
17 SHALL DISBURSE THOSE FUNDS IN ACCORDANCE WITH THIS PARAGRAPH, OR PURSU-
18 ANT TO GRANTS MADE BY THE ORGANIZATION IN ACCORDANCE WITH THIS PARA-
19 GRAPH. DISTRIBUTION OF ANY GRANT FUNDS ADMINISTERED BY THE REGIONAL
20 HEALTH PLANNING ORGANIZATION SHALL BE PURSUANT TO A MULTI-STAKEHOLDER
21 PROCESS. THE REGIONAL HEALTH CARE IMPROVEMENT GRANT FUND PROJECTS SHALL
22 INCLUDE THREE MILLION DOLLARS PER YEAR FOR A SHARED COMMUNITY HEALTH
23 INFRASTRUCTURE DESIGNED ON THE BASIS OF COLLABORATIVE COMMUNITY EFFORTS,
24 INCLUDING COMMUNITY-WIDE PATIENT SAFETY AND QUALITY IMPROVEMENT
25 PROGRAMS, ELIMINATION OF HEALTH DISPARITIES, HEALTH INFORMATION TECHNOL-
26 OGY, AND TWO MILLION DOLLARS TO FUND THE REGIONAL HEALTH PLANNING ORGAN-
27 IZATION. THE HEALTH PLANNING ORGANIZATION SHALL USE REASONABLE EFFORTS

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

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1 TO GENERATE MATCHING FUND CONTRIBUTIONS IN THE FORM OF GRANTS, DONATIONS
2 AND OTHER CONTRIBUTIONS.

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

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