S T A T E O F N E W Y O R K

5902

2013-2014 Regular Sessions

I N S E N A T E

June 20, 2013

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:

Section 1. The public health law is amended by adding a new section 2824 to read as follows:

S 2824. CORPORATION; BROOKLYN HOSPITAL NETWORK. 1. THE LEGISLATURE HEREBY FINDS AND DECLARES AS FOLLOWS:

(A) THE STATE HAS A STRONG INTEREST IN THE QUALITY, ACCESSIBILITY, EFFICIENCY AND VIABILITY OF HEALTH CARE IN BROOKLYN. THE CURRENT HEALTH CARE DELIVERY SYSTEM IN BROOKLYN IS FRAGMENTED AND ILL-EQUIPPED TO PROVIDE THE 2.5 MILLION RESIDENTS OF KINGS COUNTY WITH CONSISTENT AND SUSTAINABLE ACCESS TO QUALITY CARE.

(B) AT THE SAME TIME, FINANCIAL DIFFICULTIES AT THE STATE UNIVERSITY OF NEW YORK DOWNSTATE MEDICAL CENTER HAVE THREATENED THE VIABILITY OF SUNY'S ACADEMIC ENTERPRISE. SUNY DOWNSTATE MEDICAL SCHOOL EDUCATES MANY PHYSICIANS WHO GO ON TO PRACTICE IN NEW YORK CITY, AND MAINTAINING THIS ACADEMIC PRESENCE IS CRITICAL TO MEETING HEALTH CARE NEEDS IN BROOKLYN OVER THE LONG TERM.

(C) TO ORGANIZE AN ECONOMICAL AND EFFECTIVE RESPONSE TO THE CHALLENGES OF MEETING THE HEALTH CARE NEEDS OF THE RESIDENTS OF KINGS COUNTY AND THE STATE OF NEW YORK, THIS SECTION WILL AUTHORIZE THE ESTABLISHMENT OF 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;

(C) NEGOTIATING CONTRACTS WITH THIRD PARTY PAYERS;
(D) ASSURING OPPORTUNITIES FOR TRAINING MEDICAL PROFESSIONALS;
(E) RECEIVING FUNDS FROM ANY SOURCE AND DISBURSING FUNDS AS APPROPRIATE AND AS PERMISSIBLE UNDER FEDERAL LAW FOLLOWING APPROPRIATION BY THE LEGISLATURE;
(F) ESTABLISHING A PROCESS TO SOLICIT PUBLIC INPUT TO HELP INFORM THE ACTIVITIES UNDER THIS SECTION; AND
(G) CONDUCTING SUCH OTHER ACTIVITIES THAT MAY BE NECESSARY AND APPROPRIATE TO SERVE THE OBJECTIVES OF THIS SECTION.
SUCH CORPORATION SHALL NOT BE AUTHORIZED TO ENGAGE IN THE DIRECT PROVISION OF SERVICES.
4. (A) SUCH CORPORATION SHALL BE ESTABLISHED PURSUANT TO THE NOT-FOR-PROFIT CORPORATION LAW AND SHALL BE ORGANIZED AND OPERATED EXCLUSIVELY FOR THE PURPOSES SET FORTH IN THIS SECTION. IT IS HEREBY DECLARED THAT IN CARRYING OUT SUCH PURPOSES AND POWERS SUCH CORPORATION WILL BE PERFORMING AN ESSENTIAL GOVERNMENTAL FUNCTION.
(B) (I) THE CORPORATION SHALL BE GOVERNED BY A BOARD OF THIRTEEN DIRECTORS APPOINTED BY AND WITH THE CONSENT OF THE SENATE. SUCH BOARD SHALL CONSIST OF SEVEN DIRECTORS APPOINTED BY THE GOVERNOR, TWO DIRECTORS RECOMMENDED BY THE TEMPORARY PRESIDENT OF THE SENATE, TWO RECOMMENDED BY THE SPEAKER OF THE ASSEMBLY, ONE RECOMMENDED BY THE MINORITY LEADER OF THE SENATE AND ONE RECOMMENDED BY THE MINORITY LEADER OF THE ASSEMBLY. ALL DIRECTORS SHALL HAVE EXPERTISE IN RELEVANT AREAS INCLUDING HEALTH CARE FINANCE, BANKRUPTCY, CORPORATE RESTRUCTURING, COMMUNITY AND ECONOMIC DEVELOPMENT, HEALTH CARE DELIVERY AND HEALTH CARE INSURANCE, OR ARE MEMBERS OF THE PUBLIC WHO RESIDE IN BROOKLYN, PROVIDED THAT NONE OF THE INDIVIDUAL MEMBERS ARE DIRECTORS, OFFICERS OR EMPLOYEES OF HOSPITALS OR IMMEDIATE FAMILY MEMBERS OF DIRECTORS, OFFICERS OR EMPLOYEES OF HOSPITALS. DIRECTORS SHALL BE APPOINTED FOR TERMS OF THREE YEARS. IN THE EVENT OF A VACANCY CAUSED BY DEATH, RESIGNATION, REMOVAL OR DISABILITY OF ANY MEMBER, THE VACANCY SHALL BE FILLED BY THE GOVERNOR BY AND WITH THE ADVICE AND CONSENT OF THE SENATE FOR THE UNEXPIRED TERM. THE GOVERNOR SHALL SELECT THE CHAIR OF THE BOARD FROM AMONG THE DIRECTORS.
(II) THE DIRECTORS SHALL NOT RECEIVE ANY COMPENSATION FOR THEIR SERVICES BUT SHALL BE ENTITLED TO REIMBURSEMENT FOR ACTUAL AND NECESSARY EXPENSES INCURRED IN THE PERFORMANCE OF THEIR OFFICIAL DUTIES. SUCH DIRECTORS, EXCEPT AS OTHERWISE PROVIDED BY LAW, MAY ENGAGE IN PRIVATE EMPLOYMENT, OR IN A PROFESSION OR BUSINESS. NO DIRECTOR SHALL FORFEIT HIS OR HER OFFICE OR EMPLOYMENT BY REASON OF HIS OR HER ACCEPTANCE OF APPOINTMENT AS AN OFFICER, DIRECTOR OR EMPLOYEE OF THE CORPORATION, NOR SHALL SERVICE AS AN OFFICER, DIRECTOR OR EMPLOYEE BE DEEMED INCOMPATIBLE OR IN CONFLICT WITH SUCH OFFICE OR EMPLOYMENT.
(III) THE AFFIRMATIVE VOTE OF SEVEN DIRECTORS SHALL BE NECESSARY FOR THE TRANSACTION OF ANY BUSINESS OR THE EXERCISE OF ANY POWER OR FUNCTION OF SUCH BOARD. SUCH BOARD MAY DELEGATE TO ONE OR MORE OF ITS MEMBERS OR AGENTS SUCH POWERS AND DUTIES AS IT MAY DEEM PROPER.
(IV) THE DIRECTORS SHALL SELECT AND SHALL DETERMINE THE SALARY AND BENEFITS OF AN EXECUTIVE DIRECTOR OF THE CORPORATION.
5. (A) TO CARRY OUT THE PURPOSES SET FORTH IN SUBDIVISION THREE OF THIS SECTION THE CORPORATION SHALL HAVE THE FOLLOWING POWERS AND DUTIES, IN ADDITION TO OTHER POWERS AND DUTIES AFFORDED TO A CORPORATION BY LAW:
(I) TO DIRECT THE PLACEMENT OF SUNY DOWNSTATE STUDENTS AMONG PARTICIPATING HOSPITALS, WITH THE APPROVAL OF THE SUNY DOWNSTATE MEDICAL SCHOOLS AND IN ACCORDANCE WITH THE REQUISITE ACCREDITATION ORGANIZATIONS;

(II) TO ASSIST THE DEPARTMENT OF HEALTH IN THE DEVELOPMENT AND IMPLEMENTATION OF A BROOKLYN PLAN FOR FEDERAL DELIVERY SYSTEM REFORM INCENTIVE PROGRAM ("DSRIP") FUNDS, INCLUDING THE DEVELOPMENT OF BENCHMARKS FOR EACH PARTICIPATING HOSPITAL AND WORKFORCE RETRAINING INITIATIVES;

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

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

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

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

(VII) TO PREPARE QUARTERLY REPORTS ON THE ACTIVITIES OF THE CORPORATION, INCLUDING THE RECEIPT AND DISBURSEMENT OF FUNDS, WHICH SHALL BE MADE AVAILABLE ON A PUBLICLY ACCESSIBLE WEBSITE;

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

(IX) TO DEVELOP A TRANSITION STRATEGY DESIGNED TO SUPPORT THE LONG TERM SUSTAINABILITY OF THE HEALTH CARE SYSTEM IN BROOKLYN IN ANTICIPATION OF THE EXPIRATION OF THIS SECTION; AND

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

(B) SUCH CORPORATION WILL CONVENE AN ADVISORY COMMITTEE FOR THE PURPOSE OF PROVIDING ADVICE AND GUIDANCE TO THE CORPORATION IN THE ACHIEVEMENT OF THE OBJECTIVES SET FORTH IN THIS SECTION. THE ADVISORY COMMITTEE SHALL CONSIST OF ONE REPRESENTATIVE FROM EACH PARTICIPATING HOSPITAL, AS WELL AS THIRTEEN INDIVIDUALS WHO HAVE EXPERTISE IN RELEVANT AREAS INCLUDING HEALTH CARE FINANCE, BANKRUPTCY, CORPORATE RESTRUCTURING, COMMUNITY AND ECONOMIC DEVELOPMENT, HEALTH CARE DELIVERY AND HEALTH CARE INSURANCE, OR ARE MEMBERS OF THE PUBLIC WHO RESIDE IN BROOKLYN, PROVIDED THAT NONE OF THE INDIVIDUAL MEMBERS ARE DIRECTORS, OFFICERS OR EMPLOYEES OF HOSPITALS OR IMMEDIATE FAMILY MEMBERS OF DIRECTORS, OFFICERS OR EMPLOYEES OF HOSPITALS. SUCH INDIVIDUAL MEMBERS SHALL INCLUDE TWO MEMBERS RECOMMENDED BY THE TEMPORARY PRESIDENT OF THE SENATE, TWO RECOMMENDED BY THE SPEAKER OF THE ASSEMBLY, ONE RECOMMENDED BY THE MINORITY LEADER OF THE SENATE AND ONE RECOMMENDED BY THE MINORITY LEADER OF THE ASSEMBLY.

6. (A) NOTWITHSTANDING ANY OTHER PROVISION OF LAW TO THE CONTRARY, THE COMMISSIONER SHALL ISSUE TO PARTICIPATING HOSPITALS OPERATING CERTIFICATES THAT SHALL LIST THE CORPORATION AS A CO-OPERATOR OF EACH OF THE HEALTH FACILITIES OF SUCH HOSPITALS. SUCH CORPORATION SHALL BE AUTHORIZED TO ENTER INTO AGREEMENTS WITH PARTICIPATING HOSPITALS UNDER WHICH

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

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

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

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

8. IN ORDER TO PROMOTE IMPROVED QUALITY OF, AND ACCESS TO, HEALTH CARE SERVICES AND PROMOTE IMPROVED CLINICAL OUTCOMES IN BROOKLYN, IT IS THE POLICY OF THE STATE TO ENCOURAGE COOPERATIVE, COLLABORATIVE AND INTEGRATIVE ARRANGEMENTS AMONG PAYORS OF HEALTH CARE SERVICES AND HEALTH CARE SERVICES PROVIDERS WHO MIGHT OTHERWISE BE COMPETITORS, UNDER THE ACTIVE SUPERVISION OF THE CORPORATION AND THE COMMISSIONER. IT IS THE INTENT OF THE STATE TO SUPPLANT COMPETITION WITH SUCH ARRANGEMENTS AND REGULATION ONLY TO THE EXTENT NECESSARY TO ACCOMPLISH THE PURPOSES OF THIS SECTION AND TO PROVIDE STATE ACTION IMMUNITY UNDER THE STATE AND FEDERAL ANTITRUST LAWS TO THE PARTICIPATING HOSPITALS.

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

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

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

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

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

S 4. The opening paragraph of section 6 of part Q of 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, is amended to read as follows:

Notwithstanding any inconsistent provision of sections 112 and 163 of the state finance law, section 355 of the education law, or section 142 of the economic development law, or any other law, [in academic fiscal year 2013-14] the chancellor, for the purpose of implementing a sustainability plan for Downstate Hospital is hereby authorized to enter into a contract or contracts under this section without a competitive bid or request for proposal process and provided further that such contract or contracts shall not be subject to the requirements set forth in subdivisions 2 and 3 of section 112 of the state finance law, provided, however, that:

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