

4974--A

2015-2016 Regular Sessions

I N   S E N A T E

April 27, 2015

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Introduced by Sen. ORTT -- read twice and ordered printed, and when printed to be committed to the Committee on Health -- reported favorably from said committee and committed to the Committee on Finance -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend part H of chapter 59 of the laws of 2011, amending the public health law and other laws, relating to general hospital inpatient reimbursement for annual rates, in relation to supplemental Medicaid managed care payments

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

1     Section 1. Section 26 of part H of chapter 59 of the laws of 2011,  
2     amending the public health law and other laws, relating to targeted  
3     Medicaid reimbursement rate reductions, is amended to read as follows:  
4     S 26. Notwithstanding any provision of law to the contrary and subject  
5     to the availability of federal financial participation, for periods on  
6     and after April 1, 2011, clinics certified pursuant to [articles 16,]  
7     ARTICLE 31 or 32 of the mental hygiene law shall be subject to targeted  
8     Medicaid reimbursement rate reductions in accordance with the provisions  
9     of this section. Such reductions shall be based on utilization thresh-  
10    olds which may be established either as provider-specific or patient-  
11    specific thresholds. Provider-specific thresholds shall be based on  
12    average patient utilization for a given provider in comparison to a peer  
13    based standard to be determined for each service. The commissioners of  
14    the office of mental health[, the office for persons with developmental  
15    disabilities,] and the office of alcoholism and substance abuse  
16    services, in consultation with the commissioner of health, are author-  
17    ized to waive utilization thresholds for patients of clinics certified  
18    pursuant to article [16,] 31[, ] or 32 of the mental hygiene law who are  
19    enrolled in specific treatment programs or otherwise meet criteria as  
20    may be specified by such commissioners. When applying a provider-spe-

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

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1 cific threshold, rates will be reduced on a prospective basis based on  
2 the amount any provider is over the determined threshold level.  
3 Patient-specific thresholds will be based on annual thresholds deter-  
4 mined for each service over which the per visit payment for each visit  
5 in excess of the standard during a twelve month period shall be reduced  
6 by a pre-determined amount. The thresholds, peer based standards and the  
7 payment reductions shall be determined by the department of health, with  
8 the approval of the division of the budget, and in consultation with the  
9 office of mental health[, the office for people with developmental disa-  
10 bilities] and the office of alcoholism and substance abuse services, and  
11 any such resulting rates shall be subject to certification by the appro-  
12 priate commissioners pursuant to subdivision (a) of section 43.02 of the  
13 mental hygiene law. The base period used to establish the thresholds  
14 shall be the 2009 calendar year. The total annualized reduction in  
15 payments shall be not more than \$10,900,000 for Article 31 clinics[, not  
16 more than \$2,400,000 for Article 16 clinics,] and not more than  
17 \$13,250,000 for Article 32 clinics. The commissioner of health may  
18 promulgate regulations to implement the provisions of this section.  
19 S 2. This act shall take effect immediately.