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

7668--A

I N S E N A T E

May 12, 2016

Introduced by Sens. ORTT, YOUNG -- read twice and ordered printed, and when printed to be committed to the Committee on Health -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT directing the office for people with developmental disabilities to study and develop suitable measures to prevent financial hardship and/or failure of providers serving individuals with developmental disabilities funded by Medicaid to support the uninterrupted continuation of necessary services

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

Section 1. The commissioner of the office for people with developmental disabilities in conjunction with the commissioner of health, shall jointly prepare a report which shall include the following:

a. Recommendations for holding harmless from further rate reductions those efficient providers within a region that operate beneath the regional average rate. Severity of disability shall be taken into consideration for purposes of comparing efficient providers.

b. A methodology for adjusting rates so that total prospective reimbursement received by a provider for a program must equal the total costs of that program which shall include all necessary cost components for operating the program. The report shall examine the extent to which units used in rate calculations are reflective of the actual units delivered to ensure that providers are not penalized for lost revenue due to unforeseeable program closures, absenteeism and policies designed to curtail program enrollment.

c. Recommendations for a prospective rate appeal process designed to increase rates as necessary during a non-rebasing year to cover costs. Any recommended appeal process shall ensure that providers who prevail on such appeal receive additional reimbursement as of the date the appeal was submitted.

d. Recommendations to enhance program stability and the quality of care including but not limited to lengthening the period between base year updates and alternating base years by program.

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

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e. Identification of those elements of the plan that must be approved by the Centers for Medicare and Medicaid Services and a plan for achieving such approval.

S 2. The commissioner of the office for people with developmental disabilities shall submit a report detailing the issues set forth in this act and recommendations to the temporary president of the senate, the speaker of the assembly, the chairs of the senate committee on mental health and developmental disabilities and the assembly committee on mental health no later than February 1, 2017.

S 3. This act shall take effect immediately.