

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

7327--A

2015-2016 Regular Sessions

I N A S S E M B L Y

May 6, 2015

Introduced by M. of A. GUNTHER -- read once and referred to the Committee on Health -- reported and referred to the Committee on Ways and Means -- 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-
21 cific threshold, rates will be reduced on a prospective basis based on

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

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