

9007--B

I N   A S S E M B L Y

January 14, 2016

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A BUDGET BILL, submitted by the Governor pursuant to article seven of the Constitution -- read once and referred to the Committee on Ways and Means -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- again reported from said committee with amendments, ordered reprinted as amended and recommitted to said committee

AN ACT intentionally omitted (Part A); to amend the social services law, in relation to provisions relating to transportation in the managed long term care program; to amend the public health law, in relation to restricting the managed long term care benefit to those who are nursing home eligible; to amend the social services law, in relation to authorizing the commissioner of health to apply federally established consumer price index penalties for generic drugs, to facilitate supplemental rebates for fee-for-service pharmaceuticals, to apply prior authorization requirements for opioid drugs, to impose penalties on managed care plans for reporting late or incorrect encounter data, and to authorize funding for the criminal justice pilot program within health home rates; to amend the public health law, in relation to participation in managed long term care plans by medical assistance recipients in the traumatic brain injury waiver program and the nursing home transition and diversion waiver program; to amend the social services law, in relation to fiscal intermediaries in the consumer directed personal assistance program; to amend the public health law, in relation to payment rate; to amend the social services law, in relation to medical assistance for certain inmates at local or state correctional facilities; to amend the social services law, in relation to school-based health centers in the managed care program; to amend the social services law, in relation to services provided by behavioral health and reproductive health care services; to amend the public health law, in relation to ambulatory care training; to amend the public health law, in relation to public general hospital indigent care adjustment; to amend the social services law and the public health law, in relation to extending the preferred drug program to medicaid managed care providers and offering the program to other health plans; and to repeal certain provisions of the social services law relating thereto; and to authorize the increase of certain payments made to certain managed care providers (Part B); to amend

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

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chapter 266 of the laws of 1986, amending the civil practice law and rules and other laws relating to malpractice and professional medical conduct, in relation to apportioning premium for certain policies; and to amend part J of chapter 63 of the laws of 2001 amending chapter 266 of the laws of 1986, amending the civil practice law and rules and other laws relating to malpractice and professional medical conduct, in relation to extending certain provisions concerning the hospital excess liability pool (Part C); to amend chapter 474 of the laws of 1996, amending the education law and other laws relating to rates for residential healthcare facilities, in relation to extending the authority of the department of health to make disproportionate share payments to public hospitals outside of New York City; to amend chapter 649 of the laws of 1996, amending the public health law, the mental hygiene law and the social services law relating to authorizing the establishment of special needs plans, in relation to the effectiveness thereof; to amend chapter 56 of the laws of 2013, amending the public health law and other laws relating to general hospital reimbursement for annual rates, relating to the effectiveness thereof; to amend chapter 58 of the laws of 2009, amending the public health law relating to payment by governmental agencies for general hospital inpatient services, relating to the effectiveness thereof; and to amend chapter 56 of the laws of 2013, amending the public health law relating to the general public health work program, relating to the effectiveness thereof (Part D); intentionally omitted (Part E); to amend the public health law, in relation to establishing the statewide health care facility transformation program (Part F); to amend the public health law, in relation to retail clinics (Part G); to amend part D of chapter 111 of the laws of 2010 relating to the recovery of exempt income by the office of mental health for community residences and family-based treatment programs, in relation to the effectiveness thereof (Part H); to amend chapter 723 of the laws of 1989 amending the mental hygiene law and other laws relating to comprehensive psychiatric emergency programs, in relation to the effectiveness of certain provisions thereof (Part I); to amend the education law, in relation to permissible assistance in the creation, development and implementation of service plans relating to the practice of psychology, mental health and social work, to amend chapter 420 of the laws of 2002, amending the education law relating to the profession of social work, in relation to extending certain provisions thereof, to amend chapter 676 of the laws of 2002, amending the education law and other laws relating to defining the practice of psychology, in relation to extending certain provisions thereof, and to amend chapter 130 of the laws of 2010 amending the education law and other laws relating to registration of entities providing certain professional services and licensure of certain professions, in relation to extending certain provisions thereof (Part J); intentionally omitted (Part K); to amend the mental hygiene law, in relation to the appointment of temporary operators for the continued operation of programs and the provision of services for persons with serious mental illness and/or developmental disabilities (Part L); to amend the mental hygiene law, in relation to sharing clinical records with managed care organizations (Part M); to amend the facilities development corporation act, in relation to the definition of mental hygiene facility (Part N); to amend chapter 495 of the laws of 2004 amending the insurance law and the public health law relating to the New York state health insurance continuation assistance demonstration project, in relation to the

effectiveness thereof (Part O); to amend the mental hygiene law, in relation to the reporting of comprehensive plans of services for persons with mental disabilities; relating to the office for people with developmental disabilities omnibus reporting and providing for the repeal of certain provisions relating thereto upon expiration thereof (Part P); to amend the social services law, in relation to the use of EQUAL program funds for adult care facilities; to amend the public health law, in relation to changes in the application process for physician loan repayment and physician practice support; and to amend the public health law, in relation to registering registered organizations that manufacture medical marihuana (Part Q); to amend the mental hygiene law, in relation to the preparation of educational materials relating to substance abuse among students; and to amend the education law, in relation to the designation of employees to provide information regarding substance abuse and referrals to students, parents and staff (Subpart A); to amend the mental hygiene law, in relation to the distribution of educational materials regarding the misuse of and addiction to prescription drugs (Subpart B); to amend the mental hygiene law, in relation to requiring the office of alcoholism and substance abuse services to develop training materials for health care providers and qualified health professionals to encourage implementation of the screening, brief intervention, and referral to treatment program (Subpart C); to amend the public health law, in relation to establishing guidelines for hospital substance use disorder policies and procedures; and to amend the mental hygiene law, in relation to the preparation of educational materials to be provided to health care providers to be disseminated to individuals with confirmed or suspected substance abuse disorders (Subpart D); to amend the penal law, in relation to criminal possession of a controlled substance in the seventh degree; to amend the general business law, in relation to drug-related paraphernalia; to amend the public health law, in relation to the sale and possession of hypodermic syringes and needles; and to repeal section 220.45 of the penal law relating to criminally possessing a hypodermic instrument (Subpart E); to amend the mental hygiene law, in relation to the heroin and opioid addiction wraparound services program and to amend chapter 32 of the laws of 2014, amending the mental hygiene law relating to the heroin and opioid addiction wraparound services program, in relation to the effectiveness thereof (Subpart F); to amend the mental hygiene law, in relation to establishing the sober living task force; and providing for the repeal of such provisions upon expiration thereof (Subpart G); to amend the criminal procedure law, in relation to a judicial diversion program for certain felony offenders (Subpart H); to amend the executive law, in relation to law enforcement assisted diversion (Subpart I); to amend the criminal procedure law, the civil practice law and rules and the executive law, in relation to the possession of opioid antagonists (Subpart J); and to amend the public health law, in relation to adding cannabimimetic agents to the schedule of controlled substances (Subpart K)(Part R); and to amend the elder law, in relation to the supportive service program for classic and neighborhood naturally occurring retirement communities (Part S)

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

1 Section 1. This act enacts into law major components of legislation  
2 which are necessary to implement the state fiscal plan for the 2016-2017  
3 state fiscal year. Each component is wholly contained within a Part  
4 identified as Parts A through S. The effective date for each particular  
5 provision contained within such Part is set forth in the last section of  
6 such Part. Any provision in any section contained within a Part, includ-  
7 ing the effective date of the Part, which makes a reference to a section  
8 "of this act", when used in connection with that particular component,  
9 shall be deemed to mean and refer to the corresponding section of the  
10 Part in which it is found. Section three of this act sets forth the  
11 general effective date of this act.

12 PART A

13 Intentionally Omitted

14 PART B

15 Section 1. Subdivision 4 of section 365-h of the social services law,  
16 as separately amended by section 50 of part B and section 24 of part D  
17 of chapter 57 of the laws of 2015, is amended to read as follows:

18 4. The commissioner of health is authorized to assume responsibility  
19 from a local social services official for the provision and reimburse-  
20 ment of transportation costs under this section. If the commissioner  
21 elects to assume such responsibility, the commissioner shall notify the  
22 local social services official in writing as to the election, the date  
23 upon which the election shall be effective and such information as to  
24 transition of responsibilities as the commissioner deems prudent. The  
25 commissioner is authorized to contract with a transportation manager or  
26 managers to manage transportation services in any local social services  
27 district, other than transportation services provided or arranged for:  
28 enrollees of managed long term care plans issued certificates of author-  
29 ity under section forty-four hundred three-f of the public health law;  
30 NURSING HOMES AS DEFINED BY SECTION TWENTY-EIGHT HUNDRED ONE OF THE  
31 PUBLIC HEALTH LAW; AND ADULT DAY HEALTH CARE PROGRAMS LOCATED AT A  
32 LICENSED RESIDENTIAL HEALTH CARE FACILITY AS DEFINED BY SECTION TWENTY-  
33 EIGHT HUNDRED ONE OF THE PUBLIC HEALTH LAW OR AN APPROVED EXTENSION SITE  
34 THEREOF. Any transportation manager or managers selected by the commis-  
35 sioner to manage transportation services shall have proven experience in  
36 coordinating transportation services in a geographic and demographic  
37 area similar to the area in New York state within which the contractor  
38 would manage the provision of services under this section. Such a  
39 contract or contracts may include responsibility for: review, approval  
40 and processing of transportation orders; management of the appropriate  
41 level of transportation based on documented patient medical need; and  
42 development of new technologies leading to efficient transportation  
43 services. If the commissioner elects to assume such responsibility from  
44 a local social services district, the commissioner shall examine and, if  
45 appropriate, adopt quality assurance measures that may include, but are  
46 not limited to, global positioning tracking system reporting require-  
47 ments and service verification mechanisms. Any and all reimbursement  
48 rates developed by transportation managers under this subdivision shall  
49 be subject to the review and approval of the commissioner.

50 S 2. Subparagraph (i) of paragraph (b) of subdivision 7 of section  
51 4403-f of the public health law, as amended by section 41-b of part H of  
52 chapter 59 of the laws of 2011, is amended to read as follows:

1 (i) The commissioner shall, to the extent necessary, submit the appro-  
2 priate waivers, including, but not limited to, those authorized pursuant  
3 to sections eleven hundred fifteen and nineteen hundred fifteen of the  
4 federal social security act, or successor provisions, and any other  
5 waivers necessary to achieve the purposes of high quality, integrated,  
6 and cost effective care and integrated financial eligibility policies  
7 under the medical assistance program or pursuant to title XVIII of the  
8 federal social security act. In addition, the commissioner is authorized  
9 to submit the appropriate waivers, including but not limited to those  
10 authorized pursuant to sections eleven hundred fifteen and nineteen  
11 hundred fifteen of the federal social security act or successor  
12 provisions, and any other waivers necessary to require on or after April  
13 first, two thousand twelve, medical assistance recipients who are twen-  
14 ty-one years of age or older and who require community-based long term  
15 care services, as specified by the commissioner, for more than one  
16 hundred and twenty days, to receive such services through an available  
17 plan certified pursuant to this section or other program model that  
18 meets guidelines specified by the commissioner that support coordination  
19 and integration of services. THE COMMISSIONER MAY, THROUGH SUCH WAIVERS,  
20 LIMIT ELIGIBILITY TO AVAILABLE PLANS TO ENROLLEES THAT (A) REQUIRE NURS-  
21 ING FACILITY LEVEL OF CARE, OR (B) ARE ELIGIBLE FOR COMMUNITY-BASED LONG  
22 TERM CARE SERVICES WHERE THE SERVICES REQUIRED BY THE ENROLLEE ARE ONLY  
23 AVAILABLE TO THE ENROLLEE THROUGH A PLAN CERTIFIED PURSUANT TO THIS  
24 SECTION. NOTWITHSTANDING THE FOREGOING, MEDICAL ASSISTANCE RECIPIENTS  
25 ENROLLED IN A MANAGED LONG TERM CARE PLAN ON APRIL FIRST, TWO THOUSAND  
26 SIXTEEN MAY CONTINUE TO BE ELIGIBLE FOR SUCH PLANS, IRRESPECTIVE OF  
27 WHETHER THE ENROLLEE MEETS ANY APPLICABLE NURSING FACILITY LEVEL OF CARE  
28 REQUIREMENTS. Such guidelines shall address the requirements of para-  
29 graphs (a), (b), (c), (d), (e), (f), (g), (h), and (i) of subdivision  
30 three of this section as well as payment methods that ensure provider  
31 accountability for cost effective quality outcomes. Such other program  
32 models may include long term home health care programs that comply with  
33 such guidelines. Copies of such original waiver applications and amend-  
34 ments thereto shall be provided to the chairs of the senate finance  
35 committee, the assembly ways and means committee and the senate and  
36 assembly health committees simultaneously with their submission to the  
37 federal government.

38 S 3. Intentionally omitted.

39 S 4. Intentionally omitted.

40 S 5. Intentionally omitted.

41 S 6. Intentionally omitted.

42 S 7. Intentionally omitted.

43 S 8. Intentionally omitted.

44 S 9. Intentionally omitted.

45 S 10. Intentionally omitted.

46 S 11. Intentionally omitted.

47 S 12. Intentionally omitted.

48 S 13. Intentionally omitted.

49 S 14. Section 364-j of the social services law is amended by adding a  
50 new subdivision 26-a to read as follows:

51 26-A. MANAGED CARE PROVIDERS SHALL REQUIRE PRIOR AUTHORIZATION OF  
52 PRESCRIPTIONS OF OPIOID ANALGESICS IN EXCESS OF FOUR PRESCRIPTIONS IN A  
53 THIRTY-DAY PERIOD, PROVIDED, HOWEVER, THAT THIS SUBDIVISION SHALL NOT  
54 APPLY IF THE PATIENT IS A RECIPIENT OF HOSPICE CARE, HAS A DIAGNOSIS OF  
55 CANCER OR SICKLE CELL DISEASE, OR ANY OTHER CONDITION OR DIAGNOSIS FOR

1 WHICH THE COMMISSIONER OF HEALTH DETERMINES PRIOR AUTHORIZATION IS NOT  
2 REQUIRED.

3 S 15. Section 364-j of the social services law is amended by adding a  
4 new subdivision 32 to read as follows:

5 32. (A) THE COMMISSIONER MAY, IN HIS OR HER DISCRETION, APPLY PENAL-  
6 TIES TO MANAGED CARE ORGANIZATIONS SUBJECT TO THIS SECTION AND ARTICLE  
7 FORTY-FOUR OF THE PUBLIC HEALTH LAW FOR UNTIMELY OR INACCURATE  
8 SUBMISSION OF ENCOUNTER DATA. FOR PURPOSES OF THIS SECTION, "ENCOUNTER  
9 DATA" SHALL MEAN THE TRANSACTIONS REQUIRED TO BE REPORTED UNDER THE  
10 MODEL CONTRACT. ANY PENALTY ASSESSED UNDER THIS SUBDIVISION SHALL BE  
11 CALCULATED AS A PERCENTAGE OF THE ADMINISTRATIVE COMPONENT OF THE MEDI-  
12 CAID PREMIUM CALCULATED BY THE DEPARTMENT.

13 (B) SUCH PENALTIES SHALL BE AS FOLLOWS:

14 (I) FOR ENCOUNTER DATA SUBMITTED OR RESUBMITTED PAST THE DEADLINES SET  
15 FORTH IN THE MODEL CONTRACT, MEDICAID PREMIUMS SHALL BE REDUCED BY ONE  
16 AND ONE-HALF PERCENT; AND

17 (II) FOR INCOMPLETE OR INACCURATE ENCOUNTER DATA THAT FAILS TO CONFORM  
18 TO DEPARTMENT DEVELOPED BENCHMARKS FOR COMPLETENESS AND ACCURACY, MEDI-  
19 CAID PREMIUMS SHALL BE REDUCED BY ONE-HALF PERCENT; AND

20 (III) FOR SUBMITTED DATA THAT RESULTS IN A REJECTION RATE IN EXCESS OF  
21 TEN PERCENT OF DEPARTMENT DEVELOPED VOLUME BENCHMARKS, MEDICAID PREMIUMS  
22 SHALL BE REDUCED BY ONE HALF-PERCENT.

23 (C) PENALTIES UNDER THIS SUBDIVISION MAY BE APPLIED TO ANY AND ALL  
24 CIRCUMSTANCES DESCRIBED IN PARAGRAPH (B) OF THIS SUBDIVISION FOR A DURA-  
25 TION DETERMINED BY THE COMMISSIONER. IN DETERMINING WHAT, IF ANY, PENAL-  
26 TY TO ASSESS UNDER THIS SUBDIVISION, THE COMMISSIONER SHALL CONSIDER  
27 SUCH MANAGED CARE ORGANIZATIONS' GOOD FAITH ATTEMPT TO SUBMIT ON-TIME,  
28 COMPLETE AND ACCURATE ENCOUNTER DATA.

29 S 16. Intentionally omitted.

30 S 17. Subdivision 2-b of section 365-1 of the social services law, as  
31 added by section 25 of part B of chapter 57 of the laws of 2015, is  
32 amended to read as follows:

33 2-b. The commissioner is authorized to make [grants] LUMP SUM  
34 PAYMENTS OR ADJUST RATES OF PAYMENT TO PROVIDERS up to a gross amount of  
35 five million dollars, to establish coordination between the health homes  
36 and the criminal justice system and for the integration of information  
37 of health homes with state and local correctional facilities, to the  
38 extent permitted by law. SUCH RATE ADJUSTMENTS MAY BE MADE TO HEALTH  
39 HOMES PARTICIPATING IN A CRIMINAL JUSTICE PILOT PROGRAM WITH THE PURPOSE  
40 OF ENROLLING INCARCERATED INDIVIDUALS WITH SERIOUS MENTAL ILLNESS, TWO  
41 OR MORE CHRONIC CONDITIONS, INCLUDING SUBSTANCE ABUSE DISORDERS, OR  
42 HIV/AIDS, INTO SUCH HEALTH HOME. Health homes receiving funds under this  
43 subdivision shall be required to document and demonstrate the effective  
44 use of funds distributed herein.

45 S 18. Intentionally omitted.

46 S 19. Clauses 2 and 3 of subparagraph (v) of paragraph (b) of subdivi-  
47 sion 7 of section 4403-f of the public health law, as amended by section  
48 48 of part A of chapter 56 of the laws of 2013, are amended and three  
49 new subparagraphs (v-a), (v-b) and (v-c) are added to read as follows:

50 (2) a participant in the traumatic brain injury waiver program OR A  
51 PERSON WHOSE CIRCUMSTANCES WOULD QUALIFY HIM OR HER FOR THE PROGRAM AS  
52 IT EXISTED ON JANUARY FIRST, TWO THOUSAND FIFTEEN;

53 (3) a participant in the nursing home transition and diversion waiver  
54 program OR A PERSON WHOSE CIRCUMSTANCES WOULD QUALIFY HIM OR HER FOR THE  
55 PROGRAM AS IT EXISTED ON JANUARY FIRST, TWO THOUSAND FIFTEEN;

(V-A) FOR PURPOSES OF CLAUSE (2) OF SUBPARAGRAPH (V) OF THIS PARAGRAPH, PROGRAM FEATURES SHALL BE SUBSTANTIALLY COMPARABLE TO THOSE SERVICES OFFERED TO TRAUMATIC BRAIN INJURY WAIVER PARTICIPANTS AS OF JANUARY FIRST, TWO THOUSAND FIFTEEN, INCLUDING BUT NOT LIMITED TO:

(1) FULL-TIME SERVICE COORDINATORS WHO MAY NOT EXCEED CASELOADS OF SEVENTEEN PROGRAM PATIENTS PER COORDINATOR AND MAY NOT BE EMPLOYEES OF THE PARTICIPANT'S MANAGED CARE PLAN;

(2) HOME AND COMMUNITY SUPPORT SERVICES;

(3) POSITIVE BEHAVIORAL INTERVENTIONS AND CAREGIVER SUPPORT SERVICES;

(4) COMMUNITY INTEGRATION COUNSELING SERVICES PROVIDED IN AN INDIVIDUAL OR GROUP SETTING;

(5) APPROPRIATELY STRUCTURED DAY PROGRAM SERVICES;

(6) INDEPENDENT LIVING SKILLS TRAINING AND DEVELOPMENT SERVICES PROVIDED IN AN INDIVIDUAL OR GROUP SETTING;

(7) SUBSTANCE ABUSE PROGRAM SERVICES;

(8) ENVIRONMENTAL MODIFICATIONS SERVICES;

(9) ASSISTIVE TECHNOLOGY SERVICES;

(10) TRANSPORTATION SUPPLEMENTS FOR NON-MEDICAL ACTIVITIES THAT SUPPORT LIVING IN THE COMMUNITY;

(11) COMMUNITY TRANSITIONAL SERVICES;

(12) RESPIRE CARE; AND

(13) HOUSING SUBSIDIES SUBJECT TO APPROPRIATION.

THE COMMISSIONER MAY APPLY FOR FEDERAL FINANCIAL PARTICIPATION.

(V-B) FOR PURPOSES OF CLAUSE (3) OF SUBPARAGRAPH (V) OF THIS PARAGRAPH, PROGRAM FEATURES SHALL BE SUBSTANTIALLY COMPARABLE TO THOSE SERVICES OFFERED TO NURSING HOME TRANSITION AND DIVERSION WAIVER PARTICIPANTS AS OF JANUARY FIRST, TWO THOUSAND FIFTEEN, INCLUDING BUT NOT LIMITED TO:

(1) THOSE SERVICES IDENTIFIED IN SUBPARAGRAPH (V-A) OF THIS SUBPARAGRAPH; AND

(2) HOME DELIVERED AND CONGREGATE MEALS.

(V-C) ANY MANAGED LONG TERM CARE PROGRAM OR OTHER CARE COORDINATION MODEL PROVIDING SERVICES UNDER CLAUSE (2) OR (3) OF SUBPARAGRAPH (V) OF THIS PARAGRAPH SHALL HAVE AN ADEQUATE NETWORK OF PROVIDERS TO MEET THE NEEDS OF ENROLLEES AND PROVIDE SERVICES UNDER THIS SUBDIVISION. THEY SHALL ALSO ENSURE THAT PROVIDERS OF SERVICES TO INDIVIDUALS WITH BRAIN INJURY HAVE APPROPRIATE AND ADEQUATE TRAINING AND COMPETENCY TO MEET THE NEEDS OF THIS POPULATION AND PROVIDE A STANDARD OF CARE THAT IS AT LEAST SUBSTANTIALLY COMPARABLE TO THE 2008 TRAUMATIC BRAIN INJURY WAIVER MANUAL OR 2009 NURSING HOME TRANSITION AND DIVERSION WAIVER MANUAL, AS APPROPRIATE TO THE NEEDS OF THE INDIVIDUAL.

S 20. The department of health shall study and report to the legislature by December 31, 2017 on the need for and feasibility of repatriation of complex-needs patients placed in out-of-state facilities.

S 21. Section 365-f of the social services law is amended by adding two new subdivisions 4-a and 4-b to read as follows:

4-A. FISCAL INTERMEDIARY SERVICES. (A) FOR THE PURPOSES OF THIS SUBDIVISION:

(I) "FISCAL INTERMEDIARY" MEANS AN ENTITY THAT PROVIDES FISCAL INTERMEDIARY SERVICES AND HAS A CONTRACT FOR PROVIDING SUCH SERVICES WITH:

(A) A LOCAL DEPARTMENT OF SOCIAL SERVICES,

(B) AN ORGANIZATION LICENSED UNDER ARTICLE FORTY-FOUR OF THE PUBLIC HEALTH LAW, OR

(C) AN ACCOUNTABLE CARE ORGANIZATION CERTIFIED UNDER ARTICLE TWENTY-NINE-E OF THE PUBLIC HEALTH LAW OR AN INTEGRATED DELIVERY SYSTEM COMPOSED PRIMARILY OF HEALTH CARE PROVIDERS RECOGNIZED BY THE DEPARTMENT

1 AS A PERFORMING PROVIDER SYSTEM UNDER THE DELIVERY SYSTEM REFORM INCEN-  
2 TIVE PAYMENT PROGRAM.

3 (II) FISCAL INTERMEDIARY SERVICES SHALL INCLUDE THE FOLLOWING  
4 SERVICES, PERFORMED ON BEHALF OF THE CONSUMER TO FACILITATE HIS OR HER  
5 ROLE AS THE EMPLOYER:

6 (A) WAGE AND BENEFIT PROCESSING FOR CONSUMER DIRECTED PERSONAL ASSIST-  
7 ANTS;

8 (B) PROCESSING ALL INCOME TAX AND OTHER REQUIRED WAGE WITHHOLDINGS;

9 (C) COMPLYING WITH WORKERS' COMPENSATION, DISABILITY AND UNEMPLOYMENT  
10 REQUIREMENTS;

11 (D) MAINTAINING PERSONNEL RECORDS FOR EACH CONSUMER DIRECTED PERSONAL  
12 ASSISTANT, INCLUDING TIME SHEETS AND OTHER DOCUMENTATION NEEDED FOR  
13 WAGES AND BENEFIT PROCESSING AND A COPY OF THE MEDICAL DOCUMENTATION  
14 REQUIRED PURSUANT TO REGULATIONS ESTABLISHED BY THE COMMISSIONER;

15 (E) ENSURING THAT THE HEALTH STATUS OF EACH CONSUMER DIRECTED PERSONAL  
16 ASSISTANT IS ASSESSED PRIOR TO SERVICE DELIVERY PURSUANT TO REGULATIONS  
17 ISSUED BY THE COMMISSIONER;

18 (F) MAINTAINING RECORDS OF AUTHORIZATIONS OR REAUTHORIZATIONS OF  
19 SERVICES;

20 (G) MONITORING THE CONSUMER'S OR, IF APPLICABLE, THE DESIGNATED REPRE-  
21 SENTATIVE'S CONTINUING ABILITY TO FULFILL THE CONSUMER'S RESPONSIBIL-  
22 ITIES UNDER THE PROGRAM AND PROMPTLY NOTIFYING THE AUTHORIZING ENTITY OF  
23 ANY CIRCUMSTANCE THAT MAY AFFECT THE CONSUMER'S OR, IF APPLICABLE, THE  
24 DESIGNATED REPRESENTATIVE'S ABILITY TO FULFILL SUCH RESPONSIBILITIES;

25 (H) COMPLYING WITH REGULATIONS ESTABLISHED BY THE COMMISSIONER SPECI-  
26 FYING THE RESPONSIBILITIES OF PROVIDERS PROVIDING SERVICES UNDER THIS  
27 TITLE; AND

28 (I) ENTERING INTO A DEPARTMENT APPROVED MEMORANDUM OF UNDERSTANDING  
29 WITH THE CONSUMER THAT DESCRIBES THE PARTIES' RESPONSIBILITIES UNDER  
30 THIS PROGRAM.

31 (III) FISCAL INTERMEDIARIES ARE NOT RESPONSIBLE FOR, AND FISCAL INTER-  
32 MEDIARY SERVICES SHALL NOT INCLUDE, FULFILLMENT OF THE RESPONSIBILITIES  
33 OF THE CONSUMER OR, IF APPLICABLE, THE CONSUMER'S DESIGNATED REPRESEN-  
34 TATIVE AS ESTABLISHED BY THE COMMISSIONER. A FISCAL INTERMEDIARY'S  
35 RESPONSIBILITIES SHALL NOT INCLUDE: MANAGING THE PLAN OF CARE INCLUDING  
36 RECRUITING AND HIRING A SUFFICIENT NUMBER OF INDIVIDUALS WHO MEET THE  
37 DEFINITION OF CONSUMER DIRECTED PERSONAL ASSISTANT, AS SUCH TERM IS  
38 DEFINED BY THE COMMISSIONER, TO PROVIDE AUTHORIZED SERVICES THAT ARE  
39 INCLUDED ON THE CONSUMER'S PLAN OF CARE; TRAINING, SUPERVISING AND SCHE-  
40 DULING EACH ASSISTANT; TERMINATING THE ASSISTANT'S EMPLOYMENT; AND  
41 ASSURING THAT EACH CONSUMER DIRECTED PERSONAL ASSISTANT COMPETENTLY AND  
42 SAFELY PERFORMS THE PERSONAL CARE SERVICES, HOME HEALTH AIDE SERVICES  
43 AND SKILLED NURSING TASKS THAT ARE INCLUDED ON THE CONSUMER'S PLAN OF  
44 CARE. A FISCAL INTERMEDIARY SHALL EXERCISE REASONABLE CARE IN PROPERLY  
45 CARRYING OUT ITS RESPONSIBILITIES UNDER THE PROGRAM.

46 (B) NO ENTITY SHALL PROVIDE, DIRECTLY OR THROUGH CONTRACT, FISCAL  
47 INTERMEDIARY SERVICES WITHOUT A LICENSE AS A FISCAL INTERMEDIARY ISSUED  
48 BY THE COMMISSIONER IN ACCORDANCE WITH THIS SUBDIVISION.

49 (C) AN APPLICATION FOR LICENSURE AS A FISCAL INTERMEDIARY SHALL BE  
50 FILED WITH THE COMMISSIONER, TOGETHER WITH SUCH OTHER FORMS AND INFORMA-  
51 TION AS SHALL BE PRESCRIBED BY, OR ACCEPTABLE TO THE COMMISSIONER. THE  
52 COMMISSIONER SHALL NOT APPROVE AN APPLICATION FOR LICENSURE UNLESS HE OR  
53 SHE IS SATISFIED AS TO THE CHARACTER, COMPETENCE AND STANDING IN THE  
54 COMMUNITY OF THE APPLICANT'S INCORPORATORS, DIRECTORS, SPONSORS, STOCK-  
55 HOLDERS OR OPERATORS AND FINDS THAT THE PERSONNEL, RULES, CONSUMER  
56 CONTRACTS OR AGREEMENTS, AND FISCAL INTERMEDIARY SERVICES ARE FIT AND



1 ADEQUATE, AND THAT THE FISCAL INTERMEDIARY SERVICES WILL BE PROVIDED IN  
2 THE MANNER REQUIRED BY THIS SUBDIVISION AND THE RULES AND REGULATIONS  
3 THEREUNDER, IN A MANNER DETERMINED BY THE COMMISSIONER.

4 (D) NEITHER PUBLIC NEED, TAX STATUS, PROFIT-MAKING STATUS, NOR LICEN-  
5 SURE OR CERTIFICATION PURSUANT TO ARTICLE THIRTY-SIX OF THE PUBLIC  
6 HEALTH LAW SHALL BE CRITERIA FOR LICENSURE. ORGANIZATIONS AUTHORIZED  
7 PURSUANT TO ARTICLE FORTY-FOUR OF THE PUBLIC HEALTH LAW SHALL NOT BE  
8 GRANTED A LICENSE AS A FISCAL INTERMEDIARY.

9 (E) THE COMMISSIONER SHALL CHARGE TO APPLICANTS FOR THE LICENSURE OF  
10 FISCAL INTERMEDIARIES AN APPLICATION FEE OF TWO THOUSAND DOLLARS.

11 4-B. PROCEEDINGS INVOLVING THE LICENSE OF A FISCAL INTERMEDIARY. (A) A  
12 LICENSE OF A FISCAL INTERMEDIARY MAY BE REVOKED, SUSPENDED, LIMITED OR  
13 ANNULLED BY THE COMMISSIONER ON PROOF THAT IT HAS FAILED TO COMPLY WITH  
14 THE PROVISIONS OF SUBDIVISION FOUR-A OF THIS SECTION OR REGULATIONS  
15 PROMULGATED HEREUNDER.

16 (B) NO SUCH LICENSE SHALL BE REVOKED, SUSPENDED, LIMITED, ANNULLED OR  
17 DENIED WITHOUT A HEARING. HOWEVER, A LICENSE MAY BE TEMPORARILY  
18 SUSPENDED OR LIMITED WITHOUT A HEARING FOR A PERIOD NOT IN EXCESS OF  
19 THIRTY DAYS UPON WRITTEN NOTICE TO THE FISCAL INTERMEDIARY FOLLOWING A  
20 FINDING BY THE DEPARTMENT THAT THE PUBLIC HEALTH OR SAFETY IS IN IMMI-  
21 NENT DANGER. SUCH PERIOD MAY BE RENEWED FOR UP TO TWO ADDITIONAL PERIODS  
22 NOT IN EXCESS OF THIRTY DAYS, EACH UPON WRITTEN NOTICE, INCLUDING AN  
23 OPPORTUNITY TO SUBMIT EVIDENCE AND WRITTEN ARGUMENT IN OPPOSITION TO THE  
24 RENEWAL, AND A CONTINUED FINDING UNDER THIS PARAGRAPH.

25 (C) THE COMMISSIONER SHALL FIX A TIME AND PLACE FOR THE HEARING. A  
26 COPY OF THE CHARGES, TOGETHER WITH THE NOTICE OF THE TIME AND PLACE OF  
27 THE HEARING, SHALL BE SERVED IN PERSON OR MAILED BY REGISTERED OR CERTI-  
28 FIED MAIL TO THE FISCAL INTERMEDIARY AT LEAST TWENTY-ONE DAYS BEFORE THE  
29 DATE FIXED FOR THE HEARING. THE FISCAL INTERMEDIARY SHALL FILE WITH THE  
30 DEPARTMENT NOT LESS THAN EIGHT DAYS PRIOR TO THE HEARING, A WRITTEN  
31 ANSWER TO THE CHARGES.

32 (D) ALL ORDERS OR DETERMINATIONS UNDER THIS SUBDIVISION SHALL BE  
33 SUBJECT TO REVIEW AS PROVIDED IN ARTICLE SEVENTY-EIGHT OF THE CIVIL  
34 PRACTICE LAW AND RULES.

35 S 22. Intentionally omitted.

36 S 22-a. Subdivision 8 of section 4403-f of the public health law, as  
37 amended by section 40-a of part B of chapter 57 of the laws of 2015, is  
38 amended to read as follows:

39 8. Payment rates for managed long term care plan enrollees eligible  
40 for medical assistance. The commissioner shall establish payment rates  
41 for services provided to enrollees eligible under title XIX of the  
42 federal social security act. Such payment rates shall be subject to  
43 approval by the director of the division of the budget and shall reflect  
44 savings to both state and local governments when compared to costs which  
45 would be incurred by such program if enrollees were to receive compara-  
46 ble health and long term care services on a fee-for-service basis in the  
47 geographic region in which such services are proposed to be provided.  
48 EFFECTIVE FOR RATES ESTABLISHED ON AND AFTER APRIL FIRST, TWO THOUSAND  
49 SIXTEEN, WHERE COSTS ARE INCREASED IN A REGION DUE TO ELEMENTS OF  
50 GEOGRAPHY, REGIONAL RESOURCE LIMITATIONS, POPULATION DENSITY AND/OR  
51 OTHER REGIONAL FACTORS THE COMMISSIONER SHALL APPLY A POSITIVE REGIONAL  
52 ADJUSTMENT TO THE RATES FOR PROGRAMS SERVING SUCH REGIONS. Payment rates  
53 shall be risk-adjusted to take into account the characteristics of  
54 enrollees, or proposed enrollees, including, but not limited to: frail-  
55 ty, disability level, health and functional status, age, gender, the  
56 nature of services provided to such enrollees, and other factors as

determined by the commissioner. The risk adjusted premiums may also be combined with disincentives or requirements designed to mitigate any incentives to obtain higher payment categories. In setting such payment rates, the commissioner shall consider costs borne by the managed care program PLANS AND SERVICE PROVIDERS to ensure actuarially sound and adequate rates of payment to ensure quality of care. SOUND AND ADEQUATE RATES SHALL INCLUDE BUT NOT BE LIMITED TO:

(A) COMPENSATION NECESSARY FOR RECRUITMENT AND RETENTION OF SUFFICIENT DIRECT CARE AND SUPPORT STAFF IN COMPLIANCE WITH STATE AND FEDERAL WAGE, MINIMUM WAGE, AND OVERTIME COMPENSATION BENEFITS, AS WELL AS WORKERS' COMPENSATION, OTHER LABOR MANDATES, AND THE EXIGENCIES OF COMPETITIVE LABOR MARKET;

(B) COMPLIANCE WITH STATE AND FEDERAL PROGRAM MANDATES, INCLUDING BUT NOT LIMITED TO: "CONDITIONS OF PARTICIPATION" UNDER 42 CODE OF FEDERAL REGULATIONS, CH. IV, PART 484;

(C) QUALITY ASSURANCE AND IMPROVEMENT PROGRAMS OF PROVIDERS AND MANAGED LONG TERM CARE PLANS; AND

(D) OTHER COSTS AS THE COMMISSIONER SHALL DETERMINE ARE NECESSARY FOR ENROLLEE NEEDS AND QUALITY MANAGED LONG TERM CARE PLAN AND PROVIDER OPERATIONS, INCLUDING COSTS INCURRED FOR PARTICIPATION IN THE DELIVERY SYSTEM REFORM INCENTIVE PAYMENT PROGRAM, FULLY INTEGRATED DUALS ADVANCEMENT PLANS, VALUE BASED PAYMENT METHODS AND OTHER STATE MEDICAID REFORM INITIATIVES.

S 22-b. Subdivision 13 of section 3614 of the public health law, as added by section 4 of part H of chapter 59 of the laws of 2011, paragraph (a) as amended by section 22 of part D of chapter 57 of the laws of 2015, is amended to read as follows:

13. (a) Notwithstanding any inconsistent provision of law or regulation and subject to the availability of federal financial participation, effective April first, two thousand twelve through March thirty-first, two thousand nineteen, payments by government agencies for services provided by certified home health agencies, except for such services provided to children under eighteen years of age and other discreet groups as may be determined by the commissioner pursuant to regulations, shall be based on episodic payments. In establishing such payments, a statewide base price shall be established for each sixty day episode of care and adjusted by a regional wage index factor and an individual patient case mix index. Such episodic payments may be further adjusted: (I) for low utilization cases and to reflect a percentage limitation of the cost for high-utilization cases that exceed outlier thresholds of such payments; AND (II) TO REFLECT ADDITIONAL COSTS CONSISTENT WITH SUBDIVISION EIGHT OF SECTION FORTY-FOUR HUNDRED THREE-F OF THIS CHAPTER.

(b) Initial base year episodic payments shall be based on Medicaid paid claims, as determined and adjusted by the commissioner to achieve savings comparable to the prior state fiscal year, for services provided by all certified home health agencies in the base year two thousand nine. Subsequent base year episodic payments may be based on Medicaid paid claims for services provided by all certified home health agencies in a base year subsequent to two thousand nine, as determined by the commissioner, provided, however, that such base year adjustment shall be made not less frequently than every three years AND BE SUBJECT TO FURTHER ADJUSTMENTS FOR ADDITIONAL COSTS UNDER PARAGRAPH (A) OF THIS SUBDIVISION. In determining case mix, each patient shall be classified using a system based on measures which may include, but not limited to,

1 clinical and functional measures, as reported on the federal Outcome and  
2 Assessment Information Set (OASIS), as may be amended.

3 (c) The commissioner may require agencies to collect and submit any  
4 data required to implement this subdivision. The commissioner may  
5 promulgate regulations to implement the provisions of this subdivision.

6 S 22-c. Paragraph (c) of subdivision 18 of section 364-j of the social  
7 services law, as added by section 40-c of part B of chapter 57 of the  
8 laws of 2015, is amended to read as follows:

9 (c) In setting such reimbursement methodologies, the department shall  
10 consider costs borne by the managed care program PLANS AND SERVICE  
11 PROVIDERS to ensure actuarially sound and adequate rates of payment to  
12 ensure quality of care CONSISTENT WITH SUBDIVISION EIGHT OF SECTION  
13 FORTY-FOUR HUNDRED THREE-F OF THE PUBLIC HEALTH LAW.

14 S 23. Subdivision 1-a of section 366 of the social services law, as  
15 added by chapter 355 of the laws of 2007, is amended to read as follows:

16 1-a. Notwithstanding any other provision of law, in the event that a  
17 person who is an inmate of a state or local correctional facility, as  
18 defined in section two of the correction law, was in receipt of medical  
19 assistance pursuant to this title immediately prior to being admitted to  
20 such facility, such person shall remain eligible for medical assistance  
21 while an inmate, except that no medical assistance shall be furnished  
22 pursuant to this title for any care, services, or supplies provided  
23 during such time as the person is an inmate; provided, however, that  
24 nothing herein shall be deemed as preventing the provision of medical  
25 assistance for inpatient hospital services furnished to an inmate at a  
26 hospital outside of the premises of such correctional facility OR PURSU-  
27 ANT TO OTHER FEDERAL AUTHORITY AUTHORIZING THE PROVISION OF MEDICAL  
28 ASSISTANCE TO AN INMATE OF A STATE OR LOCAL CORRECTIONAL FACILITY DURING  
29 THE THIRTY DAYS PRIOR TO RELEASE, to the extent that federal financial  
30 participation is available for the costs of such services. Upon release  
31 from such facility, such person shall continue to be eligible for  
32 receipt of medical assistance furnished pursuant to this title until  
33 such time as the person is determined to no longer be eligible for  
34 receipt of such assistance. To the extent permitted by federal law, the  
35 time during which such person is an inmate shall not be included in any  
36 calculation of when the person must recertify his or her eligibility for  
37 medical assistance in accordance with this article. THE STATE SHALL SEEK  
38 FEDERAL AUTHORITY TO PROVIDE MEDICAL ASSISTANCE FOR TRANSITIONAL  
39 SERVICES INCLUDING BUT NOT LIMITED TO MEDICAL, PRESCRIPTION, AND CARE  
40 COORDINATION SERVICES FOR HIGH NEEDS INMATES IN STATE AND LOCAL CORREC-  
41 TIONAL FACILITIES DURING THE THIRTY DAYS PRIOR TO RELEASE.

42 S 24. Section 369-gg of the social services law is amended by adding a  
43 new subdivision 8-a to read as follows:

44 8-A. AN INDIVIDUAL WHO IS PERMANENTLY RESIDING IN THE UNITED STATES  
45 UNDER COLOR OF LAW, AND WHOSE IMMIGRATION STATUS RENDERS HIM OR HER  
46 INELIGIBLE FOR FEDERAL FINANCIAL PARTICIPATION IN THE BASIC HEALTH  
47 PROGRAM UNDER 42 U.S.C. SECTION 18051, BUT OTHERWISE MEETS THE ELIGIBIL-  
48 ITY REQUIREMENTS IN SUBDIVISION THREE OF THIS SECTION, SHALL BE ELIGIBLE  
49 FOR THE BASIC HEALTH PROGRAM, WITHOUT REGARD TO FEDERAL FINANCIAL  
50 PARTICIPATION.

51 S 25. Subdivision 1 of section 364-j of the social services law is  
52 amended by adding a new paragraph (w) to read as follows:

53 (W) "SCHOOL-BASED HEALTH CENTER". A CLINIC LICENSED UNDER ARTICLE  
54 TWENTY-EIGHT OF THE PUBLIC HEALTH LAW OR SPONSORED BY A FACILITY  
55 LICENSED UNDER THE PUBLIC HEALTH LAW WHICH PROVIDES PRIMARY HEALTH CARE  
56 SERVICES INCLUDING URGENT CARE, WELL CHILD CARE, REPRODUCTIVE HEALTH

1 CARE, DENTAL CARE, BEHAVIORAL HEALTH SERVICES, VISION CARE, AND MANAGE-  
2 MENT OF CHRONIC DISEASES TO CHILDREN AND ADOLESCENTS WITHIN AN ELEMENTA-  
3 RY, SECONDARY OR PREKINDERGARTEN PUBLIC SCHOOL SETTING.

4 S 26. Subdivision 2 of section 364-j of the social services law is  
5 amended by adding a new paragraph (d) to read as follows:

6 (D) THE COMMISSIONER OF HEALTH SHALL BE AUTHORIZED TO INCLUDE THE  
7 SERVICES OF A SCHOOL-BASED HEALTH CENTER IN THE MANAGED CARE PROGRAM  
8 PURSUANT TO THIS SECTION ON AND AFTER JULY FIRST, TWO THOUSAND SEVEN-  
9 TEEN.

10 S 27. Subdivision 3 of section 364-j of the social services law is  
11 amended by adding a new paragraph (d-2) to read as follows:

12 (D-2) BEHAVIORAL HEALTH AND REPRODUCTIVE HEALTH CARE SERVICES PROVIDED  
13 BY SCHOOL-BASED-HEALTH CENTERS SHALL NOT BE PROVIDED TO MEDICAL ASSIST-  
14 ANCE RECIPIENTS THROUGH MANAGED CARE PROGRAMS ESTABLISHED PURSUANT TO  
15 THIS SECTION, AND SHALL CONTINUE TO BE PROVIDED OUTSIDE OF MANAGED CARE  
16 PROGRAMS IN ACCORDANCE WITH APPLICABLE REIMBURSEMENT METHODOLOGIES.  
17 APPLICABLE REIMBURSEMENT METHODOLOGIES SHALL MEAN:

18 (I) FOR SCHOOL-BASED HEALTH CENTERS SPONSORED BY A FEDERALLY QUALIFIED  
19 HEALTH CENTER, RATES OF REIMBURSEMENT AND REQUIREMENTS IN ACCORDANCE  
20 WITH THOSE MANDATED BY 42 U.S.C. SECS. 1396A(BB), 1396(M)(2)(A)(IX) AND  
21 1936(A)(13)(C); AND

22 (II) FOR SCHOOL-BASED HEALTH CENTERS SPONSORED BY AN ENTITY LICENSED  
23 PURSUANT TO ARTICLE TWENTY-EIGHT OF THE PUBLIC HEALTH LAW THAT IS NOT A  
24 FEDERALLY QUALIFIED HEALTH CENTER, RATES OF REIMBURSEMENT AT THE FEE FOR  
25 SERVICE RATE FOR SUCH SERVICES IN EFFECT PRIOR TO THE ENACTMENT OF THIS  
26 CHAPTER FOR THE AMBULATORY PATIENT GROUP RATE FOR THE APPLICABLE  
27 SERVICE.

28 (III) FOR THE PURPOSES OF THIS PARAGRAPH, THE TERM "BEHAVIORAL HEALTH  
29 SERVICES" SHALL MEAN PRIMARY PREVENTION, INDIVIDUAL MENTAL HEALTH  
30 ASSESSMENT, TREATMENT AND FOLLOW-UP, CRISIS INTERVENTION, GROUP AND  
31 FAMILY COUNSELING, AND SHORT AND LONG-TERM COUNSELING.

32 S 28. Paragraph (c) of subdivision 5-a of section 2807-m of the public  
33 health law, as amended by section 9 of part B of chapter 60 of the laws  
34 of 2014, is amended to read as follows:

35 (c) (I) Ambulatory care training. Four million nine hundred thousand  
36 dollars for the period January first, two thousand eight through Decem-  
37 ber thirty-first, two thousand eight, four million nine hundred thousand  
38 dollars for the period January first, two thousand nine through December  
39 thirty-first, two thousand nine, four million nine hundred thousand  
40 dollars for the period January first, two thousand ten through December  
41 thirty-first, two thousand ten, one million two hundred twenty-five  
42 thousand dollars for the period January first, two thousand eleven  
43 through March thirty-first, two thousand eleven, four million three  
44 hundred thousand dollars each state fiscal year for the period April  
45 first, two thousand eleven through March thirty-first, two thousand  
46 fourteen, and up to four million sixty thousand dollars each state  
47 fiscal year for the period April first, two thousand fourteen through  
48 March thirty-first, two thousand seventeen, shall be set aside and  
49 reserved by the commissioner from the regional pools established pursu-  
50 ant to subdivision two of this section and shall be available for  
51 distributions to sponsoring institutions to be directed to support clin-  
52 ical training of medical students and residents in free-standing ambula-  
53 tory care settings, including community health centers and private prac-  
54 tices. Such funding shall be allocated regionally with two-thirds of the  
55 available funding going to New York city and one-third of the available  
56 funding going to the rest of the state and shall be distributed to spon-

soring institutions in each region pursuant to a request for application or request for proposal process with preference being given to sponsoring institutions which provide training in sites located in underserved rural or inner-city areas and those that include medical students in such training.

(II) NOTWITHSTANDING ANY CONTRARY PROVISION OF THIS SECTION, SECTIONS ONE HUNDRED TWELVE AND ONE HUNDRED SIXTY-THREE OF THE STATE FINANCE LAW, OR ANY OTHER CONTRARY PROVISION OF LAW, ANY FUNDING NOT AWARDED IN ACCORDANCE WITH SUBPARAGRAPH (I) OF THIS PARAGRAPH SHALL BE DISTRIBUTED ON A PER RESIDENT BASIS TO TEACHING HEALTH CENTERS IN NEW YORK STATE AWARDED FUNDING PURSUANT TO SECTION 5508 OF THE PATIENT AND PROTECTION AFFORDABLE CARE ACT AMENDING TITLE VII OF THE UNITED STATES PUBLIC HEALTH SERVICE ACT WITHOUT A COMPETITIVE BID OR REQUEST FOR PROPOSAL PROCESS.

S 29. Subdivision 14-f of section 2807-c of the public health law, as amended by section 2 of part C of chapter 56 of the laws of 2013, is amended to read as follows:

14-f. Public general hospital indigent care adjustment. Notwithstanding any inconsistent provision of this section and subject to the availability of federal financial participation, payment for inpatient hospital services for persons eligible for payments made by state governmental agencies for the period January first, nineteen hundred ninety-seven through December thirty-first, nineteen hundred ninety-nine and periods on and after January first, two thousand applicable to patients eligible for federal financial participation under title XIX of the federal social security act in medical assistance provided pursuant to title eleven of article five of the social services law determined in accordance with this section shall include for eligible public general hospitals a public general hospital indigent care adjustment equal to the aggregate amount of the adjustments provided for such public general hospital for the period January first, nineteen hundred ninety-six through December thirty-first, nineteen hundred ninety-six pursuant to subdivisions fourteen-a and fourteen-d of this section on an annualized basis, provided, however, that for periods on and after January first, two thousand thirteen an annual amount of four hundred twelve million dollars shall be allocated to eligible major public hospitals [based on each hospital's proportionate share of medicaid and uninsured losses to total medicaid and uninsured losses for all eligible major public hospitals, net of any disproportionate share hospital payments received pursuant to sections twenty-eight hundred seven-k and twenty-eight hundred seven-w of this article] IN ACCORDANCE WITH SUBPARAGRAPH (I) OF PARAGRAPH (B) OF SUBDIVISION FIVE-D OF SECTION TWENTY-EIGHT HUNDRED SEVEN-K OF THIS ARTICLE AND REGULATIONS ESTABLISHED THEREUNDER. The adjustment may be made to rates of payment or as aggregate payments to an eligible hospital.

S 30. The social services law is amended by adding a new section 365-i to read as follows:

S 365-I. PRESCRIPTION DRUGS IN MEDICAID MANAGED CARE PROGRAMS. 1. DEFINITIONS. (A) THE DEFINITIONS OF TERMS IN SECTION TWO HUNDRED SEVENTY OF THE PUBLIC HEALTH LAW SHALL APPLY TO THIS SECTION.

(B) AS USED IN THIS SECTION, UNLESS THE CONTEXT CLEARLY REQUIRES OTHERWISE:

(I) "MANAGED CARE PROVIDER" MEANS A MANAGED CARE PROVIDER UNDER SECTION THREE HUNDRED SIXTY-FOUR-J OF THIS ARTICLE, A MANAGED LONG TERM CARE PLAN UNDER SECTION FORTY-FOUR HUNDRED THREE-F OF THE PUBLIC HEALTH LAW, OR ANY OTHER ENTITY THAT PROVIDES OR ARRANGES FOR THE PROVISION OF

MEDICAL ASSISTANCE SERVICES AND SUPPLIES TO PARTICIPANTS DIRECTLY OR INDIRECTLY (INCLUDING BY REFERRAL), INCLUDING CASE MANAGEMENT, INCLUDING THE MANAGED CARE PROVIDER'S AUTHORIZED AGENTS.

(II) "PARTICIPANT" MEANS A MEDICAL ASSISTANCE RECIPIENT WHO RECEIVES, IS REQUIRED TO RECEIVE OR ELECTS TO RECEIVE HIS OR HER MEDICAL ASSISTANCE SERVICES FROM A MANAGED CARE PROVIDER.

2. PROVIDING AND PAYMENT FOR PRESCRIPTION DRUGS FOR MEDICAID MANAGED CARE PROVIDER PARTICIPANTS. NOTWITHSTANDING ANY INCONSISTENT PROVISION OF LAW OR REGULATION AND SUBJECT TO THE AVAILABILITY OF FEDERAL FINANCIAL PARTICIPATION, WHICH THE COMMISSIONER OF THE DEPARTMENT OF HEALTH SHALL SEEK, PRESCRIPTION DRUGS ELIGIBLE FOR REIMBURSEMENT UNDER THIS ARTICLE PRESCRIBED IN RELATION TO A SERVICE PROVIDED BY A MANAGED CARE PROVIDER SHALL BE PROVIDED AND PAID FOR UNDER THE PREFERRED DRUG PROGRAM AND THE CLINICAL DRUG REVIEW PROGRAM UNDER TITLE ONE OF ARTICLE TWO-A OF THE PUBLIC HEALTH LAW. THE MANAGED CARE PROVIDER SHALL ACCOUNT TO AND REIMBURSE THE DEPARTMENT FOR THE NET COST TO THE DEPARTMENT FOR PRESCRIPTION DRUGS PROVIDED TO THE MANAGED CARE PROVIDER'S PARTICIPANTS. PAYMENT FOR PRESCRIPTION DRUGS SHALL BE INCLUDED IN THE CAPITATION PAYMENTS TO THE MANAGED CARE PROVIDER FOR SERVICES OR SUPPLIES PROVIDED TO A MANAGED CARE PROVIDER'S PARTICIPANTS.

S 31. Section 270 of the public health law is amended by adding a new subdivision 15 to read as follows:

15. "THIRD-PARTY HEALTH CARE PAYER" HAS ITS ORDINARY MEANINGS AND INCLUDES AN ENTITY SUCH AS A FISCAL ADMINISTRATOR, OR ADMINISTRATIVE SERVICES PROVIDER THAT PARTICIPATES IN THE ADMINISTRATION OF A THIRD-PARTY HEALTH CARE PAYER SYSTEM.

S 32. The public health law is amended by adding a new section 274-a to read as follows:

S 274-A. USE OF PREFERRED DRUG PROGRAM AND CLINICAL DRUG REVIEW PROGRAM. THE COMMISSIONER SHALL CONTRACT WITH ANY THIRD-PARTY HEALTH CARE PAYER THAT SO CHOOSES, TO USE THE PREFERRED DRUG PROGRAM AND THE CLINICAL DRUG REVIEW PROGRAM TO PROVIDE AND PAY FOR PRESCRIPTION DRUGS FOR THE THIRD-PARTY HEALTH CARE PAYER'S ENROLLEES. TO CONTRACT UNDER THIS SECTION, THE THIRD-PARTY HEALTH CARE PAYER SHALL PROVIDE COVERAGE FOR PRESCRIPTION DRUGS AUTHORIZED UNDER THIS TITLE. THE THIRD-PARTY HEALTH CARE PAYER SHALL ACCOUNT TO AND REIMBURSE THE DEPARTMENT FOR THE NET COST TO THE DEPARTMENT FOR PRESCRIPTION DRUGS PROVIDED TO THE THIRD-PARTY HEALTH CARE PAYER'S ENROLLEES. THE CONTRACT SHALL INCLUDE TERMS REQUIRED BY THE COMMISSIONER.

S 33. Subdivisions 25 and 25-a of section 364-j of the social services law are REPEALED.

S 34. Notwithstanding any provision of law, rule or regulation to the contrary, and subject to the availability of federal financial participation, for periods on and after April 1, 2015, payments made to managed care providers, as defined in section 364-j of the social services law, that have been approved to participate, together with hospitals operated by a public benefit corporation located in a city of more than one million persons, in the department's Value Based Payment Quality Improvement Program may, at the election of the social services district in which such public benefit corporation is located, be increased by an annual aggregate amount of up to one hundred twenty million dollars, which amount shall not be reduced by the amount of any applicable tax or surcharge; provided, however that, notwithstanding the social services district medicaid cap provisions of part C of chapter fifty-eight of the laws of two thousand five, as amended, such social

services district shall be responsible for payment of one hundred percent of the non-federal share of such increase.

S 35. This act shall take effect immediately and shall be deemed to have been in full force and effect on and after April 1, 2016; provided that:

(a) sections one and two of this act shall take effect October 1, 2016;

(b) the amendments to subdivision 4 of section 365-h of the social services law, made by section one of this act, shall not affect the expiration and repeal of certain provisions of such section, and shall expire and be deemed repealed therewith;

(c) the amendments to subparagraph (i) of paragraph (b) of subdivision 7 of section 4403-f of the public health law, made by section two of this act, shall not affect the expiration of such paragraph or the repeal of such section, and shall expire or be deemed repealed therewith;

(d) Intentionally omitted.

(e) Intentionally omitted.

(f) Intentionally omitted.

(g) Intentionally omitted.

(h) Intentionally omitted.

(i) subdivisions 26-a, 32, paragraph (w) of subdivision 1, paragraph (d) of subdivision 2 and paragraph (d-2) of subdivision 3 of section 364-j of the social services law, as added by sections fourteen, fifteen, twenty-five, twenty-six and twenty-seven of this act shall be deemed repealed on the same date and in the same manner as such section is repealed.

(j) the amendments to paragraph (b) of subdivision 7 of section 4403-f of the public health law made by section nineteen of this act shall not affect the expiration and reversion of such paragraph and shall be deemed to expire therewith; and provided further that such amendments to section 4403-f of the public health law made by section nineteen of this act shall not affect the repeal of such section and shall be deemed repealed therewith;

(k) section twenty-one of this act shall take effect on the first of July after it shall have become a law; provided that, effective immediately, the commissioner of health shall make regulations and take other actions, including issuing licenses under section 365-f of the social services law as amended by this act, to implement this act on that date;

(l) the amendments to subdivision 8 of section 4403-f of the public health law made by section twenty-two-a of this act shall not affect the repeal of such section and shall be deemed repealed therewith;

(m) the amendments to paragraph (c) of subdivision 18 of section 364-j of the social services law made by section twenty-two-c of this act shall not affect the repeal of such section and shall be deemed repealed therewith;

(n) section twenty-three of this act shall take effect on the one hundred eightieth day after it shall have become a law.

(o) the amendments to subdivision 14-f of section 2807-c of the public health law made by section twenty-nine of this act shall not affect the expiration of such subdivision and shall be deemed to expire therewith.

## PART C

Section 1. Intentionally omitted.

1 S 2. Paragraph (a) of subdivision 1 of section 18 of chapter 266 of  
2 the laws of 1986, amending the civil practice law and rules and other  
3 laws relating to malpractice and professional medical conduct, as  
4 amended by section 1 of part Y of chapter 57 of the laws of 2015, is  
5 amended to read as follows:

6 (a) The superintendent of financial services and the commissioner of  
7 health or their designee shall, from funds available in the hospital  
8 excess liability pool created pursuant to subdivision 5 of this section,  
9 purchase a policy or policies for excess insurance coverage, as author-  
10 ized by paragraph 1 of subsection (e) of section 5502 of the insurance  
11 law; or from an insurer, other than an insurer described in section 5502  
12 of the insurance law, duly authorized to write such coverage and actual-  
13 ly writing medical malpractice insurance in this state; or shall  
14 purchase equivalent excess coverage in a form previously approved by the  
15 superintendent of financial services for purposes of providing equiv-  
16 alent excess coverage in accordance with section 19 of chapter 294 of  
17 the laws of 1985, for medical or dental malpractice occurrences between  
18 July 1, 1986 and June 30, 1987, between July 1, 1987 and June 30, 1988,  
19 between July 1, 1988 and June 30, 1989, between July 1, 1989 and June  
20 30, 1990, between July 1, 1990 and June 30, 1991, between July 1, 1991  
21 and June 30, 1992, between July 1, 1992 and June 30, 1993, between July  
22 1, 1993 and June 30, 1994, between July 1, 1994 and June 30, 1995,  
23 between July 1, 1995 and June 30, 1996, between July 1, 1996 and June  
24 30, 1997, between July 1, 1997 and June 30, 1998, between July 1, 1998  
25 and June 30, 1999, between July 1, 1999 and June 30, 2000, between July  
26 1, 2000 and June 30, 2001, between July 1, 2001 and June 30, 2002,  
27 between July 1, 2002 and June 30, 2003, between July 1, 2003 and June  
28 30, 2004, between July 1, 2004 and June 30, 2005, between July 1, 2005  
29 and June 30, 2006, between July 1, 2006 and June 30, 2007, between July  
30 1, 2007 and June 30, 2008, between July 1, 2008 and June 30, 2009,  
31 between July 1, 2009 and June 30, 2010, between July 1, 2010 and June  
32 30, 2011, between July 1, 2011 and June 30, 2012, between July 1, 2012  
33 and June 30, 2013, between July 1, 2013 and June 30, 2014, between July  
34 1, 2014 and June 30, 2015, [and] between July 1, 2015 and June 30, 2016,  
35 AND BETWEEN JULY 1, 2016 AND JUNE 30, 2017 or reimburse the hospital  
36 where the hospital purchases equivalent excess coverage as defined in  
37 subparagraph (i) of paragraph (a) of subdivision 1-a of this section for  
38 medical or dental malpractice occurrences between July 1, 1987 and June  
39 30, 1988, between July 1, 1988 and June 30, 1989, between July 1, 1989  
40 and June 30, 1990, between July 1, 1990 and June 30, 1991, between July  
41 1, 1991 and June 30, 1992, between July 1, 1992 and June 30, 1993,  
42 between July 1, 1993 and June 30, 1994, between July 1, 1994 and June  
43 30, 1995, between July 1, 1995 and June 30, 1996, between July 1, 1996  
44 and June 30, 1997, between July 1, 1997 and June 30, 1998, between July  
45 1, 1998 and June 30, 1999, between July 1, 1999 and June 30, 2000,  
46 between July 1, 2000 and June 30, 2001, between July 1, 2001 and June  
47 30, 2002, between July 1, 2002 and June 30, 2003, between July 1, 2003  
48 and June 30, 2004, between July 1, 2004 and June 30, 2005, between July  
49 1, 2005 and June 30, 2006, between July 1, 2006 and June 30, 2007,  
50 between July 1, 2007 and June 30, 2008, between July 1, 2008 and June  
51 30, 2009, between July 1, 2009 and June 30, 2010, between July 1, 2010  
52 and June 30, 2011, between July 1, 2011 and June 30, 2012, between July  
53 1, 2012 and June 30, 2013, between July 1, 2013 and June 30, 2014,  
54 between July 1, 2014 and June 30, 2015, [and] between July 1, 2015 and  
55 June 30, 2016, AND BETWEEN JULY 1, 2016 AND JUNE 30, 2017 for physicians  
56 or dentists certified as eligible for each such period or periods pursu-



1 ant to subdivision 2 of this section by a general hospital licensed  
2 pursuant to article 28 of the public health law; provided that no single  
3 insurer shall write more than fifty percent of the total excess premium  
4 for a given policy year; and provided, however, that such eligible  
5 physicians or dentists must have in force an individual policy, from an  
6 insurer licensed in this state of primary malpractice insurance coverage  
7 in amounts of no less than one million three hundred thousand dollars  
8 for each claimant and three million nine hundred thousand dollars for  
9 all claimants under that policy during the period of such excess cover-  
10 age for such occurrences or be endorsed as additional insureds under a  
11 hospital professional liability policy which is offered through a volun-  
12 tary attending physician ("channeling") program previously permitted by  
13 the superintendent of financial services during the period of such  
14 excess coverage for such occurrences. During such period, such policy  
15 for excess coverage or such equivalent excess coverage shall, when  
16 combined with the physician's or dentist's primary malpractice insurance  
17 coverage or coverage provided through a voluntary attending physician  
18 ("channeling") program, total an aggregate level of two million three  
19 hundred thousand dollars for each claimant and six million nine hundred  
20 thousand dollars for all claimants from all such policies with respect  
21 to occurrences in each of such years provided, however, if the cost of  
22 primary malpractice insurance coverage in excess of one million dollars,  
23 but below the excess medical malpractice insurance coverage provided  
24 pursuant to this act, exceeds the rate of nine percent per annum, then  
25 the required level of primary malpractice insurance coverage in excess  
26 of one million dollars for each claimant shall be in an amount of not  
27 less than the dollar amount of such coverage available at nine percent  
28 per annum; the required level of such coverage for all claimants under  
29 that policy shall be in an amount not less than three times the dollar  
30 amount of coverage for each claimant; and excess coverage, when combined  
31 with such primary malpractice insurance coverage, shall increase the  
32 aggregate level for each claimant by one million dollars and three  
33 million dollars for all claimants; and provided further, that, with  
34 respect to policies of primary medical malpractice coverage that include  
35 occurrences between April 1, 2002 and June 30, 2002, such requirement  
36 that coverage be in amounts no less than one million three hundred thou-  
37 sand dollars for each claimant and three million nine hundred thousand  
38 dollars for all claimants for such occurrences shall be effective April  
39 1, 2002.

40 S 3. Subdivision 3 of section 18 of chapter 266 of the laws of 1986,  
41 amending the civil practice law and rules and other laws relating to  
42 malpractice and professional medical conduct, as amended by section 2 of  
43 part Y of chapter 57 of the laws of 2015, is amended to read as follows:

44 (3)(a) The superintendent of financial services shall determine and  
45 certify to each general hospital and to the commissioner of health the  
46 cost of excess malpractice insurance for medical or dental malpractice  
47 occurrences between July 1, 1986 and June 30, 1987, between July 1, 1988  
48 and June 30, 1989, between July 1, 1989 and June 30, 1990, between July  
49 1, 1990 and June 30, 1991, between July 1, 1991 and June 30, 1992,  
50 between July 1, 1992 and June 30, 1993, between July 1, 1993 and June  
51 30, 1994, between July 1, 1994 and June 30, 1995, between July 1, 1995  
52 and June 30, 1996, between July 1, 1996 and June 30, 1997, between July  
53 1, 1997 and June 30, 1998, between July 1, 1998 and June 30, 1999,  
54 between July 1, 1999 and June 30, 2000, between July 1, 2000 and June  
55 30, 2001, between July 1, 2001 and June 30, 2002, between July 1, 2002  
56 and June 30, 2003, between July 1, 2003 and June 30, 2004, between July

1 1, 2004 and June 30, 2005, between July 1, 2005 and June 30, 2006,  
2 between July 1, 2006 and June 30, 2007, between July 1, 2007 and June  
3 30, 2008, between July 1, 2008 and June 30, 2009, between July 1, 2009  
4 and June 30, 2010, between July 1, 2010 and June 30, 2011, between July  
5 1, 2011 and June 30, 2012, between July 1, 2012 and June 30, 2013, and  
6 between July 1, 2013 and June 30, 2014, between July 1, 2014 and June  
7 30, 2015, [and] between July 1, 2015 and June 30, 2016, AND BETWEEN JULY  
8 1, 2016 AND JUNE 30, 2017 allocable to each general hospital for physi-  
9 cians or dentists certified as eligible for purchase of a policy for  
10 excess insurance coverage by such general hospital in accordance with  
11 subdivision 2 of this section, and may amend such determination and  
12 certification as necessary.

13 (b) The superintendent of financial services shall determine and  
14 certify to each general hospital and to the commissioner of health the  
15 cost of excess malpractice insurance or equivalent excess coverage for  
16 medical or dental malpractice occurrences between July 1, 1987 and June  
17 30, 1988, between July 1, 1988 and June 30, 1989, between July 1, 1989  
18 and June 30, 1990, between July 1, 1990 and June 30, 1991, between July  
19 1, 1991 and June 30, 1992, between July 1, 1992 and June 30, 1993,  
20 between July 1, 1993 and June 30, 1994, between July 1, 1994 and June  
21 30, 1995, between July 1, 1995 and June 30, 1996, between July 1, 1996  
22 and June 30, 1997, between July 1, 1997 and June 30, 1998, between July  
23 1, 1998 and June 30, 1999, between July 1, 1999 and June 30, 2000,  
24 between July 1, 2000 and June 30, 2001, between July 1, 2001 and June  
25 30, 2002, between July 1, 2002 and June 30, 2003, between July 1, 2003  
26 and June 30, 2004, between July 1, 2004 and June 30, 2005, between July  
27 1, 2005 and June 30, 2006, between July 1, 2006 and June 30, 2007,  
28 between July 1, 2007 and June 30, 2008, between July 1, 2008 and June  
29 30, 2009, between July 1, 2009 and June 30, 2010, between July 1, 2010  
30 and June 30, 2011, between July 1, 2011 and June 30, 2012, between July  
31 1, 2012 and June 30, 2013, between July 1, 2013 and June 30, 2014,  
32 between July 1, 2014 and June 30, 2015, [and] between July 1, 2015 and  
33 June 30, 2016, AND BETWEEN JULY 1, 2016 AND JUNE 30, 2017 allocable to  
34 each general hospital for physicians or dentists certified as eligible  
35 for purchase of a policy for excess insurance coverage or equivalent  
36 excess coverage by such general hospital in accordance with subdivision  
37 2 of this section, and may amend such determination and certification as  
38 necessary. The superintendent of financial services shall determine and  
39 certify to each general hospital and to the commissioner of health the  
40 ratable share of such cost allocable to the period July 1, 1987 to  
41 December 31, 1987, to the period January 1, 1988 to June 30, 1988, to  
42 the period July 1, 1988 to December 31, 1988, to the period January 1,  
43 1989 to June 30, 1989, to the period July 1, 1989 to December 31, 1989,  
44 to the period January 1, 1990 to June 30, 1990, to the period July 1,  
45 1990 to December 31, 1990, to the period January 1, 1991 to June 30,  
46 1991, to the period July 1, 1991 to December 31, 1991, to the period  
47 January 1, 1992 to June 30, 1992, to the period July 1, 1992 to December  
48 31, 1992, to the period January 1, 1993 to June 30, 1993, to the period  
49 July 1, 1993 to December 31, 1993, to the period January 1, 1994 to June  
50 30, 1994, to the period July 1, 1994 to December 31, 1994, to the period  
51 January 1, 1995 to June 30, 1995, to the period July 1, 1995 to December  
52 31, 1995, to the period January 1, 1996 to June 30, 1996, to the period  
53 July 1, 1996 to December 31, 1996, to the period January 1, 1997 to June  
54 30, 1997, to the period July 1, 1997 to December 31, 1997, to the period  
55 January 1, 1998 to June 30, 1998, to the period July 1, 1998 to December  
56 31, 1998, to the period January 1, 1999 to June 30, 1999, to the period

1 July 1, 1999 to December 31, 1999, to the period January 1, 2000 to June  
2 30, 2000, to the period July 1, 2000 to December 31, 2000, to the period  
3 January 1, 2001 to June 30, 2001, to the period July 1, 2001 to June 30,  
4 2002, to the period July 1, 2002 to June 30, 2003, to the period July 1,  
5 2003 to June 30, 2004, to the period July 1, 2004 to June 30, 2005, to  
6 the period July 1, 2005 and June 30, 2006, to the period July 1, 2006  
7 and June 30, 2007, to the period July 1, 2007 and June 30, 2008, to the  
8 period July 1, 2008 and June 30, 2009, to the period July 1, 2009 and  
9 June 30, 2010, to the period July 1, 2010 and June 30, 2011, to the  
10 period July 1, 2011 and June 30, 2012, to the period July 1, 2012 and  
11 June 30, 2013, to the period July 1, 2013 and June 30, 2014, to the  
12 period July 1, 2014 and June 30, 2015, [and] to the period July 1, 2015  
13 and June 30, 2016, AND TO THE PERIOD JULY 1, 2016 AND JUNE 30, 2017.

14 S 4. Paragraphs (a), (b), (c), (d) and (e) of subdivision 8 of section  
15 18 of chapter 266 of the laws of 1986, amending the civil practice law  
16 and rules and other laws relating to malpractice and professional  
17 medical conduct, as amended by section 3 of part Y of chapter 57 of the  
18 laws of 2015, are amended to read as follows:

19 (a) To the extent funds available to the hospital excess liability  
20 pool pursuant to subdivision 5 of this section as amended, and pursuant  
21 to section 6 of part J of chapter 63 of the laws of 2001, as may from  
22 time to time be amended, which amended this subdivision, are insuffi-  
23 cient to meet the costs of excess insurance coverage or equivalent  
24 excess coverage for coverage periods during the period July 1, 1992 to  
25 June 30, 1993, during the period July 1, 1993 to June 30, 1994, during  
26 the period July 1, 1994 to June 30, 1995, during the period July 1, 1995  
27 to June 30, 1996, during the period July 1, 1996 to June 30, 1997,  
28 during the period July 1, 1997 to June 30, 1998, during the period July  
29 1, 1998 to June 30, 1999, during the period July 1, 1999 to June 30,  
30 2000, during the period July 1, 2000 to June 30, 2001, during the period  
31 July 1, 2001 to October 29, 2001, during the period April 1, 2002 to  
32 June 30, 2002, during the period July 1, 2002 to June 30, 2003, during  
33 the period July 1, 2003 to June 30, 2004, during the period July 1, 2004  
34 to June 30, 2005, during the period July 1, 2005 to June 30, 2006,  
35 during the period July 1, 2006 to June 30, 2007, during the period July  
36 1, 2007 to June 30, 2008, during the period July 1, 2008 to June 30,  
37 2009, during the period July 1, 2009 to June 30, 2010, during the period  
38 July 1, 2010 to June 30, 2011, during the period July 1, 2011 to June  
39 30, 2012, during the period July 1, 2012 to June 30, 2013, during the  
40 period July 1, 2013 to June 30, 2014, during the period July 1, 2014 to  
41 June 30, 2015, [and] during the period July 1, 2015 and June 30, 2016,  
42 AND DURING THE PERIOD JULY 1, 2016 AND JUNE 30, 2017 allocated or real-  
43 located in accordance with paragraph (a) of subdivision 4-a of this  
44 section to rates of payment applicable to state governmental agencies,  
45 each physician or dentist for whom a policy for excess insurance cover-  
46 age or equivalent excess coverage is purchased for such period shall be  
47 responsible for payment to the provider of excess insurance coverage or  
48 equivalent excess coverage of an allocable share of such insufficiency,  
49 based on the ratio of the total cost of such coverage for such physician  
50 to the sum of the total cost of such coverage for all physicians applied  
51 to such insufficiency.

52 (b) Each provider of excess insurance coverage or equivalent excess  
53 coverage covering the period July 1, 1992 to June 30, 1993, or covering  
54 the period July 1, 1993 to June 30, 1994, or covering the period July 1,  
55 1994 to June 30, 1995, or covering the period July 1, 1995 to June 30,  
56 1996, or covering the period July 1, 1996 to June 30, 1997, or covering

1 the period July 1, 1997 to June 30, 1998, or covering the period July 1,  
2 1998 to June 30, 1999, or covering the period July 1, 1999 to June 30,  
3 2000, or covering the period July 1, 2000 to June 30, 2001, or covering  
4 the period July 1, 2001 to October 29, 2001, or covering the period  
5 April 1, 2002 to June 30, 2002, or covering the period July 1, 2002 to  
6 June 30, 2003, or covering the period July 1, 2003 to June 30, 2004, or  
7 covering the period July 1, 2004 to June 30, 2005, or covering the peri-  
8 od July 1, 2005 to June 30, 2006, or covering the period July 1, 2006 to  
9 June 30, 2007, or covering the period July 1, 2007 to June 30, 2008, or  
10 covering the period July 1, 2008 to June 30, 2009, or covering the peri-  
11 od July 1, 2009 to June 30, 2010, or covering the period July 1, 2010 to  
12 June 30, 2011, or covering the period July 1, 2011 to June 30, 2012, or  
13 covering the period July 1, 2012 to June 30, 2013, or covering the peri-  
14 od July 1, 2013 to June 30, 2014, or covering the period July 1, 2014 to  
15 June 30, 2015, or covering the period July 1, 2015 to June 30, 2016, OR  
16 COVERING THE PERIOD JULY 1, 2016 TO JUNE 30, 2017 shall notify a covered  
17 physician or dentist by mail, mailed to the address shown on the last  
18 application for excess insurance coverage or equivalent excess coverage,  
19 of the amount due to such provider from such physician or dentist for  
20 such coverage period determined in accordance with paragraph (a) of this  
21 subdivision. Such amount shall be due from such physician or dentist to  
22 such provider of excess insurance coverage or equivalent excess coverage  
23 in a time and manner determined by the superintendent of financial  
24 services.

25 (c) If a physician or dentist liable for payment of a portion of the  
26 costs of excess insurance coverage or equivalent excess coverage cover-  
27 ing the period July 1, 1992 to June 30, 1993, or covering the period  
28 July 1, 1993 to June 30, 1994, or covering the period July 1, 1994 to  
29 June 30, 1995, or covering the period July 1, 1995 to June 30, 1996, or  
30 covering the period July 1, 1996 to June 30, 1997, or covering the peri-  
31 od July 1, 1997 to June 30, 1998, or covering the period July 1, 1998 to  
32 June 30, 1999, or covering the period July 1, 1999 to June 30, 2000, or  
33 covering the period July 1, 2000 to June 30, 2001, or covering the peri-  
34 od July 1, 2001 to October 29, 2001, or covering the period April 1,  
35 2002 to June 30, 2002, or covering the period July 1, 2002 to June 30,  
36 2003, or covering the period July 1, 2003 to June 30, 2004, or covering  
37 the period July 1, 2004 to June 30, 2005, or covering the period July 1,  
38 2005 to June 30, 2006, or covering the period July 1, 2006 to June 30,  
39 2007, or covering the period July 1, 2007 to June 30, 2008, or covering  
40 the period July 1, 2008 to June 30, 2009, or covering the period July 1,  
41 2009 to June 30, 2010, or covering the period July 1, 2010 to June 30,  
42 2011, or covering the period July 1, 2011 to June 30, 2012, or covering  
43 the period July 1, 2012 to June 30, 2013, or covering the period July 1,  
44 2013 to June 30, 2014, or covering the period July 1, 2014 to June 30,  
45 2015, or covering the period July 1, 2015 to June 30, 2016, OR COVERING  
46 THE PERIOD JULY 1, 2016 TO JUNE 30, 2017 determined in accordance with  
47 paragraph (a) of this subdivision fails, refuses or neglects to make  
48 payment to the provider of excess insurance coverage or equivalent  
49 excess coverage in such time and manner as determined by the superinten-  
50 dent of financial services pursuant to paragraph (b) of this subdivi-  
51 sion, excess insurance coverage or equivalent excess coverage purchased  
52 for such physician or dentist in accordance with this section for such  
53 coverage period shall be cancelled and shall be null and void as of the  
54 first day on or after the commencement of a policy period where the  
55 liability for payment pursuant to this subdivision has not been met.

1 (d) Each provider of excess insurance coverage or equivalent excess  
2 coverage shall notify the superintendent of financial services and the  
3 commissioner of health or their designee of each physician and dentist  
4 eligible for purchase of a policy for excess insurance coverage or  
5 equivalent excess coverage covering the period July 1, 1992 to June 30,  
6 1993, or covering the period July 1, 1993 to June 30, 1994, or covering  
7 the period July 1, 1994 to June 30, 1995, or covering the period July 1,  
8 1995 to June 30, 1996, or covering the period July 1, 1996 to June 30,  
9 1997, or covering the period July 1, 1997 to June 30, 1998, or covering  
10 the period July 1, 1998 to June 30, 1999, or covering the period July 1,  
11 1999 to June 30, 2000, or covering the period July 1, 2000 to June 30,  
12 2001, or covering the period July 1, 2001 to October 29, 2001, or cover-  
13 ing the period April 1, 2002 to June 30, 2002, or covering the period  
14 July 1, 2002 to June 30, 2003, or covering the period July 1, 2003 to  
15 June 30, 2004, or covering the period July 1, 2004 to June 30, 2005, or  
16 covering the period July 1, 2005 to June 30, 2006, or covering the peri-  
17 od July 1, 2006 to June 30, 2007, or covering the period July 1, 2007 to  
18 June 30, 2008, or covering the period July 1, 2008 to June 30, 2009, or  
19 covering the period July 1, 2009 to June 30, 2010, or covering the peri-  
20 od July 1, 2010 to June 30, 2011, or covering the period July 1, 2011 to  
21 June 30, 2012, or covering the period July 1, 2012 to June 30, 2013, or  
22 covering the period July 1, 2013 to June 30, 2014, or covering the peri-  
23 od July 1, 2014 to June 30, 2015, or covering the period July 1, 2015 to  
24 June 30, 2016, OR COVERING THE PERIOD JULY 1, 2016 TO JUNE 30, 2017 that  
25 has made payment to such provider of excess insurance coverage or equiv-  
26 alent excess coverage in accordance with paragraph (b) of this subdivi-  
27 sion and of each physician and dentist who has failed, refused or  
28 neglected to make such payment.

29 (e) A provider of excess insurance coverage or equivalent excess  
30 coverage shall refund to the hospital excess liability pool any amount  
31 allocable to the period July 1, 1992 to June 30, 1993, and to the period  
32 July 1, 1993 to June 30, 1994, and to the period July 1, 1994 to June  
33 30, 1995, and to the period July 1, 1995 to June 30, 1996, and to the  
34 period July 1, 1996 to June 30, 1997, and to the period July 1, 1997 to  
35 June 30, 1998, and to the period July 1, 1998 to June 30, 1999, and to  
36 the period July 1, 1999 to June 30, 2000, and to the period July 1, 2000  
37 to June 30, 2001, and to the period July 1, 2001 to October 29, 2001,  
38 and to the period April 1, 2002 to June 30, 2002, and to the period July  
39 1, 2002 to June 30, 2003, and to the period July 1, 2003 to June 30,  
40 2004, and to the period July 1, 2004 to June 30, 2005, and to the period  
41 July 1, 2005 to June 30, 2006, and to the period July 1, 2006 to June  
42 30, 2007, and to the period July 1, 2007 to June 30, 2008, and to the  
43 period July 1, 2008 to June 30, 2009, and to the period July 1, 2009 to  
44 June 30, 2010, and to the period July 1, 2010 to June 30, 2011, and to  
45 the period July 1, 2011 to June 30, 2012, and to the period July 1, 2012  
46 to June 30, 2013, and to the period July 1, 2013 to June 30, 2014, and  
47 to the period July 1, 2014 to June 30, 2015, and to the period July 1,  
48 2015 to June 30, 2016, AND TO THE PERIOD JULY 1, 2016 TO JUNE 30, 2017  
49 received from the hospital excess liability pool for purchase of excess  
50 insurance coverage or equivalent excess coverage covering the period  
51 July 1, 1992 to June 30, 1993, and covering the period July 1, 1993 to  
52 June 30, 1994, and covering the period July 1, 1994 to June 30, 1995,  
53 and covering the period July 1, 1995 to June 30, 1996, and covering the  
54 period July 1, 1996 to June 30, 1997, and covering the period July 1,  
55 1997 to June 30, 1998, and covering the period July 1, 1998 to June 30,  
56 1999, and covering the period July 1, 1999 to June 30, 2000, and cover-

1 ing the period July 1, 2000 to June 30, 2001, and covering the period  
2 July 1, 2001 to October 29, 2001, and covering the period April 1, 2002  
3 to June 30, 2002, and covering the period July 1, 2002 to June 30, 2003,  
4 and covering the period July 1, 2003 to June 30, 2004, and covering the  
5 period July 1, 2004 to June 30, 2005, and covering the period July 1,  
6 2005 to June 30, 2006, and covering the period July 1, 2006 to June 30,  
7 2007, and covering the period July 1, 2007 to June 30, 2008, and cover-  
8 ing the period July 1, 2008 to June 30, 2009, and covering the period  
9 July 1, 2009 to June 30, 2010, and covering the period July 1, 2010 to  
10 June 30, 2011, and covering the period July 1, 2011 to June 30, 2012,  
11 and covering the period July 1, 2012 to June 30, 2013, and covering the  
12 period July 1, 2013 to June 30, 2014, and covering the period July 1,  
13 2014 to June 30, 2015, and covering the period July 1, 2015 to June 30,  
14 2016, AND COVERING THE PERIOD JULY 1, 2016 TO JUNE 30, 2017 for a physi-  
15 cian or dentist where such excess insurance coverage or equivalent  
16 excess coverage is cancelled in accordance with paragraph (c) of this  
17 subdivision.

18 S 5. Section 40 of chapter 266 of the laws of 1986, amending the civil  
19 practice law and rules and other laws relating to malpractice and  
20 professional medical conduct, as amended by section 4 of part Y of chap-  
21 ter 57 of the laws of 2015, is amended to read as follows:

22 S 40. The superintendent of financial services shall establish rates  
23 for policies providing coverage for physicians and surgeons medical  
24 malpractice for the periods commencing July 1, 1985 and ending June 30,  
25 [2016] 2017; provided, however, that notwithstanding any other provision  
26 of law, the superintendent shall not establish or approve any increase  
27 in rates for the period commencing July 1, 2009 and ending June 30,  
28 2010. The superintendent shall direct insurers to establish segregated  
29 accounts for premiums, payments, reserves and investment income attrib-  
30 utable to such premium periods and shall require periodic reports by the  
31 insurers regarding claims and expenses attributable to such periods to  
32 monitor whether such accounts will be sufficient to meet incurred claims  
33 and expenses. On or after July 1, 1989, the superintendent shall impose  
34 a surcharge on premiums to satisfy a projected deficiency that is  
35 attributable to the premium levels established pursuant to this section  
36 for such periods; provided, however, that such annual surcharge shall  
37 not exceed eight percent of the established rate until July 1, [2016]  
38 2017, at which time and thereafter such surcharge shall not exceed twen-  
39 ty-five percent of the approved adequate rate, and that such annual  
40 surcharges shall continue for such period of time as shall be sufficient  
41 to satisfy such deficiency. The superintendent shall not impose such  
42 surcharge during the period commencing July 1, 2009 and ending June 30,  
43 2010. On and after July 1, 1989, the surcharge prescribed by this  
44 section shall be retained by insurers to the extent that they insured  
45 physicians and surgeons during the July 1, 1985 through June 30, [2016]  
46 2017 policy periods; in the event and to the extent physicians and  
47 surgeons were insured by another insurer during such periods, all or a  
48 pro rata share of the surcharge, as the case may be, shall be remitted  
49 to such other insurer in accordance with rules and regulations to be  
50 promulgated by the superintendent. Surcharges collected from physicians  
51 and surgeons who were not insured during such policy periods shall be  
52 apportioned among all insurers in proportion to the premium written by  
53 each insurer during such policy periods; if a physician or surgeon was  
54 insured by an insurer subject to rates established by the superintendent  
55 during such policy periods, and at any time thereafter a hospital,  
56 health maintenance organization, employer or institution is responsible

1 for responding in damages for liability arising out of such physician's  
2 or surgeon's practice of medicine, such responsible entity shall also  
3 remit to such prior insurer the equivalent amount that would then be  
4 collected as a surcharge if the physician or surgeon had continued to  
5 remain insured by such prior insurer. In the event any insurer that  
6 provided coverage during such policy periods is in liquidation, the  
7 property/casualty insurance security fund shall receive the portion of  
8 surcharges to which the insurer in liquidation would have been entitled.  
9 The surcharges authorized herein shall be deemed to be income earned for  
10 the purposes of section 2303 of the insurance law. The superintendent,  
11 in establishing adequate rates and in determining any projected defi-  
12 ciency pursuant to the requirements of this section and the insurance  
13 law, shall give substantial weight, determined in his discretion and  
14 judgment, to the prospective anticipated effect of any regulations  
15 promulgated and laws enacted and the public benefit of stabilizing  
16 malpractice rates and minimizing rate level fluctuation during the peri-  
17 od of time necessary for the development of more reliable statistical  
18 experience as to the efficacy of such laws and regulations affecting  
19 medical, dental or podiatric malpractice enacted or promulgated in 1985,  
20 1986, by this act and at any other time. Notwithstanding any provision  
21 of the insurance law, rates already established and to be established by  
22 the superintendent pursuant to this section are deemed adequate if such  
23 rates would be adequate when taken together with the maximum authorized  
24 annual surcharges to be imposed for a reasonable period of time whether  
25 or not any such annual surcharge has been actually imposed as of the  
26 establishment of such rates.

27 S 6. Section 5 and subdivisions (a) and (e) of section 6 of part J of  
28 chapter 63 of the laws of 2001, amending chapter 266 of the laws of  
29 1986, amending the civil practice law and rules and other laws relating  
30 to malpractice and professional medical conduct, as amended by section 5  
31 of part Y of chapter 57 of the laws of 2015, are amended to read as  
32 follows:

33 S 5. The superintendent of financial services and the commissioner of  
34 health shall determine, no later than June 15, 2002, June 15, 2003, June  
35 15, 2004, June 15, 2005, June 15, 2006, June 15, 2007, June 15, 2008,  
36 June 15, 2009, June 15, 2010, June 15, 2011, June 15, 2012, June 15,  
37 2013, June 15, 2014, June 15, 2015, [and] June 15, 2016, AND JUNE 15,  
38 2017 the amount of funds available in the hospital excess liability  
39 pool, created pursuant to section 18 of chapter 266 of the laws of 1986,  
40 and whether such funds are sufficient for purposes of purchasing excess  
41 insurance coverage for eligible participating physicians and dentists  
42 during the period July 1, 2001 to June 30, 2002, or July 1, 2002 to June  
43 30, 2003, or July 1, 2003 to June 30, 2004, or July 1, 2004 to June 30,  
44 2005, or July 1, 2005 to June 30, 2006, or July 1, 2006 to June 30,  
45 2007, or July 1, 2007 to June 30, 2008, or July 1, 2008 to June 30,  
46 2009, or July 1, 2009 to June 30, 2010, or July 1, 2010 to June 30,  
47 2011, or July 1, 2011 to June 30, 2012, or July 1, 2012 to June 30,  
48 2013, or July 1, 2013 to June 30, 2014, or July 1, 2014 to June 30,  
49 2015, or July 1, 2015 to June 30, 2016, OR JULY 1, 2016 TO JUNE 30,  
50 2017, as applicable.

51 (a) This section shall be effective only upon a determination, pursu-  
52 ant to section five of this act, by the superintendent of financial  
53 services and the commissioner of health, and a certification of such  
54 determination to the state director of the budget, the chair of the  
55 senate committee on finance and the chair of the assembly committee on  
56 ways and means, that the amount of funds in the hospital excess liabil-

1 ity pool, created pursuant to section 18 of chapter 266 of the laws of  
2 1986, is insufficient for purposes of purchasing excess insurance cover-  
3 age for eligible participating physicians and dentists during the period  
4 July 1, 2001 to June 30, 2002, or July 1, 2002 to June 30, 2003, or July  
5 1, 2003 to June 30, 2004, or July 1, 2004 to June 30, 2005, or July 1,  
6 2005 to June 30, 2006, or July 1, 2006 to June 30, 2007, or July 1, 2007  
7 to June 30, 2008, or July 1, 2008 to June 30, 2009, or July 1, 2009 to  
8 June 30, 2010, or July 1, 2010 to June 30, 2011, or July 1, 2011 to June  
9 30, 2012, or July 1, 2012 to June 30, 2013, or July 1, 2013 to June 30,  
10 2014, or July 1, 2014 to June 30, 2015, or July 1, 2015 to June 30,  
11 2016, OR JULY 1, 2016 TO JUNE 30, 2017, as applicable.

12 (e) The commissioner of health shall transfer for deposit to the  
13 hospital excess liability pool created pursuant to section 18 of chapter  
14 266 of the laws of 1986 such amounts as directed by the superintendent  
15 of financial services for the purchase of excess liability insurance  
16 coverage for eligible participating physicians and dentists for the  
17 policy year July 1, 2001 to June 30, 2002, or July 1, 2002 to June 30,  
18 2003, or July 1, 2003 to June 30, 2004, or July 1, 2004 to June 30,  
19 2005, or July 1, 2005 to June 30, 2006, or July 1, 2006 to June 30,  
20 2007, as applicable, and the cost of administering the hospital excess  
21 liability pool for such applicable policy year, pursuant to the program  
22 established in chapter 266 of the laws of 1986, as amended, no later  
23 than June 15, 2002, June 15, 2003, June 15, 2004, June 15, 2005, June  
24 15, 2006, June 15, 2007, June 15, 2008, June 15, 2009, June 15, 2010,  
25 June 15, 2011, June 15, 2012, June 15, 2013, June 15, 2014, June 15,  
26 2015, [and] June 15, 2016, AND JUNE 15, 2017, as applicable.

27 S 7. Notwithstanding any law, rule or regulation to the contrary, only  
28 physicians or dentists who were eligible, and for whom the superinten-  
29 dent of financial services and the commissioner of health, or their  
30 designee, purchased, with funds available in the hospital excess liabil-  
31 ity pool, a full or partial policy for excess coverage or equivalent  
32 excess coverage for the coverage period ending the thirtieth of June,  
33 two thousand sixteen, shall be eligible to apply for such coverage for  
34 the coverage period beginning the first of July, two thousand sixteen;  
35 provided, however, if the total number of physicians or dentists for  
36 whom such excess coverage or equivalent excess coverage was purchased  
37 for the policy year ending the thirtieth of June, two thousand sixteen  
38 exceeds the total number of physicians or dentists certified as eligible  
39 for the coverage period beginning the first of July, two thousand  
40 sixteen, then the general hospitals may certify additional eligible  
41 physicians or dentists in a number equal to such general hospital's  
42 proportional share of the total number of physicians or dentists for  
43 whom excess coverage or equivalent excess coverage was purchased with  
44 funds available in the hospital excess liability pool as of the thirti-  
45 eth of June, two thousand sixteen, as applied to the difference between  
46 the number of eligible physicians or dentists for whom a policy for  
47 excess coverage or equivalent excess coverage was purchased for the  
48 coverage period ending the thirtieth of June, two thousand sixteen and  
49 the number of such eligible physicians or dentists who have applied for  
50 excess coverage or equivalent excess coverage for the coverage period  
51 beginning the first of July, two thousand sixteen.

52 S 8. This act shall take effect immediately and shall be deemed to  
53 have been in full force and effect on and after April 1, 2016, provided,  
54 however, section two of this act shall take effect July 1, 2016.



1 Section 1. Paragraph (a) of subdivision 1 of section 212 of chapter  
2 474 of the laws of 1996, amending the education law and other laws  
3 relating to rates for residential healthcare facilities, as amended by  
4 section 2 of part B of chapter 56 of the laws of 2013, is amended to  
5 read as follows:

6 (a) Notwithstanding any inconsistent provision of law or regulation to  
7 the contrary, effective beginning August 1, 1996, for the period April  
8 1, 1997 through March 31, 1998, April 1, 1998 for the period April 1,  
9 1998 through March 31, 1999, August 1, 1999, for the period April 1,  
10 1999 through March 31, 2000, April 1, 2000, for the period April 1, 2000  
11 through March 31, 2001, April 1, 2001, for the period April 1, 2001  
12 through March 31, 2002, April 1, 2002, for the period April 1, 2002  
13 through March 31, 2003, and for the state fiscal year beginning April 1,  
14 2005 through March 31, 2006, and for the state fiscal year beginning  
15 April 1, 2006 through March 31, 2007, and for the state fiscal year  
16 beginning April 1, 2007 through March 31, 2008, and for the state fiscal  
17 year beginning April 1, 2008 through March 31, 2009, and for the state  
18 fiscal year beginning April 1, 2009 through March 31, 2010, and for the  
19 state fiscal year beginning April 1, 2010 through March 31, [2016,]  
20 2019, the department of health is authorized to pay public general  
21 hospitals, as defined in subdivision 10 of section 2801 of the public  
22 health law, operated by the state of New York or by the state university  
23 of New York or by a county, which shall not include a city with a popu-  
24 lation of over one million, of the state of New York, and those public  
25 general hospitals located in the county of Westchester, the county of  
26 Erie or the county of Nassau, additional payments for inpatient hospital  
27 services as medical assistance payments pursuant to title 11 of article  
28 5 of the social services law for patients eligible for federal financial  
29 participation under title XIX of the federal social security act in  
30 medical assistance pursuant to the federal laws and regulations govern-  
31 ing disproportionate share payments to hospitals up to one hundred  
32 percent of each such public general hospital's medical assistance and  
33 uninsured patient losses after all other medical assistance, including  
34 disproportionate share payments to such public general hospital for  
35 1996, 1997, 1998, and 1999, based initially for 1996 on reported 1994  
36 reconciled data as further reconciled to actual reported 1996 reconciled  
37 data, and for 1997 based initially on reported 1995 reconciled data as  
38 further reconciled to actual reported 1997 reconciled data, for 1998  
39 based initially on reported 1995 reconciled data as further reconciled  
40 to actual reported 1998 reconciled data, for 1999 based initially on  
41 reported 1995 reconciled data as further reconciled to actual reported  
42 1999 reconciled data, for 2000 based initially on reported 1995 recon-  
43 ciled data as further reconciled to actual reported 2000 data, for 2001  
44 based initially on reported 1995 reconciled data as further reconciled  
45 to actual reported 2001 data, for 2002 based initially on reported 2000  
46 reconciled data as further reconciled to actual reported 2002 data, and  
47 for state fiscal years beginning on April 1, 2005, based initially on  
48 reported 2000 reconciled data as further reconciled to actual reported  
49 data for 2005, and for state fiscal years beginning on April 1, 2006,  
50 based initially on reported 2000 reconciled data as further reconciled  
51 to actual reported data for 2006, for state fiscal years beginning on  
52 and after April 1, 2007 through March 31, 2009, based initially on  
53 reported 2000 reconciled data as further reconciled to actual reported  
54 data for 2007 and 2008, respectively, for state fiscal years beginning  
55 on and after April 1, 2009, based initially on reported 2007 reconciled  
56 data, adjusted for authorized Medicaid rate changes applicable to the

1 state fiscal year, and as further reconciled to actual reported data for  
2 2009, for state fiscal years beginning on and after April 1, 2010, based  
3 initially on reported reconciled data from the base year two years prior  
4 to the payment year, adjusted for authorized Medicaid rate changes  
5 applicable to the state fiscal year, and further reconciled to actual  
6 reported data from such payment year, and to actual reported data for  
7 each respective succeeding year. The payments may be added to rates of  
8 payment or made as aggregate payments to an eligible public general  
9 hospital.

10 S 2. Section 10 of chapter 649 of the laws of 1996, amending the  
11 public health law, the mental hygiene law and the social services law  
12 relating to authorizing the establishment of special needs plans, as  
13 amended by section 20 of part D of chapter 59 of the laws of 2011, is  
14 amended to read as follows:

15 S 10. This act shall take effect immediately and shall be deemed to  
16 have been in full force and effect on and after July 1, 1996; provided,  
17 however, that sections one, two and three of this act shall expire and  
18 be deemed repealed on March 31, [2016] 2020 provided, however that the  
19 amendments to section 364-j of the social services law made by section  
20 four of this act shall not affect the expiration of such section and  
21 shall be deemed to expire therewith and provided, further, that the  
22 provisions of subdivisions 8, 9 and 10 of section 4401 of the public  
23 health law, as added by section one of this act; section 4403-d of the  
24 public health law as added by section two of this act and the provisions  
25 of section seven of this act, except for the provisions relating to the  
26 establishment of no more than twelve comprehensive HIV special needs  
27 plans, shall expire and be deemed repealed on July 1, 2000.

28 S 3. Subdivision 8 of section 84 of part A of chapter 56 of the laws  
29 of 2013, amending the public health law and other laws relating to  
30 general hospital reimbursement for annual rates, as amended by section  
31 14 of part C of chapter 60 of the laws of 2014, is amended to read as  
32 follows:

33 8. section forty-eight-a of this act shall expire and be deemed  
34 repealed [January 1, 2018] MARCH 31, 2020;

35 S 4. Subdivision (f) of section 129 of part C of chapter 58 of the  
36 laws of 2009, amending the public health law relating to payment by  
37 governmental agencies for general hospital inpatient services, as  
38 amended by section 1 of part B of chapter 56 of the laws of 2013, is  
39 amended to read as follows:

40 (f) section twenty-five of this act shall expire and be deemed  
41 repealed April 1, [2016] 2019;

42 S 5. Subdivision (c) of section 122 of part E of chapter 56 of the  
43 laws of 2013 amending the public health law relating to the general  
44 public health work program is amended to read as follows:

45 (c) section fifty of this act shall take effect immediately and shall  
46 expire [three] SIX years after it becomes law;

47 S 6. This act shall take effect immediately and shall be deemed to  
48 have been in full force and effect on and after April 1, 2016.

49 PART E

50 Intentionally Omitted

51 PART F

1 Section 1. The public health law is amended by adding a new section  
2 2825-d to read as follows:

3 S 2825-D. HEALTH CARE FACILITY TRANSFORMATION PROGRAM: STATEWIDE. 1.  
4 A STATEWIDE HEALTH CARE FACILITY TRANSFORMATION PROGRAM IS HEREBY ESTAB-  
5 LISHED UNDER THE JOINT ADMINISTRATION OF THE COMMISSIONER AND THE PRESI-  
6 DENT OF THE DORMITORY AUTHORITY OF THE STATE OF NEW YORK FOR THE PURPOSE  
7 OF STRENGTHENING AND PROTECTING CONTINUED ACCESS TO HEALTH CARE SERVICES  
8 IN COMMUNITIES. THE PROGRAM SHALL PROVIDE CAPITAL FUNDING IN SUPPORT OF  
9 PROJECTS THAT REPLACE INEFFICIENT AND OUTDATED FACILITIES AS PART OF A  
10 MERGER, CONSOLIDATION, ACQUISITION OR OTHER SIGNIFICANT CORPORATE  
11 RESTRUCTURING ACTIVITY THAT IS PART OF AN OVERALL TRANSFORMATION PLAN  
12 INTENDED TO CREATE A FINANCIALLY SUSTAINABLE SYSTEM OF CARE. THE ISSU-  
13 ANCE OF ANY BONDS OR NOTES HEREUNDER SHALL BE SUBJECT TO THE APPROVAL OF  
14 THE DIRECTOR OF THE DIVISION OF THE BUDGET, AND ANY PROJECTS FUNDED  
15 THROUGH THE ISSUANCE OF BONDS OR NOTES HEREUNDER SHALL BE APPROVED BY  
16 THE NEW YORK STATE PUBLIC AUTHORITIES CONTROL BOARD, AS REQUIRED UNDER  
17 SECTION FIFTY-ONE OF THE PUBLIC AUTHORITIES LAW.

18 2. THE COMMISSIONER AND THE PRESIDENT OF THE AUTHORITY SHALL ENTER  
19 INTO AN AGREEMENT, SUBJECT TO APPROVAL BY THE DIRECTOR OF THE BUDGET,  
20 AND SUBJECT TO SECTION SIXTEEN HUNDRED EIGHTY-R OF THE PUBLIC AUTHORI-  
21 TIES LAW, FOR THE PURPOSES OF AWARDING, DISTRIBUTING, AND ADMINISTERING  
22 THE FUNDS MADE AVAILABLE PURSUANT TO THIS SECTION. SUCH FUNDS MAY BE  
23 DISTRIBUTED BY THE COMMISSIONER AND THE PRESIDENT OF THE AUTHORITY FOR  
24 CAPITAL GRANTS TO GENERAL HOSPITALS, RESIDENTIAL HEALTH CARE FACILITIES,  
25 DIAGNOSTIC AND TREATMENT CENTERS AND CLINICS LICENSED PURSUANT TO THIS  
26 CHAPTER OR THE MENTAL HYGIENE LAW, PRIMARY CARE PROVIDERS, AND HOME CARE  
27 PROVIDERS CERTIFIED OR LICENSED PURSUANT TO ARTICLE THIRTY-SIX OF THIS  
28 CHAPTER, FOR CAPITAL NON-OPERATIONAL WORKS OR PURPOSES THAT SUPPORT THE  
29 PURPOSES SET FORTH IN THIS SECTION. A COPY OF SUCH AGREEMENT, AND ANY  
30 AMENDMENTS THERETO, SHALL BE PROVIDED TO THE CHAIR OF THE SENATE FINANCE  
31 COMMITTEE, THE CHAIR OF THE ASSEMBLY WAYS AND MEANS COMMITTEE, AND THE  
32 DIRECTOR OF THE DIVISION OF BUDGET NO LATER THAN THIRTY DAYS PRIOR TO  
33 THE RELEASE OF A REQUEST FOR APPLICATIONS FOR FUNDING UNDER THIS  
34 PROGRAM. PROJECTS AWARDED, IN WHOLE OR IN PART, UNDER SECTION  
35 TWENTY-EIGHT HUNDRED TWENTY-FIVE OF THIS ARTICLE SHALL NOT BE ELIGIBLE  
36 FOR GRANTS OR AWARDS MADE AVAILABLE UNDER THIS SECTION.

37 3. NOTWITHSTANDING SECTION ONE HUNDRED SIXTY-THREE OF THE STATE  
38 FINANCE LAW OR ANY INCONSISTENT PROVISION OF LAW TO THE CONTRARY, UP TO  
39 TWO HUNDRED MILLION DOLLARS OF THE FUNDS APPROPRIATED FOR THIS PROGRAM  
40 SHALL BE AWARDED WITHOUT A COMPETITIVE BID OR REQUEST FOR PROPOSAL PROC-  
41 ESS FOR CAPITAL GRANTS TO HEALTH CARE PROVIDERS (HEREAFTER "APPLI-  
42 CANTS"). ELIGIBLE APPLICANTS SHALL BE THOSE DEEMED BY THE COMMISSIONER  
43 TO BE A PROVIDER THAT FULFILLS OR WILL FULFILL A HEALTH CARE NEED FOR  
44 ACUTE INPATIENT, OUTPATIENT, PRIMARY, HOME CARE OR RESIDENTIAL HEALTH  
45 CARE SERVICES IN A COMMUNITY.

46 4. IN DETERMINING AWARDS FOR ELIGIBLE APPLICANTS UNDER THIS SECTION,  
47 THE COMMISSIONER AND THE PRESIDENT OF THE AUTHORITY SHALL CONSIDER  
48 CRITERIA INCLUDING, BUT NOT LIMITED TO:

49 (A) THE EXTENT TO WHICH THE PROPOSED CAPITAL PROJECT WILL CONTRIBUTE  
50 TO THE INTEGRATION OF HEALTH CARE SERVICES AND LONG TERM SUSTAINABILITY  
51 OF THE APPLICANT OR PRESERVATION OF ESSENTIAL HEALTH SERVICES IN THE  
52 COMMUNITY OR COMMUNITIES SERVED BY THE APPLICANT;

53 (B) THE EXTENT TO WHICH THE PROPOSED PROJECT OR PURPOSE IS ALIGNED  
54 WITH DELIVERY SYSTEM REFORM INCENTIVE PAYMENT ("DSRIP") PROGRAM GOALS  
55 AND OBJECTIVES;

56 (C) CONSIDERATION OF GEOGRAPHIC DISTRIBUTION OF FUNDS;

(D) THE RELATIONSHIP BETWEEN THE PROPOSED CAPITAL PROJECT AND IDENTIFIED COMMUNITY NEED;

(E) THE EXTENT TO WHICH THE APPLICANT HAS ACCESS TO ALTERNATIVE FINANCING;

(F) THE EXTENT THAT THE PROPOSED CAPITAL PROJECT FURTHERS THE DEVELOPMENT OF PRIMARY CARE AND OTHER OUTPATIENT SERVICES;

(G) THE EXTENT TO WHICH THE PROPOSED CAPITAL PROJECT BENEFITS MEDICAID ENROLLEES AND UNINSURED INDIVIDUALS;

(H) THE EXTENT TO WHICH THE APPLICANT HAS ENGAGED THE COMMUNITY AFFECTED BY THE PROPOSED CAPITAL PROJECT AND THE MANNER IN WHICH COMMUNITY ENGAGEMENT HAS SHAPED SUCH CAPITAL PROJECT; AND

(I) THE EXTENT TO WHICH THE PROPOSED CAPITAL PROJECT ADDRESSES POTENTIAL RISK TO PATIENT SAFETY AND WELFARE.

5. DISBURSEMENT OF AWARDS MADE PURSUANT TO THIS SECTION SHALL BE CONDITIONED ON THE AWARDEE ACHIEVING CERTAIN PROCESS AND PERFORMANCE METRICS AND MILESTONES AS DETERMINED IN THE SOLE DISCRETION OF THE COMMISSIONER. SUCH METRICS AND MILESTONES SHALL BE STRUCTURED TO ENSURE THAT THE HEALTH CARE TRANSFORMATION AND PROVIDER SUSTAINABILITY GOALS OF THE PROJECT ARE ACHIEVED, AND SUCH METRICS AND MILESTONES SHALL BE INCLUDED IN GRANT DISBURSEMENT AGREEMENTS OR OTHER CONTRACTUAL DOCUMENTS AS REQUIRED BY THE COMMISSIONER.

6. THE DEPARTMENT SHALL PROVIDE A REPORT ON A QUARTERLY BASIS TO THE CHAIRS OF THE SENATE FINANCE, ASSEMBLY WAYS AND MEANS, SENATE HEALTH AND ASSEMBLY HEALTH COMMITTEES. SUCH REPORTS SHALL BE SUBMITTED NO LATER THAN SIXTY DAYS AFTER THE CLOSE OF THE QUARTER, AND SHALL INCLUDE, FOR EACH AWARD, THE NAME OF THE APPLICANT, A DESCRIPTION OF THE PROJECT OR PURPOSE, THE AMOUNT OF THE AWARD, DISBURSEMENT DATE, AND STATUS OF ACHIEVEMENT OF PROCESS AND PERFORMANCE METRICS AND MILESTONES PURSUANT TO SUBDIVISION FIVE OF THIS SECTION.

S 2. This act shall take effect immediately and shall be deemed to have been in full force and effect on and after April 1, 2016.

## PART G

Section 1. The public health law is amended by adding a new section 230-e to read as follows:

S 230-E. RETAIL CLINICS. 1. AS USED IN THIS SECTION, "RETAIL CLINIC" MEANS A FACILITY OR PORTION OF A FACILITY THAT IS OPERATED BY ANY ENTITY THAT IS AUTHORIZED UNDER THE LAWS OF THIS STATE TO PROVIDE PROFESSIONAL SERVICES TO THE PUBLIC AND THAT PROVIDES HEALTH CARE SERVICES OR TREATMENT, OTHER THAN PHARMACY, BY A HEALTH CARE PRACTITIONER LICENSED, CERTIFIED, REGISTERED OR AUTHORIZED TO PRACTICE UNDER TITLE EIGHT OF THE EDUCATION LAW, ACTING WITHIN HIS OR HER LAWFUL SCOPE OF PRACTICE, THAT:

(A) OPERATES WITHIN THE SPACE OF A RETAIL BUSINESS OPERATION, SUCH AS A PHARMACY OR A STORE OPEN TO THE GENERAL PUBLIC; (B) IS LABELED, BRANDED, ADVERTISED OR MARKETING WITH THE NAME OR SYMBOL OF A RETAIL BUSINESS ENTITY; OR (C) IS LABELED, BRANDED, ADVERTISED OR MARKETING WITH THE NAME OR SYMBOL OF A BUSINESS ENTITY, OTHER THAN A BUSINESS ENTITY THAT PROVIDES HEALTH CARE SERVICES OR TREATMENT PROVIDED AT THE FACILITY. HOWEVER, PROVISION OF SUCH HEALTH CARE SERVICES OR TREATMENT PROVIDED BY SUCH ENTITIES SHALL NOT BE DEEMED TO BE A RETAIL CLINIC IF IT IS USED ONLY FOR PROVIDING HEALTH CARE SERVICES TO EMPLOYEES OF THE RETAIL BUSINESS OPERATION.

2. THE TREATMENTS AND SERVICES THAT MAY BE PROVIDED BY A RETAIL CLINIC SHALL BE LIMITED TO THE PROVISION OF TREATMENT AND SERVICES TO PATIENTS FOR ACUTE EPISODIC ILLNESS OR CONDITION; EPISODIC PREVENTIVE TREATMENT

1 AND SERVICES SUCH AS IMMUNIZATIONS; OPHTHALMIC DISPENSING AND OPHTHALMO-  
2 LOGIC OR OPTOMETRIC SERVICES PROVIDED IN CONNECTION WITH OPHTHALMIC  
3 DISPENSING; OR TREATMENT AND SERVICES FOR MINOR INJURIES THAT ARE NOT  
4 REASONABLY LIKELY TO BE LIFE-THREATENING OR POTENTIALLY DISABLING OR  
5 HAVE COMPLICATIONS IF AMBULATORY CARE WITHIN THE CAPACITY OF THE RETAIL  
6 CLINIC IS PROVIDED; THE TREATMENTS AND SERVICES PROVIDED BY A RETAIL  
7 CLINIC SHALL NOT INCLUDE MONITORING OR TREATMENT AND SERVICES OVER  
8 MULTIPLE VISITS OR PROLONGED PERIODS.

9 3. A RETAIL CLINIC SHALL BE DEEMED TO BE A "HEALTH CARE PROVIDER" FOR  
10 THE PURPOSES OF TITLE TWO-D OF ARTICLE TWO OF THIS CHAPTER. A PRESCRIBER  
11 PRACTICING IN A RETAIL CLINIC SHALL NOT BE DEEMED TO BE IN THE EMPLOY OF  
12 A PHARMACY OR PRACTICING IN A HOSPITAL FOR PURPOSES OF SUBDIVISION TWO  
13 OF SECTION SIXTY-EIGHT HUNDRED SEVEN OF THE EDUCATION LAW.

14 4. REGULATIONS OF THE COMMISSIONER. (A) THE COMMISSIONER SHALL  
15 PROMULGATE REGULATIONS SETTING FORTH OPERATIONAL AND PHYSICAL PLANT  
16 STANDARDS FOR RETAIL CLINICS, WHICH MAY BE DIFFERENT FROM THE REGU-  
17 LATIONS OTHERWISE APPLICABLE TO DIAGNOSTIC OR TREATMENT CENTERS, INCLUD-  
18 ING, BUT NOT LIMITED TO:

19 (I) REQUIRING THAT RETAIL CLINICS ATTAIN AND MAINTAIN ACCREDITATION BY  
20 AN APPROPRIATE ACCREDITING ENTITY APPROVED BY THE COMMISSIONER AND  
21 REQUIRING TIMELY REPORTING TO THE DEPARTMENT IF A RETAIL CLINIC LOSES  
22 ITS ACCREDITATION;

23 (II) DESIGNATING OR LIMITING THE TREATMENTS AND SERVICES THAT MAY BE  
24 PROVIDED, INCLUDING LIMITING THE SCOPE OF SERVICES TO THE FOLLOWING,  
25 PROVIDED THAT SUCH SERVICES SHALL NOT INCLUDE MONITORING OR TREATMENT  
26 AND SERVICES OVER MULTIPLE VISITS OR PROLONGED PERIODS:

27 (A) THE PROVISION OF TREATMENT AND SERVICES TO PATIENTS FOR MINOR  
28 ACUTE EPISODIC ILLNESSES OR CONDITIONS;

29 (B) EPISODIC PREVENTIVE AND WELLNESS TREATMENTS AND SERVICES SUCH AS  
30 IMMUNIZATIONS;

31 (C) TREATMENT AND SERVICES FOR MINOR INJURIES THAT ARE NOT REASONABLY  
32 LIKELY TO BE LIFE THREATENING OR POTENTIALLY DISABLING OR HAVE COMPLI-  
33 CATIONS IF AMBULATORY CARE WITHIN THE CAPACITY OF THE RETAIL CLINIC IS  
34 PROVIDED;

35 (D) PROHIBITING THE PROVISION OF SERVICES TO PATIENTS TWENTY-FOUR  
36 MONTHS OF AGE OR YOUNGER;

37 (III) REQUIRING RETAIL CLINICS TO ACCEPT WALK-INS AND OFFER EXTENDED  
38 BUSINESS HOURS;

39 (IV) SETTING FORTH GUIDELINES FOR ADVERTISING AND SIGNAGE, WHICH SHALL  
40 INCLUDE SIGNAGE INDICATING THAT PRESCRIPTIONS AND OVER-THE-COUNTER  
41 SUPPLIES MAY BE PURCHASED BY A PATIENT FROM ANY BUSINESS AND DO NOT NEED  
42 TO BE PURCHASED ON-SITE; AND

43 (V) SETTING FORTH GUIDELINES FOR INFORMED CONSENT, RECORD KEEPING,  
44 REFERRAL FOR TREATMENT AND CONTINUITY OF CARE, CASE REPORTING TO THE  
45 PATIENT'S PRIMARY CARE OR OTHER HEALTH CARE PROVIDERS, DESIGN,  
46 CONSTRUCTION, FIXTURES, AND EQUIPMENT.

47 (B) SUCH REGULATIONS ALSO SHALL PROMOTE AND STRENGTHEN PRIMARY CARE BY  
48 REQUIRING RETAIL CLINICS TO:

49 (I) INQUIRE OF EACH PATIENT WHETHER HE OR SHE HAS A PRIMARY CARE  
50 PROVIDER;

51 (II) MAINTAIN AND REGULARLY UPDATE A LIST OF LOCAL PRIMARY CARE  
52 PROVIDERS AND PROVIDE SUCH LIST TO EACH PATIENT WHO INDICATES THAT HE OR  
53 SHE DOES NOT HAVE A PRIMARY CARE PROVIDER. SUCH ROSTER (A) SHALL BE  
54 DRAWN FROM A LIST OF PRIMARY CARE PROVIDERS AND PERIODICALLY UPDATED BY  
55 THE DEPARTMENT ON ITS WEBSITE (IN A SEARCHABLE FORM) INCLUDING THE  
56 INFORMATION REQUIRES IN CLAUSES (B) AND (C) OF THIS SUBPARAGRAPH,

LOCATED IN THE ZIP CODE AREA AND ADJACENT ZIP CODE AREAS OF THE RETAIL CLINIC, AND MAY INCLUDE ADDITIONAL PRIMARY CARE PROVIDERS ADDED BY THE RETAIL CLINIC; (B) SHALL IDENTIFY PREFERRED PROVIDERS WHO HAVE ACHIEVED RECOGNITION AS A PATIENT CENTERED MEDICAL HOME (PCMH) OR OTHER SIMILAR DESIGNATION AND A DESCRIPTION OF WHAT SUCH DESIGNATION MEANS; AND (C) SHALL INCLUDE FEDERALLY QUALIFIED HEALTH CENTERS AND OTHER PROVIDERS WHO SERVE MEDICAID, LOW-INCOME, AND UNINSURED PATIENTS, AND PEOPLE WITH DISABILITIES, AND SHALL IDENTIFY CULTURAL AND LINGUISTIC CAPABILITIES WHEN AVAILABLE;

(III) REFER PATIENTS TO THEIR PRIMARY CARE PROVIDERS OR OTHER HEALTH CARE PROVIDERS AS APPROPRIATE;

(IV) TRANSMIT, BY ELECTRONIC MEANS WHENEVER POSSIBLE, RECORDS OF SERVICES TO PATIENTS' PRIMARY CARE PROVIDERS;

(V) DECLINE TO TREAT ANY PATIENT FOR THE SAME CONDITION OR ILLNESS MORE THAN THREE TIMES IN A YEAR; AND

(VI) REPORT TO THE DEPARTMENT RELEVANT DATA, AS MAY BE DEEMED NECESSARY BY THE DEPARTMENT, RELATED TO SERVICES PROVIDED AND PATIENTS SERVED, PROVIDED THAT SUCH REPORTING SHALL COMPLY WITH ALL PRIVACY LAWS RELATED TO PATIENT DATA.

(C) RETAIL CLINICS ALREADY IN OPERATION AT THE TIME THIS SECTION TAKES EFFECT MUST COMPLY WITH ACCREDITATION REQUIREMENTS UNDER THIS SUBDIVISION WITHIN ONE YEAR AFTER THE EFFECTIVE DATE OF THIS SECTION.

(D) THE DEPARTMENT SHALL ROUTINELY REVIEW THE COMPLIANCE BY RETAIL CLINICS WITH THE PROVISIONS OF THIS SECTION AND IF A RETAIL CLINIC FAILS TO COMPLY WITH THE PROVISIONS OF THIS SECTION, OR REGULATIONS ADOPTED PURSUANT TO THIS SECTION, THE DEPARTMENT SHALL HAVE THE AUTHORITY TO TAKE ENFORCEMENT ACTIONS UNDER TITLE TWO OF ARTICLE ONE OF THIS CHAPTER.

(E) IN MAKING REGULATIONS UNDER THIS SECTION, THE COMMISSIONER MAY CONSULT WITH A WORKGROUP INCLUDING, BUT NOT LIMITED TO, REPRESENTATIVES OF HEALTH CARE CONSUMERS AND REPRESENTATIVES OF PROFESSIONAL SOCIETIES OF APPROPRIATE HEALTH CARE PROFESSIONALS, INCLUDING THOSE IN PRIMARY CARE AND OTHER SPECIALTIES.

5. A RETAIL CLINIC SHALL PROVIDE TREATMENT WITHOUT DISCRIMINATION AS TO SOURCE OF PAYMENT.

6. THE DEPARTMENT SHALL PROVIDE AN ANNUAL REPORT WHICH IT SHALL MAKE AVAILABLE ON ITS WEBSITE; THE REPORT SHALL INCLUDE LOCATIONS OF RETAIL CLINICS IN THE STATE AND SHALL INDICATE WHICH CLINICS ARE LOCATED IN MEDICALLY UNDERSERVED AREAS; SUCH REPORT SHALL ALSO INCLUDE AN ANALYSIS AS TO WHETHER RETAIL CLINICS HAVE IMPROVED ACCESS TO HEALTH CARE IN UNDERSERVED AREAS, RECOMMENDATIONS RELATED THERETO AND ANY OTHER INFORMATION THE DEPARTMENT MAY DEEM NECESSARY.

7. THIS SECTION DOES NOT AUTHORIZE ANY FORM OF OWNERSHIP OR ORGANIZATION OF A RETAIL CLINIC OR PRACTICE OF ANY PROFESSION THAT WOULD NOT OTHERWISE BE LEGAL, AND DOES NOT EXPAND THE SCOPE OF PRACTICE OF ANY HEALTH CARE PRACTITIONER. WHERE ANY REGULATION UNDER THIS SECTION WOULD LIMIT THE SCOPE OF SERVICES THAT MAY BE PROVIDED IN A RETAIL CLINIC BY A HEALTH CARE PRACTITIONER LICENSED, REGISTERED, CERTIFIED OR AUTHORIZED TO PRACTICE UNDER TITLE EIGHT OF THE EDUCATION LAW, THE REGULATION SHALL BE MADE BY THE COMMISSIONER IN CONSULTATION WITH THE COMMISSIONER OF EDUCATION.

8. THE HOST BUSINESS ENTITY OF A RETAIL CLINIC SHALL NOT, DIRECTLY OR INDIRECTLY, BY CONTRACT, POLICY, COMMUNICATION, INCENTIVE OR OTHERWISE, INFLUENCE OR SEEK TO INFLUENCE ANY CLINICAL DECISION, POLICY OR PRACTICE OF ANY HEALTH CARE PRACTITIONER PROVIDING ANY HEALTH CARE SERVICE IN THE RETAIL CLINIC, INCLUDING PRESCRIBING OR RECOMMENDING DRUGS, DEVICES OR SUPPLIES OR RECOMMENDING A SOURCE FOR OBTAINING DRUGS, DEVICES OR

SUPPLIES. THIS SUBDIVISION SHALL NOT PRECLUDE THE HOST BUSINESS ENTITY FROM ESTABLISHING, CONSISTENT WITH THIS SECTION AND APPLICABLE LAW, LIMITATIONS ON OR REQUIREMENTS AS TO THE SCOPE OF HEALTH CARE SERVICES TO BE PROVIDED IN THE RETAIL CLINIC OR ACTIVITIES TO ASSURE MAINTAINING QUALITY STANDARDS OF HEALTH CARE SERVICES. AS USED IN THIS SECTION, "HOST BUSINESS ENTITY" MEANS THE RETAIL BUSINESS ORGANIZATION, RETAIL BUSINESS ENTITY, OR BUSINESS ENTITY WITHIN WHOSE SPACE THE RETAIL CLINIC IS LOCATED OR WITH WHOSE NAME OR SYMBOL THE RETAIL CLINIC IS LABELED, BRANDED, ADVERTISED OR MARKETING.

S 2. This act shall take effect on the one hundred eightieth day after it shall have become a law; provided that effective immediately, the commissioner of health shall make regulations and take other actions reasonably necessary to implement the provisions of this act on or before such effective date.

#### PART H

Section 1. Section 1 of part D of chapter 111 of the laws of 2010 relating to the recovery of exempt income by the office of mental health for community residences and family-based treatment programs, as amended by section 1 of part JJ of chapter 58 of the laws of 2015, is amended to read as follows:

Section 1. The office of mental health is authorized to recover funding from community residences and family-based treatment providers licensed by the office of mental health, consistent with contractual obligations of such providers, and notwithstanding any other inconsistent provision of law to the contrary, in an amount equal to 50 percent of the income received by such providers which exceeds the fixed amount of annual Medicaid revenue limitations, as established by the commissioner of mental health. Recovery of such excess income shall be for the following fiscal periods: for programs in counties located outside of the city of New York, the applicable fiscal periods shall be January 1, 2003 through December 31, 2009 and January 1, 2011 through December 31, [2016] 2017; and for programs located within the city of New York, the applicable fiscal periods shall be July 1, 2003 through June 30, 2010 and July 1, 2011 through June 30, [2016] 2017.

S 2. This act shall take effect immediately.

#### PART I

Section 1. Sections 19 and 21 of chapter 723 of the laws of 1989 amending the mental hygiene law and other laws relating to comprehensive psychiatric emergency programs, as amended by section 1 of part K of chapter 56 of the laws of 2012, are amended to read as follows:

S 19. Notwithstanding any other provision of law, the commissioner of mental health shall, until July 1, [2016] 2020, be solely authorized, in his or her discretion, to designate those general hospitals, local governmental units and voluntary agencies which may apply and be considered for the approval and issuance of an operating certificate pursuant to article 31 of the mental hygiene law for the operation of a comprehensive psychiatric emergency program.

S 21. This act shall take effect immediately, and sections one, two and four through twenty of this act shall remain in full force and effect, until July 1, [2016] 2020, at which time the amendments and additions made by such sections of this act shall be deemed to be repealed, and any provision of law amended by any of such sections of

1 this act shall revert to its text as it existed prior to the effective  
2 date of this act.

3 S 2. This act shall take effect immediately and shall be deemed to  
4 have been in full force and effect on and after April 1, 2016.

5 PART J

6 Section 1. Subdivision 10 of Section 7605 of the education law, as  
7 added by section 4 of part AA of chapter 57 of the laws of 2013, is  
8 amended and a new subdivision 12 is added to read as follows:

9 10. A person without a license from performing assessments such as  
10 basic information collection, gathering of demographic data, and  
11 informal observations, screening and referral used for general eligibil-  
12 ity for a program or service and determining the functional status of an  
13 individual for the purpose of determining need for services [unrelated  
14 to a behavioral health diagnosis or treatment plan]. Such licensure  
15 shall not be required to [create, develop or implement] PARTICIPATE AS A  
16 MEMBER OF THE TREATMENT TEAM IN THE CREATION, DEVELOPMENT OR IMPLEMENTA-  
17 TION OF a service plan [unrelated to a behavioral health diagnosis or  
18 treatment plan]. Such service plans shall include, but are not limited  
19 to, job training and employability, housing, general public assistance,  
20 in home services and supports or home-delivered meals, investigations  
21 conducted or assessments made by adult or child protective services,  
22 adoption home studies and assessments, family service plans, transition  
23 plans and permanency planning activities, de-escalation techniques, peer  
24 services or skill development. A license under this article shall not be  
25 required for persons to participate as a member of a multi-disciplinary  
26 team to implement a behavioral health services or treatment plan;  
27 provided however, that such team shall include one or more professionals  
28 licensed under this article or articles one hundred thirty-one, one  
29 hundred fifty-four or one hundred sixty-three of this chapter WHO MUST  
30 HAVE A FACE TO FACE VISIT WITH EACH PATIENT PRIOR TO THE RENDERING OF A  
31 DIAGNOSIS; and provided, further, that the activities performed by  
32 members of the team shall be consistent with the scope of practice for  
33 each team member licensed or authorized under title VIII of this chap-  
34 ter, and those who are not so authorized may not engage in the following  
35 restricted practices BUT MAY ASSIST LICENSED PROFESSIONALS AND/OR  
36 MULTI-DISCIPLINARY TEAM MEMBERS WITH: the diagnosis of mental,  
37 emotional, behavioral, addictive and developmental disorders and disa-  
38 bilities; [patient assessment and evaluating;] the provision of  
39 psychotherapeutic treatment; the provision of treatment other than  
40 psychotherapeutic treatment; and/or the development and implementation  
41 of assessment-based treatment plans as defined in section seventy-seven  
42 hundred one of this [chapter] TITLE. AS USED IN THIS SUBDIVISION, THE  
43 TERM "ASSIST" SHALL INCLUDE THOSE FUNCTIONS WHICH ARE EXEMPT UNDER THIS  
44 SUBDIVISION. Provided, further, that nothing in this subdivision shall  
45 be construed as requiring a license for any particular activity or func-  
46 tion based solely on the fact that the activity or function is not list-  
47 ed in this subdivision.

48 12. NOTHING IN THIS SECTION SHALL BE CONSTRUED TO PROHIBIT OR LIMIT  
49 THE ACTIVITIES OR SERVICES PROVIDED UNDER THIS ARTICLE ON THE PART OF  
50 ANY PERSON WHO, UPON THE EFFECTIVE DATE OF THIS SUBDIVISION, IS IN THE  
51 EMPLOY OF A PROGRAM OR SERVICE, AS DEFINED IN SUBDIVISION B OF SECTION  
52 SEVENTEEN-A OF CHAPTER SIX HUNDRED SEVENTY-SIX OF THE LAWS OF TWO THOU-  
53 SAND TWO, AS AMENDED, FOR THE PERIOD DURING WHICH SUCH PERSON MAINTAINS  
54 EMPLOYMENT IN SUCH PROGRAM; ACTIVITIES AND SERVICES THAT MAY BE



PERFORMED ARE LIMITED TO THOSE PROVIDED BY SUCH INDIVIDUAL WITHIN THE PRACTICE OF PSYCHOLOGY, AS DEFINED IN THIS ARTICLE, PRIOR TO THE EFFECTIVE DATE OF THIS SUBDIVISION. THIS SUBDIVISION SHALL NOT AUTHORIZE THE USE OF ANY TITLE AUTHORIZED PURSUANT TO THIS ARTICLE BY ANY SUCH EMPLOYED PERSON, EXCEPT AS OTHERWISE PROVIDED BY THIS ARTICLE RESPECTIVELY.

PROVIDED, HOWEVER, THAT ANY PERSON THAT COMMENCES EMPLOYMENT IN SUCH PROGRAM OR SERVICE ON OR AFTER JULY FIRST, TWO THOUSAND NINETEEN AND PERFORMS SERVICES THAT ARE RESTRICTED UNDER THIS ARTICLE SHALL BE APPROPRIATELY LICENSED OR AUTHORIZED UNDER THIS ARTICLE.

S 2. Subdivision 7 of section 7706 of the education law, as added by section 5 of part AA of chapter 57 of the laws of 2013, is amended and a new subdivision 8 is added to read as follows:

7. Prevent a person without a license from performing assessments such as basic information collection, gathering of demographic data, and informal observations, screening and referral used for general eligibility for a program or service and determining the functional status of an individual for the purpose of determining need for services [unrelated to a behavioral health diagnosis or treatment plan]. Such licensure shall not be required to [create, develop or implement] PARTICIPATE AS A MEMBER OF THE TREATMENT TEAM IN THE CREATION, DEVELOPMENT OR IMPLEMENTATION OF a service plan [unrelated to a behavioral health diagnosis or treatment plan]. Such service plans shall include, but are not limited to, job training and employability, housing, general public assistance, in home services and supports or home-delivered meals, investigations conducted or assessments made by adult or child protective services, adoption home studies and assessments, family service plans, transition plans and permanency planning activities, de-escalation techniques, peer services or skill development. A license under this article shall not be required for persons to participate as a member of a multi-disciplinary team to implement a behavioral health services or treatment plan; provided however, that such team shall include one or more professionals licensed under this article or articles one hundred thirty-one, one hundred fifty-three or one hundred sixty-three of this chapter WHO MUST HAVE A FACE TO FACE VISIT WITH EACH PATIENT PRIOR TO THE RENDERING OF A DIAGNOSIS; and provided, further, that the activities performed by members of the team shall be consistent with the scope of practice for each team member licensed or authorized under title VIII of this chapter, and those who are not so authorized may not engage in the following restricted practices BUT MAY ASSIST LICENSED PROFESSIONALS AND/OR MULTI-DISCIPLINARY TEAM MEMBERS WITH: the diagnosis of mental, emotional, behavioral, addictive and developmental disorders and disabilities; [patient assessment and evaluating;] the provision of psychotherapeutic treatment; the provision of treatment other than psychotherapeutic treatment; and/or the development and implementation of assessment-based treatment plans as defined in section seventy-seven hundred one of this article. AS USED IN THIS SUBDIVISION, THE TERM "ASSIST" SHALL INCLUDE THOSE FUNCTIONS WHICH ARE EXEMPT UNDER THIS SUBDIVISION. Provided, further, that nothing in this subdivision shall be construed as requiring a license for any particular activity or function based solely on the fact that the activity or function is not listed in this subdivision.

8. NOTHING HEREIN SHALL BE CONSTRUED TO PROHIBIT OR LIMIT THE ACTIVITIES OR SERVICES PROVIDED UNDER THIS ARTICLE ON THE PART OF ANY PERSON WHO, UPON THE EFFECTIVE DATE OF THIS SUBDIVISION, IS IN THE EMPLOY OF A PROGRAM OR SERVICE, AS DEFINED IN SECTION NINE OF CHAPTER FOUR HUNDRED

TWENTY OF THE LAWS OF TWO THOUSAND TWO, AS AMENDED, FOR THE PERIOD DURING WHICH SUCH PERSON MAINTAINS EMPLOYMENT IN SUCH PROGRAM; ACTIVITIES AND SERVICES THAT MAY BE PERFORMED ARE LIMITED TO THOSE PROVIDED BY SUCH INDIVIDUAL WITHIN THE PRACTICE OF LICENSED MASTER SOCIAL WORK OR LICENSED CLINICAL SOCIAL WORK, AS DEFINED IN THIS ARTICLE, PRIOR TO THE EFFECTIVE DATE OF THIS SUBDIVISION. THIS SUBDIVISION SHALL NOT AUTHORIZE THE USE OF ANY TITLE AUTHORIZED PURSUANT TO THIS ARTICLE BY ANY SUCH EMPLOYED PERSON, EXCEPT AS OTHERWISE PROVIDED BY THIS ARTICLE RESPECTIVELY.

PROVIDED, HOWEVER, THAT ANY PERSON THAT COMMENCES EMPLOYMENT IN SUCH PROGRAM OR SERVICE ON OR AFTER JULY FIRST, TWO THOUSAND NINETEEN AND PERFORMS SERVICES THAT ARE RESTRICTED UNDER THIS ARTICLE SHALL BE APPROPRIATELY LICENSED OR AUTHORIZED UNDER THIS ARTICLE.

S 3. Section 7707 of the education law is amended by adding a new subdivision 2-a to read as follows:

2-A. ANY PERSON WHO POSSESSES A MASTER'S OF SOCIAL WORK DEGREE, ACCEPTABLE TO THE DEPARTMENT, ON THE EFFECTIVE DATE OF THIS SUBDIVISION AND WHO HAS TWO YEARS OF POST-GRADUATE SOCIAL WORK EMPLOYMENT, AS VERIFIED BY A LICENSED SUPERVISOR OR COLLEAGUE ON FORMS ACCEPTABLE TO THE DEPARTMENT, AND WHO, IN THE DETERMINATION OF THE DEPARTMENT, MEETS ALL OTHER REQUIREMENTS FOR LICENSURE AS A LICENSED MASTER SOCIAL WORKER AS DEFINED IN THIS ARTICLE, EXCEPT FOR EXAMINATION, AND WHO FILES WITH THE DEPARTMENT THE APPLICATION, FEE AND REQUIRED DOCUMENTATION WITHIN ONE YEAR OF THE EFFECTIVE DATE OF THIS SECTION, SHALL BE LICENSED AS A LICENSED MASTER SOCIAL WORKER.

S 4. Subdivision 8 of section 8410 of the education law, as added by section 6 of part AA of chapter 57 of the laws of 2013, is amended and a new subdivision 9 is added to read as follows:

8. Prevent a person without a license from performing assessments such as basic information collection, gathering of demographic data, and informal observations, screening and referral used for general eligibility for a program or service and determining the functional status of an individual for the purpose of determining need for services [unrelated to a behavioral health diagnosis or treatment plan]. Such licensure shall not be required to [create, develop or implement] PARTICIPATE AS A MEMBER OF THE TREATMENT TEAM IN THE CREATION, DEVELOPMENT OR IMPLEMENTATION OF a service plan [unrelated to a behavioral health diagnosis or treatment plan]. Such service plans shall include, but are not limited to, job training and employability, housing, general public assistance, in home services and supports or home-delivered meals, investigations conducted or assessments made by adult or child protective services, adoption home studies and assessments, family service plans, transition plans and permanency planning activities, de-escalation techniques, peer services or skill development. A license under this article shall not be required for persons to participate as a member of a multi-disciplinary team to implement a behavioral health services or treatment plan; provided however, that such team shall include one or more professionals licensed under this article or articles one hundred thirty-one, one hundred fifty-three or one hundred fifty-four of this chapter WHO MUST HAVE A FACE TO FACE VISIT WITH EACH PATIENT PRIOR TO THE RENDERING OF A DIAGNOSIS; and provided, further, that the activities performed by members of the team shall be consistent with the scope of practice for each team member licensed or authorized under title VIII of this chapter, and those who are not so authorized may not engage in the following restricted practices BUT MAY ASSIST LICENSED PROFESSIONALS AND/OR MULTI-DISCIPLINARY TEAM MEMBERS WITH: the diagnosis of mental,

1 emotional, behavioral, addictive and developmental disorders and disa-  
2 bilities; [patient assessment and evaluating;] the provision of  
3 psychotherapeutic treatment; the provision of treatment other than  
4 psychotherapeutic treatment; and/or the development and implementation  
5 of assessment-based treatment plans as defined in section seventy-seven  
6 hundred one of this chapter. AS USED IN THIS SUBDIVISION, THE TERM  
7 "ASSIST" SHALL INCLUDE THOSE FUNCTIONS THAT ARE EXEMPT UNDER THIS SUBDI-  
8 VISION. Provided, further, that nothing in this subdivision shall be  
9 construed as requiring a license for any particular activity or function  
10 based solely on the fact that the activity or function is not listed in  
11 this subdivision.

12 9. NOTHING HEREIN SHALL BE CONSTRUED TO PROHIBIT OR LIMIT THE ACTIV-  
13 ITIES OR SERVICES PROVIDED UNDER THIS ARTICLE ON THE PART OF ANY PERSON  
14 WHO, UPON THE EFFECTIVE DATE OF THIS SUBDIVISION, IS IN THE EMPLOY OF A  
15 PROGRAM OR SERVICE, AS DEFINED IN SUBDIVISION B OF SECTION SEVENTEEN-A  
16 OF CHAPTER SIX HUNDRED SEVENTY-SIX OF THE LAWS OF TWO THOUSAND TWO, AS  
17 AMENDED, FOR THE PERIOD DURING WHICH SUCH PERSON MAINTAINS EMPLOYMENT IN  
18 SUCH PROGRAM; ACTIVITIES AND SERVICES THAT MAY BE PERFORMED ARE LIMITED  
19 TO THOSE PROVIDED BY SUCH INDIVIDUAL WITHIN THE PRACTICE OF MENTAL  
20 HEALTH COUNSELING, MARRIAGE AND FAMILY THERAPY, CREATIVE ARTS THERAPY  
21 AND PSYCHOANALYSIS, AS DEFINED IN THIS ARTICLE, PRIOR TO THE EFFECTIVE  
22 DATE OF THIS SECTION. THIS SECTION SHALL NOT AUTHORIZE THE USE OF ANY  
23 TITLE AUTHORIZED PURSUANT TO THIS ARTICLE BY ANY SUCH EMPLOYED PERSON,  
24 EXCEPT AS OTHERWISE PROVIDED BY THIS ARTICLE RESPECTIVELY.

25 PROVIDED, HOWEVER, THAT ANY PERSON THAT COMMENCES EMPLOYMENT IN SUCH  
26 PROGRAM OR SERVICE ON OR AFTER JULY FIRST, TWO THOUSAND NINETEEN AND  
27 PERFORMS SERVICES THAT ARE RESTRICTED UNDER THIS ARTICLE SHALL BE APPRO-  
28 PRIATELY LICENSED OR AUTHORIZED UNDER THIS ARTICLE.

29 S 5. No later than July 1, 2017, the department of mental hygiene, the  
30 office of children and family services, the office of temporary and  
31 disability assistance, the department of corrections and community  
32 supervision, the state office for the aging, the department of health,  
33 or a local governmental unit as that term is defined in article 41 of  
34 the mental hygiene law or a social services district as defined in  
35 section 61 of the social services law (hereinafter referred to as "agen-  
36 cies") shall individually or collectively consult with the department to  
37 develop formal guidance for service providers authorized to operate  
38 under the respective agencies to identify the following: (a) the tasks  
39 and functions performed by each agency's service provider workforce  
40 categorized as tasks and functions restricted to licensed personnel  
41 including tasks and functions that do not require a license under arti-  
42 cles 153, 154 and 163 of the education law; (b) costs associated with  
43 employing appropriately licensed or otherwise authorized personnel to  
44 perform tasks and functions that require licensure under such articles  
45 153, 154 and 163 including salary costs and costs associated with  
46 providing support to unlicensed personnel in obtaining appropriate  
47 licensure and funding for costs associated with service providers reach-  
48 ing compliance with applicable licensing laws; (c) any changes in law,  
49 rule or regulation that are necessary to implement the applicable  
50 licensing laws; and (d) an action plan detailing measures that each  
51 state or local agency shall implement to ensure that service providers  
52 and their workforce shall be in compliance with professional licensure  
53 laws applicable to services provided as it relates to each employee  
54 hired on July 1, 2019.

55 S 6. Subdivision a of section 9 of chapter 420 of the laws of 2002,  
56 amending the education law relating to the profession of social work, as

1 amended by section 1 of part AA of chapter 57 of the laws of 2013, is  
2 amended to read as follows:

3 a. Nothing in this act shall prohibit or limit the activities or  
4 services on the part of any person in the employ of a program or service  
5 operated, regulated, funded, or approved by the department of mental  
6 hygiene, the office of children and family services, the office of  
7 temporary and disability assistance, the department of corrections and  
8 community supervision, the state office for the aging, the department of  
9 health, or a local governmental unit as that term is defined in article  
10 41 of the mental hygiene law or a social services district as defined in  
11 section 61 of the social services law, provided, however, this section  
12 shall not authorize the use of any title authorized pursuant to article  
13 154 of the education law, PROVIDED, FURTHER, THAT ANY PERSON THAT  
14 COMMENCES EMPLOYMENT IN SUCH PROGRAM OR SERVICE ON OR AFTER JULY 1, 2019  
15 AND PERFORMS SERVICES THAT ARE RESTRICTED UNDER ARTICLE 154 OF THE  
16 EDUCATION LAW SHALL BE APPROPRIATELY LICENSED OR AUTHORIZED UNDER THIS  
17 ARTICLE except that this section shall be deemed repealed on July 1,  
18 [2016] 2021.

19 S 7. Subdivision a of section 17-a of chapter 676 of the laws of 2002  
20 amending the education law relating to the practice of psychology, as  
21 amended by section 2 of part AA of chapter 57 of the laws of 2013, is  
22 amended to read as follows:

23 a. In relation to activities and services provided under article 153  
24 of the education law, nothing in this act shall prohibit or limit such  
25 activities or services on the part of any person in the employ of a  
26 program or service operated, regulated, funded, or approved by the  
27 department of mental hygiene or the office of children and family  
28 services, or a local governmental unit as that term is defined in arti-  
29 cle 41 of the mental hygiene law or a social services district as  
30 defined in section 61 of the social services law. In relation to activ-  
31 ities and services provided under article 163 of the education law,  
32 nothing in this act shall prohibit or limit such activities or services  
33 on the part of any person in the employ of a program or service oper-  
34 ated, regulated, funded, or approved by the department of mental  
35 hygiene, the office of children and family services, the department of  
36 corrections and community supervision, the office of temporary and disa-  
37 bility assistance, the state office for the aging and the department of  
38 health or a local governmental unit as that term is defined in article  
39 41 of the mental hygiene law or a social services district as defined in  
40 section 61 of the social services law, pursuant to authority granted by  
41 law. This section shall not authorize the use of any title authorized  
42 pursuant to article 153 or 163 of the education law by any such employed  
43 person, except as otherwise provided by such articles respectively.  
44 PROVIDED, FURTHER, THAT ANY PERSON THAT COMMENCES EMPLOYMENT IN SUCH  
45 PROGRAM OR SERVICE ON OR AFTER JULY 1, 2019 AND PERFORMS SERVICES THAT  
46 ARE RESTRICTED UNDER ARTICLE 153 OR 163 OF THE EDUCATION LAW SHALL BE  
47 APPROPRIATELY LICENSED OR AUTHORIZED UNDER THIS ARTICLE. This section  
48 shall be deemed repealed July 1, [2016] 2021.

49 S 8. Section 16 of chapter 130 of the laws of 2010 amending the educa-  
50 tion law and other laws relating to the registration of entities provid-  
51 ing certain professional services and the licensure of certain  
52 professions, as amended by section 3 of part AA of chapter 57 of the  
53 laws of 2013, is amended to read as follows:

54 S 16. This act shall take effect immediately; provided that sections  
55 thirteen, fourteen and fifteen of this act shall take effect immediately  
56 and shall be deemed to have been in full force and effect on and after

1 June 1, 2010 and such sections shall be deemed repealed July 1, [2016]  
2 2021; PROVIDED, HOWEVER, THAT ANY PERSON THAT COMMENCES EMPLOYMENT IN  
3 SUCH PROGRAM OR SERVICE ON OR AFTER JULY 1, 2019 AND PERFORMS SERVICES  
4 THAT ARE RESTRICTED UNDER ARTICLE 153, 154 OR 163 OF THE EDUCATION LAW  
5 SHALL BE APPROPRIATELY LICENSED OR AUTHORIZED UNDER THIS ARTICLE;  
6 provided further that the amendments to section 9 of chapter 420 of the  
7 laws of 2002 amending the education law relating to the profession of  
8 social work made by section thirteen of this act shall repeal on the  
9 same date as such section repeals; provided further that the amendments  
10 to section 17-a of chapter 676 of the laws of 2002 amending the educa-  
11 tion law relating to the practice of psychology made by section fourteen  
12 of this act shall repeal on the same date as such section repeals.

13 S 9. This act shall take effect immediately.

14 PART K

15 Intentionally Omitted

16 PART L

17 Section 1. The mental hygiene law is amended by adding a new section  
18 16.25 to read as follows:

19 S 16.25 TEMPORARY OPERATOR.

20 (A) FOR THE PURPOSES OF THIS SECTION:

21 (1) "ESTABLISHED OPERATOR" SHALL MEAN THE PROVIDER OF SERVICES THAT  
22 HAS BEEN ESTABLISHED AND ISSUED AN OPERATING CERTIFICATE PURSUANT TO  
23 THIS ARTICLE.

24 (2) "EXTRAORDINARY FINANCIAL ASSISTANCE" SHALL MEAN STATE FUNDS  
25 PROVIDED TO, OR REQUESTED BY, A PROGRAM FOR THE EXPRESS PURPOSE OF  
26 PREVENTING THE CLOSURE OF THE PROGRAM THAT THE COMMISSIONER FINDS  
27 PROVIDES ESSENTIAL AND NECESSARY SERVICES WITHIN THE COMMUNITY.

28 (3) "SERIOUS FINANCIAL INSTABILITY" SHALL INCLUDE BUT NOT BE LIMITED  
29 TO DEFAULTING OR VIOLATING MATERIAL COVENANTS OF BOND ISSUES, MISSED  
30 MORTGAGE PAYMENTS, MISSED RENT PAYMENTS, A PATTERN OF UNTIMELY PAYMENT  
31 OF DEBTS, FAILURE TO PAY ITS EMPLOYEES OR VENDORS, INSUFFICIENT FUNDS TO  
32 MEET THE GENERAL OPERATING EXPENSES OF THE PROGRAM, FAILURE TO MAINTAIN  
33 REQUIRED DEBT SERVICE COVERAGE RATIOS AND/OR, AS APPLICABLE, FACTORS  
34 THAT HAVE TRIGGERED A WRITTEN EVENT OF DEFAULT NOTICE TO THE OFFICE BY  
35 THE DORMITORY AUTHORITY OF THE STATE OF NEW YORK.

36 (4) "OFFICE" SHALL MEAN THE OFFICE FOR PEOPLE WITH DEVELOPMENTAL DISA-  
37 BILITIES.

38 (5) "TEMPORARY OPERATOR" SHALL MEAN ANY PROVIDER OF SERVICES THAT HAS  
39 BEEN ESTABLISHED AND ISSUED AN OPERATING CERTIFICATE PURSUANT TO THIS  
40 ARTICLE OR WHICH IS DIRECTLY OPERATED BY THE OFFICE, THAT:

41 A. AGREES TO PROVIDE SERVICES CERTIFIED PURSUANT TO THIS ARTICLE ON A  
42 TEMPORARY BASIS IN THE BEST INTERESTS OF ITS INDIVIDUALS SERVED BY THE  
43 PROGRAM; AND

44 B. HAS A HISTORY OF COMPLIANCE WITH APPLICABLE LAWS, RULES, AND REGU-  
45 LATIONS AND A RECORD OF PROVIDING CARE OF GOOD QUALITY, AS DETERMINED BY  
46 THE COMMISSIONER; AND

47 C. PRIOR TO APPOINTMENT AS TEMPORARY OPERATOR, DEVELOPS A PLAN DETER-  
48 MINED TO BE SATISFACTORY BY THE COMMISSIONER TO ADDRESS THE PROGRAM'S  
49 DEFICIENCIES.

50 (B) (1) IN THE EVENT THAT: (I) THE ESTABLISHED OPERATOR IS SEEKING  
51 EXTRAORDINARY FINANCIAL ASSISTANCE; (II) OFFICE COLLECTED DATA DEMON-  
52 STRATES THAT THE ESTABLISHED OPERATOR IS EXPERIENCING SERIOUS FINANCIAL

1 INSTABILITY ISSUES; (III) OFFICE COLLECTED DATA DEMONSTRATES THAT THE  
2 ESTABLISHED OPERATOR'S BOARD OF DIRECTORS OR ADMINISTRATION IS UNABLE OR  
3 UNWILLING TO ENSURE THE PROPER OPERATION OF THE PROGRAM; OR (IV) OFFICE  
4 COLLECTED DATA INDICATES THERE ARE CONDITIONS THAT SERIOUSLY ENDANGER OR  
5 JEOPARDIZE CONTINUED ACCESS TO NECESSARY SERVICES WITHIN THE COMMUNITY,  
6 THE COMMISSIONER SHALL NOTIFY THE ESTABLISHED OPERATOR OF HIS OR HER  
7 INTENTION TO APPOINT A TEMPORARY OPERATOR TO ASSUME SOLE RESPONSIBILITY  
8 FOR THE PROVIDER OF SERVICES' OPERATIONS FOR A LIMITED PERIOD OF TIME.  
9 THE APPOINTMENT OF A TEMPORARY OPERATOR SHALL BE EFFECTUATED PURSUANT TO  
10 THIS SECTION, AND SHALL BE IN ADDITION TO ANY OTHER REMEDIES PROVIDED BY  
11 LAW.

12 (2) THE ESTABLISHED OPERATOR MAY AT ANY TIME REQUEST THE COMMISSIONER  
13 TO APPOINT A TEMPORARY OPERATOR. UPON RECEIVING SUCH A REQUEST, THE  
14 COMMISSIONER MAY, IF HE OR SHE DETERMINES THAT SUCH AN ACTION IS NECES-  
15 SARY, ENTER INTO AN AGREEMENT WITH THE ESTABLISHED OPERATOR FOR THE  
16 APPOINTMENT OF A TEMPORARY OPERATOR TO RESTORE OR MAINTAIN THE PROVISION  
17 OF QUALITY CARE TO THE INDIVIDUALS UNTIL THE ESTABLISHED OPERATOR CAN  
18 RESUME OPERATIONS WITHIN THE DESIGNATED TIME PERIOD OR OTHER ACTION IS  
19 TAKEN AS DESCRIBED IN SECTION 16.17 OF THIS ARTICLE.

20 (C) (1) A TEMPORARY OPERATOR APPOINTED PURSUANT TO THIS SECTION SHALL  
21 USE HIS OR HER BEST EFFORTS TO IMPLEMENT THE PLAN DEEMED SATISFACTORY BY  
22 THE COMMISSIONER TO CORRECT OR ELIMINATE ANY DEFICIENCIES IN THE PROGRAM  
23 AND TO PROMOTE THE QUALITY AND ACCESSIBILITY OF SERVICES IN THE COMMUNI-  
24 TY SERVED BY THE PROVIDER OF SERVICES.

25 (2) DURING THE TERM OF APPOINTMENT, THE TEMPORARY OPERATOR SHALL HAVE  
26 THE AUTHORITY TO DIRECT THE STAFF OF THE ESTABLISHED OPERATOR AS NECES-  
27 SARY TO APPROPRIATELY PROVIDE SERVICES FOR INDIVIDUALS. THE TEMPORARY  
28 OPERATOR SHALL, DURING THIS PERIOD, PROVIDE SERVICES IN SUCH A MANNER AS  
29 TO PROMOTE SAFETY AND THE QUALITY AND ACCESSIBILITY OF SERVICES IN THE  
30 COMMUNITY SERVED BY THE ESTABLISHED OPERATOR UNTIL EITHER THE ESTAB-  
31 LISHED OPERATOR CAN RESUME OPERATIONS OR UNTIL THE OFFICE REVOKES THE  
32 OPERATING CERTIFICATE FOR THE SERVICES ISSUED UNDER THIS ARTICLE.

33 (3) THE ESTABLISHED OPERATOR SHALL GRANT ACCESS TO THE TEMPORARY OPER-  
34 ATOR TO THE ESTABLISHED OPERATOR'S ACCOUNTS AND RECORDS IN ORDER TO  
35 ADDRESS ANY DEFICIENCIES RELATED TO THE PROGRAM EXPERIENCING SERIOUS  
36 FINANCIAL INSTABILITY OR AN ESTABLISHED OPERATOR REQUESTING FINANCIAL  
37 ASSISTANCE IN ACCORDANCE WITH THIS SECTION. THE TEMPORARY OPERATOR SHALL  
38 APPROVE ANY FINANCIAL DECISION RELATED TO AN ESTABLISHED PROVIDER'S DAY  
39 TO DAY OPERATIONS OR THE ESTABLISHED PROVIDER'S ABILITY TO PROVIDE  
40 SERVICES.

41 (4) THE TEMPORARY OPERATOR SHALL NOT BE REQUIRED TO FILE ANY BOND. NO  
42 SECURITY INTEREST IN ANY REAL OR PERSONAL PROPERTY COMPRISING THE ESTAB-  
43 LISHED OPERATOR OR CONTAINED WITHIN THE ESTABLISHED OPERATOR OR IN ANY  
44 FIXTURE OF THE PROGRAM, SHALL BE IMPAIRED OR DIMINISHED IN PRIORITY BY  
45 THE TEMPORARY OPERATOR. NEITHER THE TEMPORARY OPERATOR NOR THE OFFICE  
46 SHALL ENGAGE IN ANY ACTIVITY THAT CONSTITUTES A CONFISCATION OF PROPER-  
47 TY.

48 (D) THE TEMPORARY OPERATOR SHALL BE ENTITLED TO A REASONABLE FEE, AS  
49 DETERMINED BY THE COMMISSIONER AND SUBJECT TO THE APPROVAL OF THE DIREC-  
50 TOR OF THE DIVISION OF THE BUDGET, AND NECESSARY EXPENSES INCURRED WHILE  
51 SERVING AS A TEMPORARY OPERATOR. THE TEMPORARY OPERATOR SHALL BE LIABLE  
52 ONLY IN ITS CAPACITY AS TEMPORARY OPERATOR FOR INJURY TO PERSON AND  
53 PROPERTY BY REASON OF ITS OPERATION OF SUCH PROGRAM; NO LIABILITY SHALL  
54 INCUR IN THE TEMPORARY OPERATOR'S PERSONAL CAPACITY, EXCEPT FOR GROSS  
55 NEGLIGENCE AND INTENTIONAL ACTS.

(E) (1) THE INITIAL TERM OF THE APPOINTMENT OF THE TEMPORARY OPERATOR SHALL NOT EXCEED NINETY DAYS. AFTER NINETY DAYS, IF THE COMMISSIONER DETERMINES THAT TERMINATION OF THE TEMPORARY OPERATOR WOULD CAUSE SIGNIFICANT DETERIORATION OF THE QUALITY OF, OR ACCESS TO, CARE IN THE COMMUNITY OR THAT REAPPOINTMENT IS NECESSARY TO CORRECT THE DEFICIENCIES THAT REQUIRED THE APPOINTMENT OF THE TEMPORARY OPERATOR, THE COMMISSIONER MAY AUTHORIZE AN ADDITIONAL NINETY-DAY TERM. HOWEVER, SUCH AUTHORIZATION SHALL INCLUDE THE COMMISSIONER'S REQUIREMENTS FOR CONCLUSION OF THE TEMPORARY OPERATORSHIP TO BE SATISFIED WITHIN THE ADDITIONAL TERM.

(2) WITHIN FOURTEEN DAYS PRIOR TO THE TERMINATION OF EACH TERM OF THE APPOINTMENT OF THE TEMPORARY OPERATOR, THE TEMPORARY OPERATOR SHALL SUBMIT TO THE COMMISSIONER AND TO THE ESTABLISHED OPERATOR A REPORT DESCRIBING:

A. THE ACTIONS TAKEN DURING THE APPOINTMENT TO ADDRESS THE IDENTIFIED PROGRAM DEFICIENCIES, THE RESUMPTION OF PROGRAM OPERATIONS BY THE ESTABLISHED OPERATOR, OR THE REVOCATION OF AN OPERATING CERTIFICATE ISSUED BY THE OFFICE;

B. OBJECTIVES FOR THE CONTINUATION OF THE TEMPORARY OPERATORSHIP IF NECESSARY AND A SCHEDULE FOR SATISFACTION OF SUCH OBJECTIVES; AND

C. IF APPLICABLE, THE RECOMMENDED ACTIONS FOR THE ONGOING PROVISION OF SERVICES SUBSEQUENT TO THE TEMPORARY OPERATORSHIP.

(3) THE TERM OF THE INITIAL APPOINTMENT AND OF ANY SUBSEQUENT REAPPOINTMENT MAY BE TERMINATED PRIOR TO THE EXPIRATION OF THE DESIGNATED TERM, IF THE ESTABLISHED OPERATOR AND THE COMMISSIONER AGREE ON A PLAN OF CORRECTION AND THE IMPLEMENTATION OF SUCH PLAN.

(F) (1) THE COMMISSIONER SHALL, UPON MAKING A DETERMINATION OF AN INTENTION TO APPOINT A TEMPORARY OPERATOR PURSUANT TO PARAGRAPH ONE OF SUBDIVISION (B) OF THIS SECTION, CAUSE THE ESTABLISHED OPERATOR TO BE NOTIFIED OF THE INTENTION BY REGISTERED OR CERTIFIED MAIL ADDRESSED TO THE PRINCIPAL OFFICE OF THE ESTABLISHED OPERATOR. SUCH NOTIFICATION SHALL INCLUDE A DETAILED DESCRIPTION OF THE FINDINGS UNDERLYING THE INTENTION TO APPOINT A TEMPORARY OPERATOR, AND THE DATE AND TIME OF A REQUIRED MEETING WITH THE COMMISSIONER AND/OR HIS OR HER DESIGNEE WITHIN TEN BUSINESS DAYS OF THE RECEIPT OF SUCH NOTICE. AT SUCH MEETING, THE ESTABLISHED OPERATOR SHALL HAVE THE OPPORTUNITY TO REVIEW AND DISCUSS ALL RELEVANT FINDINGS. AT SUCH MEETING, THE COMMISSIONER AND THE ESTABLISHED OPERATOR SHALL ATTEMPT TO DEVELOP A MUTUALLY SATISFACTORY PLAN OF CORRECTION AND SCHEDULE FOR IMPLEMENTATION. IN SUCH EVENT, THE COMMISSIONER SHALL NOTIFY THE ESTABLISHED OPERATOR THAT THE COMMISSIONER WILL ABSTAIN FROM APPOINTING A TEMPORARY OPERATOR CONTINGENT UPON THE ESTABLISHED OPERATOR REMEDIATING THE IDENTIFIED DEFICIENCIES WITHIN THE AGREED UPON TIMEFRAME.

(2) SHOULD THE COMMISSIONER AND THE ESTABLISHED OPERATOR BE UNABLE TO ESTABLISH A PLAN OF CORRECTION PURSUANT TO PARAGRAPH ONE OF THIS SUBDIVISION, OR SHOULD THE ESTABLISHED OPERATOR FAIL TO RESPOND TO THE COMMISSIONER'S INITIAL NOTIFICATION, THERE SHALL BE AN ADMINISTRATIVE HEARING ON THE COMMISSIONER'S DETERMINATION TO APPOINT A TEMPORARY OPERATOR TO BEGIN NO LATER THAN THIRTY DAYS FROM THE DATE OF THE NOTICE TO THE ESTABLISHED OPERATOR. ANY SUCH HEARING SHALL BE STRICTLY LIMITED TO THE ISSUE OF WHETHER THE DETERMINATION OF THE COMMISSIONER TO APPOINT A TEMPORARY OPERATOR IS SUPPORTED BY SUBSTANTIAL EVIDENCE. A COPY OF THE DECISION SHALL BE SENT TO THE ESTABLISHED OPERATOR.

(3) IF THE DECISION TO APPOINT A TEMPORARY OPERATOR IS UPHELD SUCH TEMPORARY OPERATOR SHALL BE APPOINTED AS SOON AS IS PRACTICABLE AND SHALL PROVIDE SERVICES PURSUANT TO THE PROVISIONS OF THIS SECTION.

1 (G) NOTWITHSTANDING THE APPOINTMENT OF A TEMPORARY OPERATOR, THE  
2 ESTABLISHED OPERATOR SHALL REMAIN OBLIGATED FOR THE CONTINUED PROVISION  
3 OF SERVICES. NO PROVISION CONTAINED IN THIS SECTION SHALL BE DEEMED TO  
4 RELIEVE THE ESTABLISHED OPERATOR OR ANY OTHER PERSON OF ANY CIVIL OR  
5 CRIMINAL LIABILITY INCURRED, OR ANY DUTY IMPOSED BY LAW, BY REASON OF  
6 ACTS OR OMISSIONS OF THE ESTABLISHED OPERATOR OR ANY OTHER PERSON PRIOR  
7 TO THE APPOINTMENT OF ANY TEMPORARY OPERATOR OF THE PROGRAM HEREUNDER;  
8 NOR SHALL ANYTHING CONTAINED IN THIS SECTION BE CONSTRUED TO SUSPEND  
9 DURING THE TERM OF THE APPOINTMENT OF THE TEMPORARY OPERATOR OF THE  
10 PROGRAM ANY OBLIGATION OF THE ESTABLISHED OPERATOR OR ANY OTHER PERSON  
11 FOR THE MAINTENANCE AND REPAIR OF THE FACILITY, PROVISION OF UTILITY  
12 SERVICES, PAYMENT OF TAXES OR OTHER OPERATING AND MAINTENANCE EXPENSES  
13 OF THE FACILITY, NOR OF THE ESTABLISHED OPERATOR OR ANY OTHER PERSON FOR  
14 THE PAYMENT OF MORTGAGES OR LIENS.

15 S 2. The mental hygiene law is amended by adding a new section 31.20  
16 to read as follows:

17 S 31.20 TEMPORARY OPERATOR.

18 (A) FOR THE PURPOSES OF THIS SECTION:

19 (1) "ESTABLISHED OPERATOR" SHALL MEAN THE OPERATOR OF A MENTAL HEALTH  
20 PROGRAM THAT HAS BEEN ESTABLISHED AND ISSUED AN OPERATING CERTIFICATE  
21 PURSUANT TO THIS ARTICLE.

22 (2) "EXTRAORDINARY FINANCIAL ASSISTANCE" SHALL MEAN STATE FUNDS  
23 PROVIDED TO, OR REQUESTED BY, A PROGRAM FOR THE EXPRESS PURPOSE OF  
24 PREVENTING THE CLOSURE OF THE PROGRAM THAT THE COMMISSIONER FINDS  
25 PROVIDES ESSENTIAL AND NECESSARY SERVICES WITHIN THE COMMUNITY.

26 (3) "MENTAL HEALTH PROGRAM" SHALL MEAN A PROVIDER OF SERVICES FOR  
27 PERSONS WITH SERIOUS MENTAL ILLNESS, AS SUCH TERMS ARE DEFINED IN  
28 SECTION 1.03 OF THIS CHAPTER, WHICH IS LICENSED OR OPERATED BY THE  
29 OFFICE.

30 (4) "OFFICE" SHALL MEAN THE OFFICE OF MENTAL HEALTH.

31 (5) "SERIOUS FINANCIAL INSTABILITY" SHALL INCLUDE BUT NOT BE LIMITED  
32 TO DEFAULTING OR VIOLATING MATERIAL COVENANTS OF BOND ISSUES, MISSED  
33 MORTGAGE PAYMENTS, A PATTERN OF UNTIMELY PAYMENT OF DEBTS, FAILURE TO  
34 PAY ITS EMPLOYEES OR VENDORS, INSUFFICIENT FUNDS TO MEET THE GENERAL  
35 OPERATING EXPENSES OF THE PROGRAM, FAILURE TO MAINTAIN REQUIRED DEBT  
36 SERVICE COVERAGE RATIOS AND/OR, AS APPLICABLE, FACTORS THAT HAVE TRIG-  
37 GERED A WRITTEN EVENT OF DEFAULT NOTICE TO THE OFFICE BY THE DORMITORY  
38 AUTHORITY OF THE STATE OF NEW YORK.

39 (6) "TEMPORARY OPERATOR" SHALL MEAN ANY OPERATOR OF A MENTAL HEALTH  
40 PROGRAM THAT HAS BEEN ESTABLISHED AND ISSUED AN OPERATING CERTIFICATE  
41 PURSUANT TO THIS ARTICLE OR WHICH IS DIRECTLY OPERATED BY THE OFFICE OF  
42 MENTAL HEALTH, THAT:

43 A. AGREES TO OPERATE A MENTAL HEALTH PROGRAM ON A TEMPORARY BASIS IN  
44 THE BEST INTERESTS OF ITS PATIENTS SERVED BY THE PROGRAM; AND

45 B. HAS A HISTORY OF COMPLIANCE WITH APPLICABLE LAWS, RULES, AND REGU-  
46 LATIONS AND A RECORD OF PROVIDING CARE OF GOOD QUALITY, AS DETERMINED BY  
47 THE COMMISSIONER; AND

48 C. PRIOR TO APPOINTMENT AS TEMPORARY OPERATOR, DEVELOPS A PLAN DETER-  
49 MINED TO BE SATISFACTORY BY THE COMMISSIONER TO ADDRESS THE PROGRAM'S  
50 DEFICIENCIES.

51 (B) (1) IN THE EVENT THAT: (I) THE ESTABLISHED OPERATOR IS SEEKING  
52 EXTRAORDINARY FINANCIAL ASSISTANCE; (II) OFFICE COLLECTED DATA DEMON-  
53 STRATES THAT THE ESTABLISHED OPERATOR IS EXPERIENCING SERIOUS FINANCIAL  
54 INSTABILITY ISSUES; (III) OFFICE COLLECTED DATA DEMONSTRATES THAT THE  
55 ESTABLISHED OPERATOR'S BOARD OF DIRECTORS OR ADMINISTRATION IS UNABLE OR  
56 UNWILLING TO ENSURE THE PROPER OPERATION OF THE PROGRAM; OR (IV) OFFICE



COLLECTED DATA INDICATES THERE ARE CONDITIONS THAT SERIOUSLY ENDANGER OR JEOPARDIZE CONTINUED ACCESS TO NECESSARY MENTAL HEALTH SERVICES WITHIN THE COMMUNITY, THE COMMISSIONER SHALL NOTIFY THE ESTABLISHED OPERATOR OF HIS OR HER INTENTION TO APPOINT A TEMPORARY OPERATOR TO ASSUME SOLE RESPONSIBILITY FOR THE PROGRAM'S TREATMENT OPERATIONS FOR A LIMITED PERIOD OF TIME. THE APPOINTMENT OF A TEMPORARY OPERATOR SHALL BE EFFECTUATED PURSUANT TO THIS SECTION, AND SHALL BE IN ADDITION TO ANY OTHER REMEDIES PROVIDED BY LAW.

(2) THE ESTABLISHED OPERATOR MAY AT ANY TIME REQUEST THE COMMISSIONER TO APPOINT A TEMPORARY OPERATOR. UPON RECEIVING SUCH A REQUEST, THE COMMISSIONER MAY, IF HE OR SHE DETERMINES THAT SUCH AN ACTION IS NECESSARY, ENTER INTO AN AGREEMENT WITH THE ESTABLISHED OPERATOR FOR THE APPOINTMENT OF A TEMPORARY OPERATOR TO RESTORE OR MAINTAIN THE PROVISION OF QUALITY CARE TO THE PATIENTS UNTIL THE ESTABLISHED OPERATOR CAN RESUME OPERATIONS WITHIN THE DESIGNATED TIME PERIOD; THE PATIENTS MAY BE TRANSFERRED TO OTHER MENTAL HEALTH PROGRAMS OPERATED OR LICENSED BY THE OFFICE; OR THE OPERATIONS OF THE MENTAL HEALTH PROGRAM SHOULD BE COMPLETELY DISCONTINUED.

(C) (1) A TEMPORARY OPERATOR APPOINTED PURSUANT TO THIS SECTION SHALL USE HIS OR HER BEST EFFORTS TO IMPLEMENT THE PLAN DEEMED SATISFACTORY BY THE COMMISSIONER TO CORRECT OR ELIMINATE ANY DEFICIENCIES IN THE MENTAL HEALTH PROGRAM AND TO PROMOTE THE QUALITY AND ACCESSIBILITY OF MENTAL HEALTH SERVICES IN THE COMMUNITY SERVED BY THE MENTAL HEALTH PROGRAM.

(2) IF THE IDENTIFIED DEFICIENCIES CANNOT BE ADDRESSED IN THE TIME PERIOD DESIGNATED IN THE PLAN, THE PATIENTS SHALL BE TRANSFERRED TO OTHER APPROPRIATE MENTAL HEALTH PROGRAMS LICENSED OR OPERATED BY THE OFFICE.

(3) DURING THE TERM OF APPOINTMENT, THE TEMPORARY OPERATOR SHALL HAVE THE AUTHORITY TO DIRECT THE STAFF OF THE ESTABLISHED OPERATOR AS NECESSARY TO APPROPRIATELY TREAT AND/OR TRANSFER THE PATIENTS. THE TEMPORARY OPERATOR SHALL, DURING THIS PERIOD, OPERATE THE MENTAL HEALTH PROGRAM IN SUCH A MANNER AS TO PROMOTE SAFETY AND THE QUALITY AND ACCESSIBILITY OF MENTAL HEALTH SERVICES IN THE COMMUNITY SERVED BY THE ESTABLISHED OPERATOR UNTIL EITHER THE ESTABLISHED OPERATOR CAN RESUME PROGRAM OPERATIONS OR UNTIL THE PATIENTS ARE APPROPRIATELY TRANSFERRED TO OTHER PROGRAMS LICENSED OR OPERATED BY THE OFFICE.

(4) THE ESTABLISHED OPERATOR SHALL GRANT ACCESS TO THE TEMPORARY OPERATOR TO THE ESTABLISHED OPERATOR'S ACCOUNTS AND RECORDS IN ORDER TO ADDRESS ANY DEFICIENCIES RELATED TO A MENTAL HEALTH PROGRAM EXPERIENCING SERIOUS FINANCIAL INSTABILITY OR AN ESTABLISHED OPERATOR REQUESTING FINANCIAL ASSISTANCE IN ACCORDANCE WITH THIS SECTION. THE TEMPORARY OPERATOR SHALL APPROVE ANY FINANCIAL DECISION RELATED TO A PROGRAM'S DAY TO DAY OPERATIONS OR PROGRAM'S ABILITY TO PROVIDE MENTAL HEALTH SERVICES.

(5) THE TEMPORARY OPERATOR SHALL NOT BE REQUIRED TO FILE ANY BOND. NO SECURITY INTEREST IN ANY REAL OR PERSONAL PROPERTY COMPRISING THE ESTABLISHED OPERATOR OR CONTAINED WITHIN THE ESTABLISHED OPERATOR OR IN ANY FIXTURE OF THE MENTAL HEALTH PROGRAM, SHALL BE IMPAIRED OR DIMINISHED IN PRIORITY BY THE TEMPORARY OPERATOR. NEITHER THE TEMPORARY OPERATOR NOR THE OFFICE SHALL ENGAGE IN ANY ACTIVITY THAT CONSTITUTES A CONFISCATION OF PROPERTY.

(D) THE TEMPORARY OPERATOR SHALL BE ENTITLED TO A REASONABLE FEE, AS DETERMINED BY THE COMMISSIONER AND SUBJECT TO THE APPROVAL OF THE DIRECTOR OF THE DIVISION OF THE BUDGET, AND NECESSARY EXPENSES INCURRED WHILE SERVING AS A TEMPORARY OPERATOR. THE TEMPORARY OPERATOR SHALL BE LIABLE ONLY IN ITS CAPACITY AS TEMPORARY OPERATOR OF THE MENTAL HEALTH PROGRAM

FOR INJURY TO PERSON AND PROPERTY BY REASON OF ITS OPERATION OF SUCH PROGRAM; NO LIABILITY SHALL INCUR IN THE TEMPORARY OPERATOR'S PERSONAL CAPACITY, EXCEPT FOR GROSS NEGLIGENCE AND INTENTIONAL ACTS.

(E) (1) THE INITIAL TERM OF THE APPOINTMENT OF THE TEMPORARY OPERATOR SHALL NOT EXCEED NINETY DAYS. AFTER NINETY DAYS, IF THE COMMISSIONER DETERMINES THAT TERMINATION OF THE TEMPORARY OPERATOR WOULD CAUSE SIGNIFICANT DETERIORATION OF THE QUALITY OF, OR ACCESS TO, MENTAL HEALTH CARE IN THE COMMUNITY OR THAT REAPPOINTMENT IS NECESSARY TO CORRECT THE DEFICIENCIES THAT REQUIRED THE APPOINTMENT OF THE TEMPORARY OPERATOR, THE COMMISSIONER MAY AUTHORIZE AN ADDITIONAL NINETY-DAY TERM. HOWEVER, SUCH AUTHORIZATION SHALL INCLUDE THE COMMISSIONER'S REQUIREMENTS FOR CONCLUSION OF THE TEMPORARY OPERATORSHIP TO BE SATISFIED WITHIN THE ADDITIONAL TERM.

(2) WITHIN FOURTEEN DAYS PRIOR TO THE TERMINATION OF EACH TERM OF THE APPOINTMENT OF THE TEMPORARY OPERATOR, THE TEMPORARY OPERATOR SHALL SUBMIT TO THE COMMISSIONER AND TO THE ESTABLISHED OPERATOR A REPORT DESCRIBING:

A. THE ACTIONS TAKEN DURING THE APPOINTMENT TO ADDRESS THE IDENTIFIED MENTAL HEALTH PROGRAM DEFICIENCIES, THE RESUMPTION OF MENTAL HEALTH PROGRAM OPERATIONS BY THE ESTABLISHED OPERATOR, OR THE TRANSFER OF THE PATIENTS TO OTHER PROVIDERS LICENSED OR OPERATED BY THE OFFICE;

B. OBJECTIVES FOR THE CONTINUATION OF THE TEMPORARY OPERATORSHIP IF NECESSARY AND A SCHEDULE FOR SATISFACTION OF SUCH OBJECTIVES; AND

C. IF APPLICABLE, THE RECOMMENDED ACTIONS FOR THE ONGOING OPERATION OF THE MENTAL HEALTH PROGRAM SUBSEQUENT TO THE TEMPORARY OPERATORSHIP.

(3) THE TERM OF THE INITIAL APPOINTMENT AND OF ANY SUBSEQUENT REAPPOINTMENT MAY BE TERMINATED PRIOR TO THE EXPIRATION OF THE DESIGNATED TERM, IF THE ESTABLISHED OPERATOR AND THE COMMISSIONER AGREE ON A PLAN OF CORRECTION AND THE IMPLEMENTATION OF SUCH PLAN.

(F) (1) THE COMMISSIONER SHALL, UPON MAKING A DETERMINATION OF AN INTENTION TO APPOINT A TEMPORARY OPERATOR PURSUANT TO PARAGRAPH ONE OF SUBDIVISION (B) OF THIS SECTION CAUSE THE ESTABLISHED OPERATOR TO BE NOTIFIED OF THE INTENTION BY REGISTERED OR CERTIFIED MAIL ADDRESSED TO THE PRINCIPAL OFFICE OF THE ESTABLISHED OPERATOR. SUCH NOTIFICATION SHALL INCLUDE A DETAILED DESCRIPTION OF THE FINDINGS UNDERLYING THE INTENTION TO APPOINT A TEMPORARY OPERATOR, AND THE DATE AND TIME OF A REQUIRED MEETING WITH THE COMMISSIONER AND/OR HIS OR HER DESIGNEE WITHIN TEN BUSINESS DAYS OF THE RECEIPT OF SUCH NOTICE. AT SUCH MEETING, THE ESTABLISHED OPERATOR SHALL HAVE THE OPPORTUNITY TO REVIEW AND DISCUSS ALL RELEVANT FINDINGS. AT SUCH MEETING, THE COMMISSIONER AND THE ESTABLISHED OPERATOR SHALL ATTEMPT TO DEVELOP A MUTUALLY SATISFACTORY PLAN OF CORRECTION AND SCHEDULE FOR IMPLEMENTATION. IN SUCH EVENT, THE COMMISSIONER SHALL NOTIFY THE ESTABLISHED OPERATOR THAT THE COMMISSIONER WILL ABSTAIN FROM APPOINTING A TEMPORARY OPERATOR CONTINGENT UPON THE ESTABLISHED OPERATOR REMEDIATING THE IDENTIFIED DEFICIENCIES WITHIN THE AGREED UPON TIMEFRAME.

(2) SHOULD THE COMMISSIONER AND THE ESTABLISHED OPERATOR BE UNABLE TO ESTABLISH A PLAN OF CORRECTION PURSUANT TO PARAGRAPH ONE OF THIS SUBDIVISION, OR SHOULD THE ESTABLISHED OPERATOR FAIL TO RESPOND TO THE COMMISSIONER'S INITIAL NOTIFICATION, THERE SHALL BE AN ADMINISTRATIVE HEARING ON THE COMMISSIONER'S DETERMINATION TO APPOINT A TEMPORARY OPERATOR TO BEGIN NO LATER THAN THIRTY DAYS FROM THE DATE OF THE NOTICE TO THE ESTABLISHED OPERATOR. ANY SUCH HEARING SHALL BE STRICTLY LIMITED TO THE ISSUE OF WHETHER THE DETERMINATION OF THE COMMISSIONER TO APPOINT A TEMPORARY OPERATOR IS SUPPORTED BY SUBSTANTIAL EVIDENCE. A COPY OF THE DECISION SHALL BE SENT TO THE ESTABLISHED OPERATOR.

(3) IF THE DECISION TO APPOINT A TEMPORARY OPERATOR IS UPHeld SUCH TEMPORARY OPERATOR SHALL BE APPOINTED AS SOON AS IS PRACTICABLE AND SHALL OPERATE THE MENTAL HEALTH PROGRAM PURSUANT TO THE PROVISIONS OF THIS SECTION.

(G) NOTWITHSTANDING THE APPOINTMENT OF A TEMPORARY OPERATOR, THE ESTABLISHED OPERATOR SHALL REMAIN OBLIGATED FOR THE CONTINUED OPERATION OF THE MENTAL HEALTH PROGRAM SO THAT SUCH PROGRAM CAN FUNCTION IN A NORMAL MANNER. NO PROVISION CONTAINED IN THIS SECTION SHALL BE DEEMED TO RELIEVE THE ESTABLISHED OPERATOR OR ANY OTHER PERSON OF ANY CIVIL OR CRIMINAL LIABILITY INCURRED, OR ANY DUTY IMPOSED BY LAW, BY REASON OF ACTS OR OMISSIONS OF THE ESTABLISHED OPERATOR OR ANY OTHER PERSON PRIOR TO THE APPOINTMENT OF ANY TEMPORARY OPERATOR OF THE PROGRAM HEREUNDER; NOR SHALL ANYTHING CONTAINED IN THIS SECTION BE CONSTRUED TO SUSPEND DURING THE TERM OF THE APPOINTMENT OF THE TEMPORARY OPERATOR OF THE PROGRAM ANY OBLIGATION OF THE ESTABLISHED OPERATOR OR ANY OTHER PERSON FOR THE MAINTENANCE AND REPAIR OF THE FACILITY, PROVISION OF UTILITY SERVICES, PAYMENT OF TAXES OR OTHER OPERATING AND MAINTENANCE EXPENSES OF THE FACILITY, NOR OF THE ESTABLISHED OPERATOR OR ANY OTHER PERSON FOR THE PAYMENT OF MORTGAGES OR LIENS.

S 3. Intentionally omitted.

S 4. Intentionally omitted.

S 5. Intentionally omitted.

S 6. This act shall take effect immediately and shall be deemed to have been in full force and effect on and after April 1, 2016.

#### PART M

Section 1. Subdivision (d) of section 33.13 of the mental hygiene law, as amended by section 3 of part E of chapter 111 of the laws of 2010, is amended to read as follows:

(d) Nothing in this section shall prevent the electronic or other exchange of information concerning patients or clients, including identification, between and among (i) facilities or others providing services for such patients or clients pursuant to an approved local services plan, as defined in article forty-one of this chapter, or pursuant to agreement with the department, and (ii) the department or any of its licensed or operated facilities. NEITHER SHALL ANYTHING IN THIS SECTION PREVENT THE EXCHANGE OF INFORMATION CONCERNING PATIENTS OR CLIENTS, INCLUDING IDENTIFICATION, BETWEEN FACILITIES AND MANAGED CARE ORGANIZATIONS, BEHAVIORAL HEALTH ORGANIZATIONS, HEALTH HOMES OR OTHER ENTITIES AUTHORIZED BY THE DEPARTMENT OR THE DEPARTMENT OF HEALTH TO PROVIDE, ARRANGE FOR OR COORDINATE HEALTH CARE SERVICES FOR SUCH PATIENTS OR CLIENTS WHO ARE ENROLLED IN OR RECEIVING SERVICES FROM SUCH ORGANIZATIONS OR ENTITIES. PROVIDED HOWEVER, WRITTEN PATIENT OR CLIENT CONSENT SHALL BE OBTAINED PRIOR TO THE EXCHANGE OF INFORMATION WHERE REQUIRED BY 42 USC 290DD-2 AS AMENDED, AND ANY REGULATIONS PROMULGATED THEREUNDER. Furthermore, subject to the prior approval of the commissioner of mental health, hospital emergency services licensed pursuant to article twenty-eight of the public health law shall be authorized to exchange information concerning patients or clients electronically or otherwise with other hospital emergency services licensed pursuant to article twenty-eight of the public health law and/or hospitals licensed or operated by the office of mental health; provided that such exchange of information is consistent with standards, developed by the commissioner of mental health, which are designed to ensure confidentiality of such information. Additionally, information so exchanged shall be kept

1 confidential and any limitations on the release of such information  
2 imposed on the party giving the information shall apply to the party  
3 receiving the information.

4 S 2. Subdivision (d) of section 33.13 of the mental hygiene law, as  
5 amended by section 4 of part E of chapter 111 of the laws of 2010, is  
6 amended to read as follows:

7 (d) Nothing in this section shall prevent the exchange of information  
8 concerning patients or clients, including identification, between (i)  
9 facilities or others providing services for such patients or clients  
10 pursuant to an approved local services plan, as defined in article  
11 forty-one, or pursuant to agreement with the department and (ii) the  
12 department or any of its facilities. NEITHER SHALL ANYTHING IN THIS  
13 SECTION PREVENT THE EXCHANGE OF INFORMATION CONCERNING PATIENTS OR  
14 CLIENTS, INCLUDING IDENTIFICATION, BETWEEN FACILITIES AND MANAGED CARE  
15 ORGANIZATIONS, BEHAVIORAL HEALTH ORGANIZATIONS, HEALTH HOMES OR OTHER  
16 ENTITIES AUTHORIZED BY THE DEPARTMENT OR THE DEPARTMENT OF HEALTH TO  
17 PROVIDE, ARRANGE FOR OR COORDINATE HEALTH CARE SERVICES FOR SUCH  
18 PATIENTS OR CLIENTS WHO ARE ENROLLED IN OR RECEIVING SERVICES FOR SUCH  
19 ORGANIZATIONS OR ENTITIES. PROVIDED HOWEVER, WRITTEN PATIENT OR CLIENT  
20 CONSENT SHALL BE OBTAINED PRIOR TO THE EXCHANGE OF INFORMATION WHERE  
21 REQUIRED BY 42 USC 290DD-2 AS AMENDED, AND ANY REGULATIONS PROMULGATED  
22 THEREUNDER. Information so exchanged shall be kept confidential and any  
23 limitations on the release of such information imposed on the party  
24 giving the information shall apply to the party receiving the informa-  
25 tion.

26 S 3. Subdivision (f) of section 33.13 of the mental hygiene law, as  
27 amended by chapter 330 of the laws of 1993, is amended to read as  
28 follows:

29 (f) ALL RECORDS OF IDENTITY, DIAGNOSIS, PROGNOSIS, TREATMENT, CARE  
30 COORDINATION OR ANY OTHER INFORMATION CONTAINED IN A PATIENT OR CLIENT'S  
31 RECORD SHALL BE CONFIDENTIAL UNLESS DISCLOSURE IS PERMITTED UNDER SUBDI-  
32 VISION (C) OF THIS SECTION. Any disclosure made pursuant to this section  
33 shall be limited to that information necessary AND REQUIRED in light of  
34 the reason for disclosure. Information so disclosed shall be kept confi-  
35 dential by the party receiving such information and the limitations on  
36 disclosure in this section shall apply to such party. Except for disclo-  
37 sures made to the mental hygiene legal service, to persons reviewing  
38 information or records in the ordinary course of insuring that a facili-  
39 ty is in compliance with applicable quality of care standards, or to  
40 governmental agents requiring information necessary for payments to be  
41 made to or on behalf of patients or clients pursuant to contract or in  
42 accordance with law, a notation of all such disclosures shall be placed  
43 in the clinical record of that individual who shall be informed of all  
44 such disclosures upon request; provided, however, that for disclosures  
45 made to insurance companies licensed pursuant to the insurance law, such  
46 a notation need only be entered at the time the disclosure is first  
47 made.

48 S 4. This act shall take effect immediately; provided that the amend-  
49 ments to subdivision (d) of section 33.13 of the mental hygiene law made  
50 by section one of this act shall be subject to the expiration and rever-  
51 sion of such subdivision pursuant to section 18 of chapter 408 of the  
52 laws of 1999, as amended, when upon such date the provisions of section  
53 two of this act shall take effect.

1 Section 1. Subdivision 10 of section 3 of section 1 of chapter 359 of  
2 the laws of 1968, constituting the facilities development corporation  
3 act, as amended by chapter 723 of the laws of 1993, is amended to read  
4 as follows:

5 10. "Mental hygiene facility" shall mean a building, a unit within a  
6 building, a laboratory, a classroom, a housing unit, a dining hall, an  
7 activities center, a library, real property of any kind or description,  
8 or any structure on or improvement to real property, or an interest in  
9 real property, of any kind or description, owned by or under the juris-  
10 diction of the corporation, including fixtures and equipment which are  
11 an integral part of any such building, unit, structure or improvement, a  
12 walkway, a roadway or a parking lot, and improvements and connections  
13 for water, sewer, gas, electrical, telephone, heating, air conditioning  
14 and other utility services, or a combination of any of the foregoing,  
15 whether for patient care and treatment or staff, staff family or service  
16 use, located at or related to any psychiatric center, any developmental  
17 center, or any state psychiatric or research institute or other facility  
18 now or hereafter established under the department. A mental hygiene  
19 facility shall also mean and include a residential care center for  
20 adults, a "community mental health and retardation facility" and a  
21 treatment facility for use in the conduct of an alcoholism or substance  
22 abuse treatment program as defined in the mental hygiene law unless such  
23 residential care center for adults, community mental health and retarda-  
24 tion facility or alcoholism or substance abuse facility is expressly  
25 excepted, or the context clearly requires otherwise, AND SHALL ALSO MEAN  
26 AND INCLUDE ANY TREATMENT FACILITY FOR USE IN THE CONDUCT OF AN ALCOHOL-  
27 ISM OR SUBSTANCE ABUSE TREATMENT PROGRAM THAT IS ALSO OPERATED AS AN  
28 ASSOCIATED HEALTH CARE FACILITY. The definition contained in this subdivi-  
29 sion shall not be construed to exclude therefrom a facility owned or  
30 leased by one or more voluntary agencies that is to be financed, refi-  
31 nanced, designed, constructed, acquired, reconstructed, rehabilitated or  
32 improved under any lease, sublease, loan or other financing agreement  
33 entered into with such voluntary agencies, and shall not be construed to  
34 exclude therefrom a facility to be made available from the corporation  
35 to a voluntary agency at the request of the commissioners of the offices  
36 of the department having jurisdiction thereof. The definition contained  
37 in this subdivision shall not be construed to exclude therefrom a facil-  
38 ity with respect to which a voluntary agency has an ownership interest  
39 in, and proprietary lease from, an organization formed for the purpose  
40 of the cooperative ownership of real estate.

41 S 2. Section 3 of section 1 of chapter 359 of the laws of 1968,  
42 constituting the facilities development corporation act, is amended by  
43 adding a new subdivision 20 to read as follows:

44 20. "ASSOCIATED HEALTH CARE FACILITY" SHALL MEAN A FACILITY LICENSED  
45 UNDER AND OPERATED PURSUANT TO ARTICLE 28 OF THE PUBLIC HEALTH LAW OR  
46 ANY HEALTH CARE FACILITY LICENSED UNDER AND OPERATED IN ACCORDANCE WITH  
47 ANY OTHER PROVISIONS OF THE PUBLIC HEALTH LAW OR THE MENTAL HYGIENE LAW  
48 THAT PROVIDES HEALTH CARE SERVICES AND/OR TREATMENT TO ALL PERSONS,  
49 REGARDLESS OF WHETHER SUCH PERSONS ARE PERSONS RECEIVING TREATMENT OR  
50 SERVICES FOR ALCOHOL, SUBSTANCE ABUSE, OR CHEMICAL DEPENDENCY.

51 S 3. This act shall take effect immediately.

52 PART O

53 Section 1. Section 4 of chapter 495 of the laws of 2004, amending the  
54 insurance law and the public health law relating to the New York state

1 health insurance continuation assistance demonstration project, as  
2 amended by section 1 of part GG of chapter 58 of the laws of 2015, is  
3 amended to read as follows:

4 S 4. This act shall take effect on the sixtieth day after it shall  
5 have become a law; provided, however, that this act shall remain in  
6 effect until July 1, [2016] 2017 when upon such date the provisions of  
7 this act shall expire and be deemed repealed; provided, further, that a  
8 displaced worker shall be eligible for continuation assistance retroac-  
9 tive to July 1, 2004.

10 S 2. This act shall take effect immediately.

11 PART P

12 Section 1. Residential registration list. (a) The office for people  
13 with developmental disabilities shall issue a report as a result of its  
14 statewide review of individuals with developmental disabilities current-  
15 ly on the residential registration list, including information regarding  
16 services currently provided to such individuals, and any available  
17 regional information on priority placement approaches and housing needs  
18 for such individuals. The report shall include an update as to the  
19 progress the office has made in meeting the following transformational  
20 housing goals as it relates to the individuals with developmental disa-  
21 bilities currently on the residential registration list:

22 (1) expanding housing alternatives;

23 (2) increasing access to rental housing;

24 (3) building understanding and awareness of housing options for inde-  
25 pendent living among people with developmental disabilities, families,  
26 public and private organizations, developers and direct support profes-  
27 sionals;

28 (4) assisting with the creation of a sustainable living environment  
29 through funding for home modifications, down payment assistance and home  
30 repairs; and

31 (5) providing recommendations that can improve housing alternatives.

32 (b) Using data collected during the statewide review required by this  
33 section, the commissioner of the office for people with developmental  
34 disabilities, in consultation with state agencies, local governmental  
35 units, stakeholders, including individuals with developmental disabili-  
36 ties, parents and guardians of individuals with developmental disabili-  
37 ties, advocates and providers of services for individuals with develop-  
38 mental disabilities, and others as determined appropriate by such  
39 commissioner, shall establish a plan to increase housing alternatives  
40 for such individuals. To the extent possible, the plan shall also  
41 address the housing needs of individuals not currently on the residen-  
42 tial registration list. The plan shall advance the five transformational  
43 housing goals listed in this section.

44 (c) An update on the plan including any related recommendations and  
45 strategies developed and any policy, rule, or regulation change and  
46 estimated dates and timeframe to implement any recommendation or strate-  
47 gy shall be included in the office's statewide comprehensive plan pursu-  
48 ant to paragraph three of subdivision (b) of section 5.07 of the mental  
49 hygiene law.

50 S 2. Development of a plan to provide choice of work settings for  
51 individuals with developmental disabilities. (a) The office for people  
52 with developmental disabilities shall provide an update of the plan to  
53 assist individuals currently working in sheltered workshop programs to  
54 transition to integrated community work settings, including any related

1 recommendations and strategies, and any policy, rule, or regulation  
2 change and estimated dates and timeframe to implement any recommendation  
3 or strategy, which must be included in the office's statewide comprehen-  
4 sive plan pursuant to paragraph three of subdivision (b) of section 5.07  
5 of the mental hygiene law.

6 (b) Such plan shall solicit and analyze input from stakeholders of  
7 sheltered workshops, including, but not limited to, individuals current-  
8 ly working in sheltered workshops, providers of workshops, families, and  
9 guardians. The plan shall:

10 (1) include outreach and education to individuals with developmental  
11 disabilities and their families or guardians throughout the transition  
12 process;

13 (2) set forth a detailed analysis of options available to meet the  
14 needs and goals of those individuals who currently cannot or choose not  
15 to transition to integrated community work settings;

16 (3) maximize the ability of an individual to participate in meaningful  
17 community-based activities as part of the individual's person-centered  
18 plan; and

19 (4) provide for ongoing review of employment goals for each individual  
20 as part of the person-centered planning process.

21 S 3. Transformation panel. (a) The commissioner of the office for  
22 people with developmental disabilities shall establish a transformation  
23 panel for the purpose of developing a transformation plan which will  
24 include recommendations and strategies for maintaining the fiscal  
25 viability of service and support delivery system for persons with devel-  
26 opmental disabilities and include strategies that will enable the office  
27 to comply with federal and state service delivery requirements and  
28 provide appropriate levels of care.

29 (b) The panel shall be comprised of the commissioner of the office for  
30 people with developmental disabilities or his or her designee; organiza-  
31 tions or associations which represent the interests of persons with  
32 disabilities, which may include providers of services, consumer repre-  
33 sentatives, advocacy groups, persons with developmental disabilities or  
34 their parents or guardians; and at the discretion of such commissioner  
35 any other individual, entity, or state agency able to support the panel  
36 in completing its tasks described under this section. The panel shall  
37 collaborate with local governmental units.

38 (c) Panel members shall receive no compensation for their services as  
39 members of the workgroup, but may be reimbursed for actual and necessary  
40 expenses incurred in the performance of their duties.

41 (d) Transformation plan. The panel shall assist in the development of  
42 a transformation plan by the commissioner of the office for people with  
43 developmental disabilities, as well as make recommendations for the  
44 execution of such plan. The plan will include but not be limited to an  
45 analysis of the following:

46 (1) increasing and supporting access to self-directed models of care;

47 (2) enhancing opportunities for individuals to access community inte-  
48 grated housing;

49 (3) increasing integrated employment opportunities; and

50 (4) examining the program design and fiscal model for managed care to  
51 appropriately address the needs of individuals with disabilities.

52 (e) The commissioner of the office for people with developmental disa-  
53 bilities shall include in the office's statewide comprehensive plan  
54 pursuant to paragraph three of subdivision (b) of section 5.07 of the  
55 mental hygiene law, a summary of recommendations and strategies devel-  
56 oped by the panel including any policy, rule, or regulation change and

1 estimated dates and timeframe to implement any recommendation or strate-  
2 gy.

3 S 4. Office for people with developmental disabilities monthly  
4 reports. (a) The commissioner of the office for people with develop-  
5 mental disabilities shall provide monthly status reports to the chairs  
6 of the senate and assembly fiscal committees. Such report shall include  
7 but not be limited to:

8 (1) current developmental center census by facility;

9 (2) the number of admissions and discharges to developmental centers  
10 in the prior month;

11 (3) an explanation of any significant developmental center census  
12 reductions; and

13 (4) community services provided to individuals leaving developmental  
14 centers, including services provided to individuals with complex needs  
15 as well as the number of individuals receiving community services from  
16 state and from not-for-profit providers.

17 (b) Such report shall not contain any information made confidential  
18 under federal and/or state law.

19 S 5. The front door process. (a) The commissioner of the office for  
20 people with developmental disabilities shall make available on the  
21 office website, information regarding the front door process, including  
22 the approach for determining priority residential placements and the  
23 process for individuals to seek access to services.

24 (b) No later than December 15, 2016, the commissioner of the office  
25 for people with developmental disabilities shall include in the office's  
26 statewide comprehensive plan pursuant to paragraph three of subdivision  
27 (b) of section 5.07 of the mental hygiene law, the extent to which the  
28 front door policy, as it has been implemented, has improved community  
29 education and available service options, connected individual needs to  
30 available services, and enhanced opportunities for self-direction.

31 S 6. Paragraph 3 of subdivision (b) of section 5.07 of the mental  
32 hygiene law, as amended by section 3 of part N of chapter 56 of the laws  
33 of 2012, is amended to read as follows:

34 (3) The commissioners of each of the offices shall be responsible for  
35 the development of such statewide five-year plan for services within the  
36 jurisdiction of their respective offices and after giving due notice  
37 shall conduct one or more public hearings on such plan. The behavioral  
38 health services advisory council and the advisory council on develop-  
39 mental disabilities shall review the statewide five year comprehensive  
40 plan developed by such office or offices and report its recommendations  
41 thereon to such commissioner or commissioners. Each commissioner shall  
42 submit the plan, with appropriate modifications, to the governor no  
43 later than the first day of November of each year in order that such  
44 plan may be considered with the estimates of the offices for the prepa-  
45 ration of the executive budget of the state of New York for the next  
46 succeeding state fiscal year. Such comprehensive plan shall be submitted  
47 to the legislature NO LATER THAN THE FIFTEENTH OF DECEMBER OF EACH YEAR  
48 and also be posted to the website of each office. Statewide plans shall  
49 ensure responsiveness to changing needs and goals and shall reflect the  
50 development of new information and the completion of program evalu-  
51 ations. An interim report detailing the commissioner's actions in  
52 fulfilling the requirements of this section in preparation of the plan  
53 and modifications in the plan of services being considered by the  
54 commissioner shall be submitted to the governor and the legislature on  
55 or before the fifteenth day of March of each year. Such interim report  
56 shall include, but need not be limited to:



1 S 7. This act shall take effect immediately and shall be subject to  
2 appropriations made specifically available for this purpose; provided,  
3 however that this act shall expire and be deemed repealed April 1, 2017.

4 PART Q

5 Section 1. Subdivision 4 of section 461-s of the social services law,  
6 as added by section 6 of part A of chapter 57 of the laws of 2015, is  
7 amended to read as follows:

8 4. EQUAL program funds shall not be expended for a facility's daily  
9 operating expenses, including employee salaries or benefits[, or for  
10 expenses incurred retrospectively]. EQUAL PROGRAM FUNDS MAY BE USED FOR  
11 EXPENSES INCURRED AT ANY TIME DURING THE FISCAL YEAR FOR WHICH THE FUNDS  
12 WERE APPROPRIATED, PROVIDED THAT, CONSISTENT WITH SUBDIVISION THREE OF  
13 THIS SECTION, THE RESIDENTS' COUNCIL APPROVES SUCH EXPENDITURE PRIOR TO  
14 THE EXPENDITURE BEING INCURRED. EQUAL program funds may be used for  
15 expenditures related to corrective action as required by an inspection  
16 report, provided such expenditure is consistent with subdivision three  
17 of this section.

18 S 2. Section 2807-m of the public health law is amended by adding a  
19 new subdivision 12 to read as follows:

20 12. NOTWITHSTANDING ANY PROVISION OF LAW TO THE CONTRARY, APPLICATIONS  
21 FOR PHYSICIAN LOAN REPAYMENT AND PHYSICIAN PRACTICE SUPPORT, SUBMITTED  
22 PURSUANT TO PARAGRAPHS (D) AND (E) OF SUBDIVISION FIVE-A OF THIS  
23 SECTION AND SUBDIVISION TEN OF THIS SECTION, ON OR AFTER APRIL FIRST,  
24 TWO THOUSAND SIXTEEN, SHALL BE SUBJECT TO THE FOLLOWING CHANGES:

25 (A) FOR THE PERIOD APRIL FIRST, TWO THOUSAND SIXTEEN THROUGH MARCH  
26 THIRTY-FIRST, TWO THOUSAND SEVENTEEN, EIGHT MILLION SIXTY-FIVE THOUSAND  
27 DOLLARS SHALL BE SET ASIDE AND RESERVED BY THE COMMISSIONER FROM THE  
28 REGIONAL POOLS ESTABLISHED IN ACCORDANCE WITH SUBDIVISION TWO OF THIS  
29 SECTION AND SHALL BE AVAILABLE FOR PURPOSES OF BOTH NEW AWARDS FOR  
30 PHYSICIAN LOAN REPAYMENT AND NEW AWARDS FOR PHYSICIAN PRACTICE SUPPORT,  
31 BASED ON APPLICATIONS SUBMITTED IN ACCORDANCE WITH THIS SUBDIVISION.  
32 NEITHER OF THE AWARD PROGRAMS SHALL BE LIMITED TO A SPECIFIC FUNDING  
33 AMOUNT WITHIN THE TOTAL AMOUNT MADE AVAILABLE PURSUANT TO THIS PARA-  
34 GRAPH.

35 (B) AN APPLICANT MAY APPLY FOR AN AWARD FOR EITHER PHYSICIAN LOAN  
36 REPAYMENT OR PHYSICIAN PRACTICE SUPPORT, BUT NOT BOTH.

37 (C) AN APPLICANT SHALL AGREE TO PRACTICE FOR THREE YEARS IN AN UNDER-  
38 SERVED AREA AND EACH AWARD SHALL PROVIDE FORTY THOUSAND DOLLARS FOR EACH  
39 OF THE THREE YEARS.

40 (D) REFERENCES IN PARAGRAPHS (B) THROUGH (E) OF SUBDIVISION TEN OF  
41 THIS SECTION TO PARAGRAPH (A) OF SUBDIVISION TEN OF THIS SECTION SHALL  
42 INSTEAD BE REFERENCES TO THE THREE YEAR PHYSICIAN LOAN REPAYMENT AWARDS  
43 MADE UNDER THIS SUBDIVISION.

44 (E) THE FUNDING ALLOCATION AND DISTRIBUTION PROVIDED FOR IN PARAGRAPHS  
45 (D) AND (E) OF SUBDIVISION FIVE-A OF THIS SECTION SHALL APPLY TO THE  
46 COMBINED FUNDING AMOUNT PROVIDED FOR IN PARAGRAPH (A) OF THIS SUBDIVI-  
47 SION.

48 (F) AWARDS SHALL BE MADE ANNUALLY AND TIMED TO BE OF USE FOR JOB  
49 OFFERS MADE TO APPLICANTS.

50 S 3. Subdivision 9 of section 3365 of the public health law, as added  
51 by chapter 90 of the laws of 2014, is amended to read as follows:

52 9. (A) The commissioner shall register no more than five registered  
53 organizations that manufacture medical marihuana with no more than  
54 [four] EIGHT dispensing sites wholly owned and operated by such regis-

tered organization. The commissioner shall ensure that [such] registered organizations and dispensing sites are geographically distributed across the state. The [commission] COMMISSIONER may register additional registered organizations.

(B) THE COMMISSIONER SHALL, BY JANUARY FIRST, TWO THOUSAND SEVENTEEN, REGISTER AT LEAST FIVE ADDITIONAL REGISTERED ORGANIZATIONS THAT MANUFACTURE MEDICAL MARIHUANA, EACH OF WHICH MAY OPERATE NO MORE THAN EIGHT DISPENSING SITES. IN DETERMINING WHICH APPLICANTS TO SELECT UNDER THIS PARAGRAPH:

(I) THE COMMISSIONER SHALL SEEK TO PROVIDE DISPENSARIES IN UNDERSERVED AREAS; AND (II) WHERE AN APPLICANT WAS AN APPLICANT IN THE COMMISSIONER'S INITIAL SELECTION PROCESS UNDER PARAGRAPH (A) OF THIS SUBDIVISION, THE COMMISSIONER SHALL CONSIDER THE INFORMATION PROVIDED BY THE APPLICANT IN THAT INITIAL PROCESS, TO THE EXTENT IT IS CURRENTLY APPLICABLE, AND GIVE APPROPRIATE WEIGHT TO THE COMMISSIONER'S EVALUATION OF THE APPLICANT IN THAT INITIAL PROCESS.

S 4. This act shall take effect immediately; provided, however that (a) the amendments to section 2807-m of the public health law made by section two of this act shall be deemed to have been in full force and effect on and after April 1, 2016; and (b) the amendments to subdivision 9 of section 3365 of the public health law made by section three of this act shall not affect the repeal of such section and shall be deemed repealed therewith.

## PART R

Section 1. This act enacts into law components of legislation which are necessary to implement legislation relating to substance abuse. Each component is wholly contained within a Subpart identified as Subparts A through K. The effective date for each particular provision contained within such Subpart is set forth in the last section of such Subpart. Any provision in any section contained within a Subpart, including the effective date of the Subpart, which makes a reference to a section "of this act", when used in connection with that particular component, shall be deemed to mean and refer to the corresponding section of the Subpart in which it is found. Section three of this act sets forth the general effective date of this act.

## SUBPART A

Section 1. Section 19.07 of the mental hygiene law is amended by adding a new subdivision (m) to read as follows:

(M) THE OFFICE OF ALCOHOLISM AND SUBSTANCE ABUSE SERVICES, IN CONSULTATION WITH THE STATE EDUCATION DEPARTMENT, SHALL DEVELOP OR UTILIZE EXISTING EDUCATIONAL MATERIALS TO BE PROVIDED TO SCHOOL DISTRICTS AND BOARDS OF COOPERATIVE EDUCATIONAL SERVICES FOR USE IN ADDITION TO OR IN CONJUNCTION WITH ANY DRUG AND ALCOHOL RELATED CURRICULUM REGARDING THE MISUSE AND ABUSE OF ALCOHOL, TOBACCO, PRESCRIPTION MEDICATION AND OTHER DRUGS WITH AN INCREASED FOCUS ON SUBSTANCES THAT ARE MOST PREVALENT AMONG SCHOOL AGED YOUTH AS SUCH TERM IS DEFINED IN SECTION EIGHT HUNDRED FOUR OF THE EDUCATION LAW. SUCH MATERIALS SHALL BE AGE APPROPRIATE FOR SCHOOL AGE CHILDREN, AND TO THE EXTENT PRACTICABLE, SHALL INCLUDE INFORMATION OR RESOURCES FOR PARENTS TO IDENTIFY THE WARNING SIGNS AND ADDRESS THE RISKS OF SUBSTANCE ABUSE.

S 2. The education law is amended by adding a new section 3037 to read as follows:

1 S 3037. THE SUPERINTENDENT OF EACH SCHOOL DISTRICT, IN CONSULTATION  
2 WITH THE DISTRICT SUPERINTENDENT OF A BOARD OF COOPERATIVE EDUCATIONAL  
3 SERVICES, WHERE APPLICABLE, SHALL DESIGNATE AN EMPLOYEE WHO IS A MEMBER  
4 OF THE SCHOOL DISTRICT STAFF OR AN EMPLOYEE OF THE BOARD OF COOPERATIVE  
5 EDUCATIONAL SERVICES STAFF TO PROVIDE INFORMATION AND REFERRALS TO ANY  
6 STUDENT, PARENT, OR STAFF REGARDING SERVICES AVAILABLE TO SUCH STUDENT  
7 OR STAFF RELATED TO SUBSTANCE USE. WHERE POSSIBLE, SUCH DESIGNATED INDIVIDUAL  
8 SHALL BE A SCHOOL SOCIAL WORKER, SCHOOL GUIDANCE COUNSELOR, OR  
9 ANY OTHER HEALTH PRACTITIONER OR COUNSELOR EMPLOYED BY THE SCHOOL. ANY  
10 INFORMATION PROVIDED BY A STUDENT, PARENT OR TEACHER TO SUCH DESIGNATED  
11 INDIVIDUAL SHALL BE CONFIDENTIAL, SHALL NOT BE USED IN ANY SCHOOL DISCIPLINARY  
12 PROCEEDING AND SHALL, IN ADDITION TO ANY OTHER APPLICABLE PRIVILEGE,  
13 BE CONSIDERED CONFIDENTIAL IN THE SAME MANNER AS INFORMATION  
14 PROVIDED PURSUANT TO SECTION FORTY-FIVE HUNDRED EIGHT OF THE CIVIL PRACTICE  
15 LAW AND RULES. PROVIDED, HOWEVER, THAT NOTHING IN THIS SECTION  
16 SHALL RELIEVE SUCH DESIGNATED INDIVIDUAL OF ANY LEGAL DUTY TO OTHERWISE  
17 REPORT SUCH INFORMATION. SUCH DESIGNATED INDIVIDUAL OR INDIVIDUALS SHALL  
18 UNDERGO ANY NECESSARY TRAINING AS MAY BE REQUIRED BY THE COMMISSIONER.  
19 S 3. This act shall take effect on the one hundred twentieth day after  
20 it shall have become law; provided, however, that effective immediately  
21 the commissioner of education, in consultation with the commissioner of  
22 the office of alcoholism and substance abuse services, shall be authorized  
23 to adopt regulations necessary to implement the provisions of this  
24 act on or before such effective date.

25 SUBPART B

26 Section 1. Section 19.09 of the mental hygiene law is amended by  
27 adding a new subdivision (j) to read as follows:  
28 (J) THE COMMISSIONER, IN CONSULTATION WITH THE COMMISSIONER OF HEALTH,  
29 SHALL CREATE OR UTILIZE EXISTING EDUCATIONAL MATERIALS WHICH SHALL  
30 INCLUDE INFORMATION REGARDING THE DANGERS OF MISUSE AND THE POTENTIAL  
31 FOR ADDICTION TO PRESCRIPTION DRUGS, TREATMENT RESOURCES AVAILABLE, THE  
32 PROPER WAY TO DISPOSE OF UNUSED PRESCRIPTION DRUGS AND INFORMATION ON  
33 DRUG DISPOSAL SITES. SUCH MATERIALS SHALL BE MADE AVAILABLE TO PHARMACIES  
34 LICENSED BY THE STATE TO DISPENSE PRESCRIPTION DRUGS TO THE PUBLIC  
35 AND HEALTH CARE PROVIDERS, AND MAY BE DISTRIBUTED WITH ANY PRESCRIBED OR  
36 DISPENSED CONTROLLED SUBSTANCE. THE INFORMATION CONTAINED IN SUCH MATERIALS  
37 SHALL ALSO BE POSTED ON THE WEBSITE OF THE OFFICE AND THE DEPARTMENT OF  
38 HEALTH. SUCH MATERIALS SHALL BE PROVIDED IN LANGUAGES OTHER THAN  
39 ENGLISH AS DEEMED APPROPRIATE BY SUCH COMMISSIONERS.  
40 S 2. This act shall take effect on the sixtieth day after it shall  
41 become a law.

42 SUBPART C

43 Section 1. Section 19.07 of the mental hygiene law is amended by  
44 adding a new subdivision (l) to read as follows:  
45 (L) THE OFFICE OF ALCOHOLISM AND SUBSTANCE ABUSE SERVICES, IN CONSULTATION  
46 WITH THE COMMISSIONER OF HEALTH, SHALL PROVIDE AND PUBLISH, IN  
47 ELECTRONIC OR OTHER FORMAT, TRAINING MATERIALS FOR HEALTH CARE PROVIDERS,  
48 AS DEFINED BY SUBDIVISION SIX OF SECTION TWO HUNDRED THIRTY-EIGHT  
49 OF THE PUBLIC HEALTH LAW, AND QUALIFIED HEALTH PROFESSIONALS, RECOGNIZED  
50 BY THE OFFICE TO ENABLE THE IMPLEMENTATION OF THE SCREENING, BRIEF  
51 INTERVENTION, AND REFERRAL TO TREATMENT PROGRAM (SBIRT). SUCH TRAINING  
52 MATERIALS SHALL INCLUDE ANY AND ALL MATERIALS NECESSARY TO INFORM HEALTH

CARE PROVIDERS AND QUALIFIED HEALTH PROFESSIONALS OF THE METHOD FOR ADMINISTERING THE SBIRT PROGRAM TO A PATIENT IN THE CARE OF HEALTH CARE PROVIDERS OR QUALIFIED HEALTH PROFESSIONALS. SUCH TRAINING MATERIALS SHALL BE MADE AVAILABLE TO HEALTH CARE PROVIDERS AND QUALIFIED HEALTH PROFESSIONALS THROUGH THE OFFICIAL WEBSITES OF THE OFFICE AND THE DEPARTMENT OF HEALTH AND BY ANY OTHER MEANS DEEMED APPROPRIATE BY THE COMMISSIONER.

S 2. This act shall take effect immediately.

#### SUBPART D

Section 1. The public health law is amended by adding a new section 2803-u to read as follows:

S 2803-U. HOSPITAL SUBSTANCE USE DISORDER POLICIES AND PROCEDURES. 1. EVERY GENERAL HOSPITAL SHALL:

(A) DEVELOP, MAINTAIN AND DISSEMINATE WRITTEN POLICIES AND PROCEDURES FOR THE IDENTIFICATION, ASSESSMENT AND REFERRAL OF CONFIRMED OR SUSPECTED CASES OF SUBSTANCE USE DISORDERS AS DEFINED IN SECTION 1.03 OF THE MENTAL HYGIENE LAW;

(B) ESTABLISH AND IMPLEMENT A TRAINING PROGRAM FOR ALL CURRENT AND NEW EMPLOYEES ENGAGED IN PROVIDING DIRECT CLINICAL SERVICES TO PATIENTS REGARDING THE POLICIES AND PROCEDURES ESTABLISHED PURSUANT TO THIS SECTION; AND

(C) IF THE HOSPITAL DOES NOT HAVE OTHER ARRANGEMENTS FOR PROVIDING OR COORDINATING SERVICES TO INDIVIDUALS WITH SUBSTANCE USE DISORDERS, CONTACT A SUBSTANCE USE DISORDER SERVICES PROGRAM THAT PROVIDES BEHAVIORAL HEALTH SERVICES, AS DEFINED IN SECTION 1.03 OF THE MENTAL HYGIENE LAW, IN THE GEOGRAPHIC AREA SERVED BY SUCH HOSPITAL TO SEEK AND ESTABLISH THE COORDINATION OF SERVICES TO INDIVIDUALS WITH SUBSTANCE USE DISORDERS.

2. UPON ADMITTANCE, COMMENCEMENT OF TREATMENT, OR DISCHARGE OF A CONFIRMED OR SUSPECTED INDIVIDUAL WITH A SUBSTANCE USE DISORDER, SUCH HOSPITAL SHALL INFORM THE INDIVIDUAL OF THE AVAILABILITY OF THE SUBSTANCE USE DISORDER TREATMENT SERVICES THAT MAY BE AVAILABLE TO THEM THROUGH A SUBSTANCE USE DISORDER SERVICES PROGRAM.

3. THE COMMISSIONER, IN CONSULTATION WITH THE COMMISSIONER OF THE OFFICE OF ALCOHOLISM AND SUBSTANCE ABUSE SERVICES, SHALL MAKE REGULATIONS AS MAY BE NECESSARY AND PROPER TO CARRY OUT THE PROVISIONS OF THIS SECTION.

S 2. Section 19.07 of the mental hygiene law is amended by adding a new subdivision (l) to read as follows:

(L) THE OFFICE OF ALCOHOLISM AND SUBSTANCE ABUSE SERVICES, IN CONSULTATION WITH THE DEPARTMENT OF HEALTH, SHALL DEVELOP OR UTILIZE EXISTING EDUCATIONAL MATERIALS TO BE PROVIDED TO HEALTH CARE PROVIDERS TO DISSEMINATE TO CONFIRMED OR SUSPECTED INDIVIDUALS WITH SUBSTANCE USE DISORDERS DURING DISCHARGE PLANNING PURSUANT TO SECTION TWENTY-EIGHT HUNDRED THREE-I OF THE PUBLIC HEALTH LAW FROM A GENERAL HOSPITAL. SUCH MATERIALS SHALL INCLUDE INFORMATION REGARDING TREATMENT AND RECOVERY SERVICES, INCLUDING BUT NOT LIMITED TO HOW TO RECOGNIZE THE NEED FOR TREATMENT SERVICES, INFORMATION FOR INDIVIDUALS TO DETERMINE WHAT TREATMENT RESOURCES ARE AVAILABLE TO THEM, AND ANY OTHER INFORMATION THE COMMISSIONER DEEMS APPROPRIATE.

S 3. This act shall take effect on the one hundred eightieth day after it shall have become a law; provided, however, that the commissioner of health, the commissioner of alcohol and substance abuse services, and

1 general hospitals shall, respectively, make regulations and take other  
2 actions reasonably necessary to implement this act on such date.

3 SUBPART E

4 Section 1. The opening paragraph of section 220.03 of the penal law,  
5 as amended by section 4 of part I of chapter 57 of the laws of 2015, is  
6 amended to read as follows:

7 A person is guilty of criminal possession of a controlled substance in  
8 the seventh degree when he or she knowingly and unlawfully possesses a  
9 controlled substance; provided, however, that it shall not be a  
10 violation of this section when a person possesses a residual amount of a  
11 controlled substance and that residual amount is in or on a hypodermic  
12 syringe or hypodermic needle [obtained and possessed pursuant to section  
13 thirty-three hundred eighty-one of the public health law, which includes  
14 the state's syringe exchange and pharmacy and medical provider-based  
15 expanded syringe access programs]; nor shall it be a violation of this  
16 section when a person's unlawful possession of a controlled substance is  
17 discovered as a result of seeking immediate health care as defined in  
18 paragraph (b) of subdivision three of section 220.78 of [the penal law]  
19 THIS ARTICLE, for either another person or him or herself because such  
20 person is experiencing a drug or alcohol overdose or other life threat-  
21 ening medical emergency as defined in paragraph (a) of subdivision three  
22 of section 220.78 of the [penal law] THIS ARTICLE.

23 S 2. Section 220.45 of the penal law is REPEALED.

24 S 3. Subdivision 2 of section 850 of the general business law, as  
25 amended by chapter 812 of the laws of 1980, is amended to read as  
26 follows:

27 2. (A) "Drug-related paraphernalia" consists of the following objects  
28 used for the following purposes:

29 [(a)] (I) Kits, used or designed for the purpose of planting, propa-  
30 gating, cultivating, growing or harvesting of any species of plant which  
31 is a controlled substance or from which a controlled substance can be  
32 derived;

33 [(b)] (II) Kits, used or designed for the purpose of manufacturing,  
34 compounding, converting, producing, or preparing controlled substances;

35 [(c)] (III) Isomerization devices, used or designed for the purpose of  
36 increasing the potency of any species of plant which is a controlled  
37 substance;

38 [(d)] (IV) Scales and balances, used or designed for the purpose of  
39 weighing or measuring controlled substances;

40 [(e)] (V) Diluents and adulterants, including but not limited to  
41 quinine hydrochloride, mannitol, mannite, dextrose and lactose, used or  
42 designed for the purpose of cutting controlled substances;

43 [(f)] (VI) Separation gins, used or designed for the purpose of remov-  
44 ing twigs and seeds in order to clean or refine marihuana;

45 [(g) Hypodermic syringes, needles and other objects, used or designed  
46 for the purpose of parenterally injecting controlled substances into the  
47 human body;

48 (h)] AND

49 (VII) Objects, used or designed for the purpose of ingesting, inhal-  
50 ing, or otherwise introducing marihuana, cocaine, hashish, or hashish  
51 oil into the human body.

52 (B) "DRUG-RELATED PARAPHERNALIA" SHALL NOT INCLUDE HYPODERMIC NEEDLES,  
53 HYPODERMIC SYRINGES AND OTHER OBJECTS USED FOR THE PURPOSE OF PARENTER-  
54 ALLY INJECTING CONTROLLED SUBSTANCES INTO THE HUMAN BODY.

1 S 4. Section 3381 of the public health law, as amended by section 9-a  
2 of part B of chapter 58 of the laws of 2007, subdivisions 1, 2 and 3 as  
3 amended by chapter 178 of the laws of 2010, is amended to read as  
4 follows:

5 S 3381. Sale and possession of hypodermic syringes and hypodermic  
6 needles. 1. It shall be unlawful for any person to sell or furnish to  
7 another person or persons, a hypodermic syringe or hypodermic needle  
8 except:

9 (a) pursuant to a prescription of a practitioner, which for the  
10 purposes of this section shall include a patient specific prescription  
11 form as provided for in the education law; or

12 (b) to persons who have been authorized by the commissioner to obtain  
13 and possess such instruments; or

14 (c) by a pharmacy licensed under article one hundred thirty-seven of  
15 the education law, health care facility licensed under article twenty-  
16 eight of this chapter or a health care practitioner who is otherwise  
17 authorized to prescribe the use of hypodermic needles or syringes within  
18 his or her scope of practice; provided, however, that such sale or  
19 furnishing: (i) shall only be to a person eighteen years of age or  
20 older; AND (ii) [shall be limited to a quantity of ten or less hypoderm-  
21 ic needles or syringes; and (iii)] shall be in accordance with subdivi-  
22 sion [five] FOUR of this section[.] ; OR

23 (D) UNDER SUBDIVISION THREE OF THIS SECTION.

24 2. [It shall be unlawful for any person to obtain or possess a hypo-  
25 dermic syringe or hypodermic needle unless such possession has been  
26 authorized by the commissioner or is pursuant to a prescription, or is  
27 pursuant to subdivision five of this section.

28 3.] Any person selling or furnishing a hypodermic syringe or hypoderm-  
29 ic needle pursuant to a prescription shall record upon the prescription,  
30 his or her signature or electronic signature, and the date of the sale  
31 or furnishing of the hypodermic syringe or hypodermic needle. Such  
32 prescription shall be retained on file for a period of five years and be  
33 readily accessible for inspection by any public officer or employee  
34 engaged in the enforcement of this section. Such prescription may be  
35 refilled not more than the number of times specifically authorized by  
36 the prescriber upon the prescription, provided however no such authori-  
37 zation shall be effective for a period greater than two years from the  
38 date the prescription is signed.

39 [4] 3. The commissioner shall, subject to subdivision [five] FOUR of  
40 this section, designate persons, or by regulation, classes of persons  
41 who may obtain hypodermic syringes and hypodermic needles without  
42 prescription and the manner in which such transactions may take place  
43 and the records thereof which shall be maintained.

44 [5] 4. (a) A person eighteen years of age or older may obtain and  
45 possess a hypodermic syringe or hypodermic needle pursuant to paragraph  
46 (c) of subdivision one of this section.

47 (b) Subject to regulations of the commissioner, a pharmacy licensed  
48 under article one hundred thirty-seven of the education law, a health  
49 care facility licensed under article twenty-eight of this chapter or a  
50 health care practitioner who is otherwise authorized to prescribe the  
51 use of hypodermic needles or syringes within his or her scope of prac-  
52 tice, may obtain and possess hypodermic needles or syringes for the  
53 purpose of selling or furnishing them pursuant to paragraph (c) of  
54 subdivision one of this section or for the purpose of disposing of  
55 them[, provided that such pharmacy, health care facility or health care  
56 practitioner has registered with the department].

1 (c) Sale or furnishing of hypodermic syringes or hypodermic needles to  
2 direct consumers pursuant to this subdivision by a pharmacy, health care  
3 facility, or health care practitioner shall be accompanied by a safety  
4 insert. Such safety insert shall be developed or approved by the commis-  
5 sioner and shall include, but not be limited to, (i) information on the  
6 proper use of hypodermic syringes and hypodermic needles; (ii) the risk  
7 of blood borne diseases that may result from the use of hypodermic  
8 syringes and hypodermic needles; (iii) methods for preventing the trans-  
9 mission or contraction of blood borne diseases; (iv) proper hypodermic  
10 syringe and hypodermic needle disposal practices; (v) information on the  
11 dangers of injection drug use, and how to access drug treatment; (vi) a  
12 toll-free phone number for information on the human immunodeficiency  
13 virus; and (vii) information on the safe disposal of hypodermic syringes  
14 and hypodermic needles including the relevant provisions of the environ-  
15 mental conservation law relating to the unlawful release of regulated  
16 medical waste. The safety insert shall be attached to or included in the  
17 hypodermic syringe and hypodermic needle packaging, or shall be given to  
18 the purchaser at the point of sale or furnishing in brochure form.

19 (d) In addition to the requirements of paragraph (c) of subdivision  
20 one of this section, a pharmacy licensed under article one hundred thir-  
21 ty-seven of the education law may sell or furnish hypodermic needles or  
22 syringes only if such pharmacy[: (i) does not advertise to the public  
23 the availability for retail sale or furnishing of hypodermic needles or  
24 syringes without a prescription; and (ii) at any location where hypo-  
25 dermic needles or syringes are kept for retail sale or furnishing,]  
26 stores such needles and syringes in a manner that makes them available  
27 only to authorized personnel and not openly available to customers.

28 (e) The commissioner shall promulgate rules and regulations necessary  
29 to implement the provisions of this subdivision which shall include: (I)  
30 STANDARDS FOR ADVERTISING TO THE PUBLIC THE AVAILABILITY FOR RETAIL SALE  
31 OR FURNISHING OF HYPODERMIC SYRINGES OR NEEDLES; AND (II) a requirement  
32 that such pharmacies, health care facilities and health care practition-  
33 ers cooperate in a safe disposal of used hypodermic needles or syringes.

34 (f) The commissioner may, upon the finding of a violation of this  
35 section, suspend for a determinate period of time the sale or furnishing  
36 of syringes by a specific entity.

37 [6] 5. The provisions of this section shall not apply to farmers  
38 engaged in livestock production or to those persons supplying farmers  
39 engaged in livestock production, provided that:

40 (a) Hypodermic syringes and needles shall be stored in a secure,  
41 locked storage container.

42 (b) At any time the department may request a document outlining:

43 (i) the number of hypodermic needles and syringes purchased over the  
44 past calendar year;

45 (ii) a record of all hypodermic needles used over the past calendar  
46 year; and

47 (iii) a record of all hypodermic needles and syringes destroyed over  
48 the past calendar year.

49 (c) Hypodermic needles and syringes shall be destroyed in a manner  
50 consistent with the provisions set forth in section thirty-three hundred  
51 eighty-one-a of this article.

52 S 5. This act shall take effect immediately.

Section 1. Section 19.18-a of the mental hygiene law, as added by chapter 32 of the laws of 2014, is amended to read as follows:

S 19.18-a Heroin and opioid addiction wraparound services [demonstration] program.

1. The commissioner, in consultation with the department of health shall develop a heroin and opioid addiction wraparound services [demonstration] program. This program shall provide wraparound services to adolescent and adult patients during treatment and shall be available to such patients for a clinically appropriate period for up to nine months after completion of such treatment program. The commissioner shall identify and establish where the wraparound services [demonstration] program will be provided.

2. Wraparound services shall include;

(a) Case management services which address:

(i) Educational resources;

(ii) Legal services;

(iii) Financial services;

(iv) Social services;

(v) Family services; and

(vi) Childcare services;

(b) Peer supports, including peer to peer support groups;

(c) Employment support; and

(d) Transportation assistance.

3. [Not later than two years after the effective date of this section, the] THE commissioner shall provide the governor, the temporary president of the senate, the speaker of the assembly, the chair of the senate standing committee on alcoholism and drug abuse and the chair of the assembly committee on alcoholism and drug abuse with a written evaluation of the [demonstration] program. Such evaluation shall address the overall effectiveness of this [demonstration] program and whether continuation or expansion of this [demonstration] program is recommended.

S 2. Section 2 of chapter 32 of the laws of 2014, amending the mental hygiene law relating to the heroin and opioid addiction wraparound services demonstration program, is amended to read as follows:

S 2. This act shall take effect immediately [and shall expire and be deemed repealed three years after such effective date].

S 3. This act shall take effect immediately.

#### SUBPART G

Section 1. The mental hygiene law is amended by adding a new section 19.04 to read as follows:

S 19.04 SOBER LIVING TASK FORCE.

1. DEFINITIONS. AS USED IN THIS SECTION:

(A) "SOBER LIVING RESIDENCE" SHALL MEAN ANY RESIDENCE LOCATED IN NEW YORK STATE WHERE THE OWNER OR OPERATOR OF SUCH RESIDENCE HOLDS THE RESIDENCE OUT TO THE PUBLIC AS AN ALCOHOL AND DRUG FREE LIVING ENVIRONMENT FOR PERSONS RECOVERING FROM A CHEMICAL DEPENDENCY, WHERE NO FORMAL TREATMENT SERVICES ARE PROVIDED ON-SITE.

(B) "SOBER LIVING NETWORK" SHALL MEAN A GROUP OF INDEPENDENTLY OPERATED AND SELF-REGULATED SOBER LIVING RESIDENCES LOCATED IN NEW YORK STATE WHICH COMPLY WITH THE GUIDELINES ISSUED PURSUANT TO THIS SECTION.

2. THE SOBER LIVING TASK FORCE IS HEREBY CREATED, WHICH PURSUANT TO THE PROVISIONS OF THIS SECTION, SHALL ESTABLISH BEST PRACTICE GUIDELINES



FOR SOBER LIVING RESIDENCES THAT ILLUSTRATE THE MOST APPROPRIATE AND EFFECTIVE ENVIRONMENT FOR PERSONS RECOVERING FROM A CHEMICAL DEPENDENCY.

3. THE TASK FORCE SHALL UTILIZE INFORMATION COLLECTED FROM ORGANIZATIONS AND PROGRAMS BOTH IN NEW YORK STATE AND THROUGHOUT THE COUNTRY TO:

(A) ISSUE RECOMMENDATIONS AND GUIDELINES ESTABLISHING BEST PRACTICES FOR SOBER LIVING RESIDENCES TO PROVIDE AN ALCOHOL AND DRUG FREE SOBER LIVING ENVIRONMENT;

(B) DEVELOP A PLAN TO ESTABLISH A STATEWIDE SOBER LIVING NETWORK AS DEFINED IN PARAGRAPH (B) OF SUBDIVISION ONE OF THIS SECTION; AND

(C) IDENTIFY BARRIERS FOR INDIVIDUALS TO ACCESS RECOVERY SERVICES, RESIDENTIAL TREATMENT FOR CHEMICAL DEPENDENCY AND APPROPRIATE HOUSING WHERE INDIVIDUALS ARE PROVIDED AN ALCOHOL AND DRUG FREE LIVING ENVIRONMENT.

4. (A) THE MEMBERS OF THE TASK FORCE SHALL INCLUDE THE COMMISSIONER OF THE OFFICE OF ALCOHOLISM AND SUBSTANCE ABUSE SERVICES OR HIS OR HER DESIGNEE; THE COMMISSIONER OF THE OFFICE OF MENTAL HEALTH OR HIS OR HER DESIGNEE; THE COMMISSIONER OF THE OFFICE OF TEMPORARY AND DISABILITY ASSISTANCE OR HIS OR HER DESIGNEE; THE COMMISSIONER OF THE OFFICE OF HOMES AND COMMUNITY RENEWAL OR HIS OR HER DESIGNEE; ONE REPRESENTATIVE OF THE NEW YORK STATE LOCAL MENTAL HYGIENE DIRECTORS; AT LEAST TWO REPRESENTATIVES OF REPUTABLE OWNERS OR OPERATORS OF A RESIDENCE WHICH CURRENTLY PROVIDES ALCOHOL AND DRUG FREE HOUSING FOR PERSONS IN RECOVERY WHERE NO FORMAL TREATMENT SERVICES ARE PROVIDED ON-SITE; AT LEAST TWO REPRESENTATIVES OF CHEMICAL DEPENDENCE RESIDENTIAL TREATMENT PROVIDERS LICENSED BY THE OFFICE; AT LEAST ONE REPRESENTATIVE WHO IS NOT A PROVIDER OF CHEMICAL DEPENDENCE OR MENTAL HEALTH SERVICES AND WHO REPRESENT NON-GOVERNMENTAL ORGANIZATIONS, SUCH AS NOT-FOR-PROFIT ENTITIES OR OTHER ORGANIZATIONS CONCERNED WITH THE PROVISION OF HOUSING AND RECOVERY SERVICES; AND ANY OTHER RELEVANT AGENCY OR PARTICIPANT THAT IS DEEMED APPROPRIATE. THE COMMISSIONER SHALL BE DESIGNATED AS THE CHAIRPERSON OF SUCH TASK FORCE AND SHALL SELECT A VICE-CHAIRPERSON AND A SECRETARY. PRIOR TO THE FIRST MEETING OF THE TASK FORCE, IN CONSULTATION WITH THE STATE AGENCY MEMBERS OF SUCH TASK FORCE, THE CHAIRPERSON SHALL SELECT UP TO EIGHT ADDITIONAL MEMBERS WHOM SHALL BE REPRESENTATIVES OF LOCAL GOVERNMENT AGENCIES IN NEW YORK STATE WHERE THE NEED FOR ALCOHOL AND DRUG FREE HOUSING IS MOST PREVALENT.

(B) THE MEMBERS OF THE COUNCIL SHALL RECEIVE NO COMPENSATION FOR THEIR SERVICES BUT SHALL BE REIMBURSED FOR EXPENSES ACTUALLY AND NECESSARILY INCURRED IN THE PERFORMANCE OF THEIR DUTIES.

(C) NO CIVIL ACTION SHALL BE BROUGHT IN ANY COURT AGAINST ANY MEMBER OF THE SOBER LIVING TASK FORCE FOR ANY ACT OR OMISSION NECESSARY TO THE DISCHARGE OF HIS OR HER DUTIES AS A MEMBER OF THE TASK FORCE, EXCEPT AS PROVIDED HEREIN. SUCH MEMBER MAY BE LIABLE FOR DAMAGES IN ANY SUCH ACTION IF HE OR SHE FAILED TO ACT IN GOOD FAITH AND EXERCISE REASONABLE CARE. ANY INFORMATION OBTAINED BY A MEMBER OF THE TASK FORCE WHILE CARRYING OUT HIS OR HER LIMITED DUTIES AS PRESCRIBED IN SUBDIVISION THREE OF THIS SECTION SHALL ONLY BE UTILIZED IN THEIR CAPACITY AS A MEMBER OF THE TASK FORCE.

5. NO LATER THAN DECEMBER THIRTY-FIRST IN THE YEAR FOLLOWING THE EFFECTIVE DATE OF THIS SECTION THE TASK FORCE SHALL PROVIDE A REPORT TO THE TEMPORARY PRESIDENT OF THE SENATE, THE MINORITY LEADER OF THE SENATE, THE SPEAKER OF THE ASSEMBLY, THE MINORITY LEADER OF THE ASSEMBLY, AND THE CHAIRMAN OF THE APPROPRIATE LEGISLATIVE COMMITTEES. SUCH REPORT SHALL INCLUDE BUT NOT BE LIMITED TO THE BEST PRACTICES ESTABLISHED FOR SOBER LIVING RESIDENCES; A DESCRIPTION OF THE PLAN THAT ESTABLISHES A STATEWIDE SOBER LIVING NETWORK; RECOMMENDATIONS BY THE

TASK FORCE TO REDUCE ACCESS BARRIERS FOR INDIVIDUALS SEEKING RESIDENTIAL TREATMENT FOR CHEMICAL DEPENDENCY; AND RECOMMENDATIONS FOR ANY OTHER PROGRAM OR POLICY INITIATIVE THE TASK FORCE DEEMS APPROPRIATE. THE REPORT SHALL BE POSTED ON THE WEBSITES OF THE APPROPRIATE AGENCIES.

S 2. This act shall take effect on the thirtieth day after it shall have become a law and shall expire and be deemed repealed one year after such effective date.

#### SUBPART H

Section 1. The opening paragraph of subdivision 1 and subdivision 2 of section 216.00 of the criminal procedure law, the opening paragraph of subdivision 1 as amended by chapter 90 of the laws of 2014 and subdivision 2 as added by section 4 of part AAA of chapter 56 of the laws of 2009, are amended to read as follows:

"Eligible defendant" means any person who stands charged in an indictment or a superior court information with a class B, C, D or E felony offense defined in article one hundred seventy-nine, two hundred twenty or two hundred twenty-one of the penal law, AN OFFENSE DEFINED IN SECTIONS 105.10, 105.13, 105.15 AND 105.17 OF THE PENAL LAW PROVIDED THAT THE UNDERLYING CRIME FOR THE CONSPIRACY CHARGE IS A CLASS B, C, D OR E FELONY OFFENSE DEFINED IN ARTICLE ONE HUNDRED SEVENTY-NINE, TWO HUNDRED TWENTY OR TWO HUNDRED TWENTY-ONE OF THE PENAL LAW, AUTO STRIPPING IN THE SECOND DEGREE AS DEFINED IN SECTION 165.10 OF THE PENAL LAW, AUTO STRIPPING IN THE FIRST DEGREE AS DEFINED IN SECTION 165.11 OF THE PENAL LAW, IDENTITY THEFT IN THE SECOND DEGREE AS DEFINED IN SECTION 190.79 OF THE PENAL LAW, IDENTITY THEFT IN THE FIRST DEGREE AS DEFINED IN SECTION 190.80 OF THE PENAL LAW, or any other specified offense as defined in subdivision [four] FIVE of section 410.91 of this chapter, provided, however, a defendant is not an "eligible defendant" if he or she:

2. "Alcohol and substance [abuse] USE evaluation" means a written assessment and report by a court-approved entity or licensed health care professional experienced in the treatment of alcohol and substance [abuse] USE DISORDER, or by an addiction and substance [abuse] USE counselor credentialed by the office of alcoholism and substance abuse services pursuant to section 19.07 of the mental hygiene law, which shall include:

(a) an evaluation as to whether the defendant has a history of alcohol or substance [abuse or alcohol or substance dependence] USE DISORDER, as such terms are defined in the diagnostic and statistical manual of mental disorders, [fourth] FIFTH edition, and a co-occurring mental disorder or mental illness and the relationship between such [abuse or dependence] USE and mental disorder or mental illness, if any;

(b) a recommendation as to whether the defendant's alcohol or substance [abuse or dependence] USE, if any, could be effectively addressed by judicial diversion in accordance with this article;

(c) a recommendation as to the treatment modality, level of care and length of any proposed treatment to effectively address the defendant's alcohol or substance [abuse or dependence] USE and any co-occurring mental disorder or illness; and

(d) any other information, factor, circumstance, or recommendation deemed relevant by the assessing entity or specifically requested by the court.

1 S 2. The opening paragraph of subdivision 1 of section 216.00 of the  
2 criminal procedure law, as added by section 4 of part AAA of chapter 56  
3 of the laws of 2009, is amended to read as follows:

4 "Eligible defendant" means any person who stands charged in an indict-  
5 ment or a superior court information with a class B, C, D or E felony  
6 offense defined in article two hundred twenty or two hundred twenty-one  
7 of the penal law, AN OFFENSE DEFINED IN SECTIONS 105.10, 105.13, 105.15  
8 AND 105.17 OF THE PENAL LAW PROVIDED THAT THE UNDERLYING CRIME FOR THE  
9 CONSPIRACY CHARGE IS A CLASS B, C, D OR E FELONY OFFENSE DEFINED IN  
10 ARTICLE TWO HUNDRED TWENTY OR TWO HUNDRED TWENTY-ONE OF THE PENAL LAW,  
11 AUTO STRIPPING IN THE SECOND DEGREE AS DEFINED IN SECTION 165.10 OF THE  
12 PENAL LAW, AUTO STRIPPING IN THE FIRST DEGREE AS DEFINED IN SECTION  
13 165.11 OF THE PENAL LAW, IDENTITY THEFT IN THE SECOND DEGREE AS DEFINED  
14 IN SECTION 190.79 OF THE PENAL LAW, IDENTITY THEFT IN THE FIRST DEGREE  
15 AS DEFINED IN SECTION 190.80 OF THE PENAL LAW, or any other specified  
16 offense as defined in subdivision [four] FIVE of section 410.91 of this  
17 chapter, provided, however, a defendant is not an "eligible defendant"  
18 if he or she:

19 S 3. Section 216.05 of the criminal procedure law, as added by section  
20 4 of part AAA of chapter 56 of the laws of 2009, subdivision 5 and para-  
21 graph (a) of subdivision 9 as amended by chapter 258 of the laws of  
22 2015, and subdivision 8 as amended by chapter 347 of the laws of 2012,  
23 is amended to read as follows:

24 S 216.05 Judicial diversion program; court procedures.

25 1. At any time after the arraignment of an eligible defendant, but  
26 prior to the entry of a plea of guilty or the commencement of trial, the  
27 court at the request of the eligible defendant, may order an alcohol and  
28 substance [abuse] USE evaluation. An eligible defendant may decline to  
29 participate in such an evaluation at any time. The defendant shall  
30 provide a written authorization, in compliance with the requirements of  
31 any applicable state or federal laws, rules or regulations authorizing  
32 disclosure of the results of the assessment to the defendant's attorney,  
33 the prosecutor, the local probation department, the court, authorized  
34 court personnel and other individuals specified in such authorization  
35 for the sole purpose of determining whether the defendant should be  
36 offered judicial diversion for treatment for substance [abuse or depend-  
37 ence] USE, alcohol [abuse or dependence] USE and any co-occurring mental  
38 disorder or mental illness.

39 2. Upon receipt of the completed alcohol and substance [abuse] USE  
40 evaluation report, the court shall provide a copy of the report to the  
41 eligible defendant and the prosecutor.

42 3. (a) Upon receipt of the evaluation report either party may request  
43 a hearing on the issue of whether the eligible defendant should be  
44 offered alcohol or substance [abuse] USE treatment pursuant to this  
45 article. At such a proceeding, which shall be held as soon as practica-  
46 ble so as to facilitate early intervention in the event that the defend-  
47 ant is found to need alcohol or substance [abuse] USE treatment, the  
48 court may consider oral and written arguments, may take testimony from  
49 witnesses offered by either party, and may consider any relevant  
50 evidence including, but not limited to, evidence that:

51 (i) the defendant had within the preceding ten years (excluding any  
52 time during which the offender was incarcerated for any reason between  
53 the time of the acts that led to the youthful offender adjudication and  
54 the time of commission of the present offense) been adjudicated a youth-  
55 ful offender for: (A) a violent felony offense as defined in section  
56 70.02 of the penal law; or (B) any offense for which a merit time allow-

1   ance is not available pursuant to subparagraph (ii) of paragraph (d) of  
2   subdivision one of section eight hundred three of the correction law;  
3   and

4   (ii) in the case of a felony offense defined in subdivision [four]  
5   FIVE of section 410.91 of this chapter, OR SECTION 165.09, 165.10,  
6   190.79 OR 190.80 OF THE PENAL LAW, any statement of or submitted by the  
7   victim, as defined in paragraph (a) of subdivision two of section 380.50  
8   of this chapter.

9   (b) Upon completion of such a proceeding, the court shall consider and  
10  make findings of fact with respect to whether:

11   (i) the defendant is an eligible defendant as defined in subdivision  
12  one of section 216.00 of this article;

13   (ii) the defendant has a history of alcohol or substance [abuse or  
14  dependence] USE;

15   (iii) such alcohol or substance [abuse or dependence] USE is a  
16  contributing factor to the defendant's criminal behavior;

17   (iv) the defendant's participation in judicial diversion could effec-  
18  tively address such [abuse or dependence] USE; and

19   (v) institutional confinement of the defendant is or may not be neces-  
20  sary for the protection of the public.

21   4. When an authorized court determines, pursuant to paragraph (b) of  
22  subdivision three of this section, that an eligible defendant should be  
23  offered alcohol or substance [abuse] USE treatment, or when the parties  
24  and the court agree to an eligible defendant's participation in alcohol  
25  or substance [abuse] USE treatment, an eligible defendant may be allowed  
26  to participate in the judicial diversion program offered by this arti-  
27  cle. Prior to the court's issuing an order granting judicial diversion,  
28  the eligible defendant shall be required to enter a plea of guilty to  
29  the charge or charges; provided, however, that no such guilty plea shall  
30  be required when:

31   (a) the people and the court consent to the entry of such an order  
32  without a plea of guilty; or

33   (b) based on a finding of exceptional circumstances, the court deter-  
34  mines that a plea of guilty shall not be required. For purposes of this  
35  subdivision, exceptional circumstances exist when, regardless of the  
36  ultimate disposition of the case, the entry of a plea of guilty is like-  
37  ly to result in severe collateral consequences.

38   5. The defendant shall agree on the record or in writing to abide by  
39  the release conditions set by the court, which, shall include: partic-  
40  ipation in a specified period of alcohol or substance [abuse] USE treat-  
41  ment at a specified program or programs identified by the court, which  
42  may include periods of detoxification, residential or outpatient treat-  
43  ment, or both, as determined after taking into account the views of the  
44  health care professional who conducted the alcohol and substance [abuse]  
45  USE evaluation and any health care professionals responsible for provid-  
46  ing such treatment or monitoring the defendant's progress in such treat-  
47  ment; and may include: (i) periodic court appearances, which may include  
48  periodic urinalysis; (ii) a requirement that the defendant refrain from  
49  engaging in criminal behaviors; (iii) if the defendant needs treatment  
50  for opioid [abuse or dependence] USE, that he or she may participate in  
51  and receive medically prescribed drug treatments under the care of a  
52  health care professional licensed or certified under title eight of the  
53  education law, acting within his or her lawful scope of practice.

54   6. Upon an eligible defendant's agreement to abide by the conditions  
55  set by the court, the court shall issue a securing order providing for  
56  bail or release on the defendant's own recognizance and conditioning any

1 release upon the agreed upon conditions. The period of alcohol or  
2 substance [abuse] USE treatment shall begin as specified by the court  
3 and as soon as practicable after the defendant's release, taking into  
4 account the availability of treatment, so as to facilitate early inter-  
5 vention with respect to the defendant's abuse or condition and the  
6 effectiveness of the treatment program. In the event that a treatment  
7 program is not immediately available or becomes unavailable during the  
8 course of the defendant's participation in the judicial diversion  
9 program, the court may release the defendant pursuant to the securing  
10 order.

11 7. When participating in judicial diversion treatment pursuant to this  
12 article, any resident of this state who is covered under a private  
13 health insurance policy or contract issued for delivery in this state  
14 pursuant to article thirty-two, forty-three or forty-seven of the insur-  
15 ance law or article forty-four of the public health law, or who is  
16 covered by a self-funded plan which provides coverage for the diagnosis  
17 and treatment of chemical abuse and chemical dependence however defined  
18 in such policy; shall first seek reimbursement for such treatment in  
19 accordance with the provisions of such policy or contract.

20 8. During the period of a defendant's participation in the judicial  
21 diversion program, the court shall retain jurisdiction of the defendant,  
22 provided, however, that the court may allow such defendant to reside in  
23 another jurisdiction while participating in a judicial diversion program  
24 under conditions set by the court and agreed to by the defendant pursu-  
25 ant to subdivisions five and six of this section. The court may require  
26 the defendant to appear in court at any time to enable the court to  
27 monitor the defendant's progress in alcohol or substance [abuse] USE  
28 treatment. The court shall provide notice, reasonable under the circum-  
29 stances, to the people, the treatment provider, the defendant and the  
30 defendant's counsel whenever it orders or otherwise requires the appear-  
31 ance of the defendant in court. Failure to appear as required without  
32 reasonable cause therefor shall constitute a violation of the conditions  
33 of the court's agreement with the defendant.

34 9. (a) If at any time during the defendant's participation in the  
35 judicial diversion program, the court has reasonable grounds to believe  
36 that the defendant has violated a release condition or has failed to  
37 appear before the court as requested, the court shall direct the defend-  
38 ant to appear or issue a bench warrant to a police officer or an appro-  
39 priate peace officer directing him or her to take the defendant into  
40 custody and bring the defendant before the court without unnecessary  
41 delay; provided, however, that under no circumstances shall a defendant  
42 who requires treatment for opioid [abuse or dependence] USE be deemed to  
43 have violated a release condition on the basis of his or her partic-  
44 ipation in medically prescribed drug treatments under the care of a  
45 health care professional licensed or certified under title eight of the  
46 education law, acting within his or her lawful scope of practice. The  
47 provisions of subdivision one of section 530.60 of this chapter relating  
48 to revocation of recognizance or bail shall apply to such proceedings  
49 under this subdivision.

50 (b) In determining whether a defendant violated a condition of his or  
51 her release under the judicial diversion program, the court may conduct  
52 a summary hearing consistent with due process and sufficient to satisfy  
53 the court that the defendant has, in fact, violated the condition.

54 (c) If the court determines that the defendant has violated a condi-  
55 tion of his or her release under the judicial diversion program, the  
56 court may modify the conditions thereof, reconsider the order of recog-

1 nizance or bail pursuant to subdivision two of section 510.30 of this  
2 chapter, or terminate the defendant's participation in the judicial  
3 diversion program; and when applicable proceed with the defendant's  
4 sentencing in accordance with the agreement. Notwithstanding any  
5 provision of law to the contrary, the court may impose any sentence  
6 authorized for the crime of conviction in accordance with the plea  
7 agreement, or any lesser sentence authorized to be imposed on a felony  
8 drug offender pursuant to paragraph (b) or (c) of subdivision two of  
9 section 70.70 of the penal law taking into account the length of time  
10 the defendant spent in residential treatment and how best to continue  
11 treatment while the defendant is serving that sentence. In determining  
12 what action to take for a violation of a release condition, the court  
13 shall consider all relevant circumstances, including the views of the  
14 prosecutor, the defense and the alcohol or substance [abuse] USE treat-  
15 ment provider, and the extent to which persons who ultimately success-  
16 fully complete a drug treatment regimen sometimes relapse by not  
17 abstaining from alcohol or substance [abuse] USE or by failing to comply  
18 fully with all requirements imposed by a treatment program. The court  
19 shall also consider using a system of graduated and appropriate  
20 responses or sanctions designed to address such inappropriate behaviors,  
21 protect public safety and facilitate, where possible, successful  
22 completion of the alcohol or substance [abuse] USE treatment program.

23 (d) Nothing in this subdivision shall be construed as preventing a  
24 court from terminating a defendant's participation in the judicial  
25 diversion program for violating a release condition when such a termi-  
26 nation is necessary to preserve public safety. Nor shall anything in  
27 this subdivision be construed as precluding the prosecution of a defend-  
28 ant for the commission of a different offense while participating in the  
29 judicial diversion program.

30 (e) A defendant may at any time advise the court that he or she wishes  
31 to terminate participation in the judicial diversion program, at which  
32 time the court shall proceed with the case and, where applicable, shall  
33 impose sentence in accordance with the plea agreement. Notwithstanding  
34 any provision of law to the contrary, the court may impose any sentence  
35 authorized for the crime of conviction in accordance with the plea  
36 agreement, or any lesser sentence authorized to be imposed on a felony  
37 drug offender pursuant to paragraph (b) or (c) of subdivision two of  
38 section 70.70 of the penal law taking into account the length of time  
39 the defendant spent in residential treatment and how best to continue  
40 treatment while the defendant is serving that sentence.

41 10. Upon the court's determination that the defendant has successfully  
42 completed the required period of alcohol or substance [abuse] USE treat-  
43 ment and has otherwise satisfied the conditions required for successful  
44 completion of the judicial diversion program, the court shall comply  
45 with the terms and conditions it set for final disposition when it  
46 accepted the defendant's agreement to participate in the judicial diver-  
47 sion program. Such disposition may include, but is not limited to: (a)  
48 requiring the defendant to undergo a period of interim probation super-  
49 vision and, upon the defendant's successful completion of the interim  
50 probation supervision term, notwithstanding the provision of any other  
51 law, permitting the defendant to withdraw his or her guilty plea and  
52 dismissing the indictment; or (b) requiring the defendant to undergo a  
53 period of interim probation supervision and, upon successful completion  
54 of the interim probation supervision term, notwithstanding the provision  
55 of any other law, permitting the defendant to withdraw his or her guilty  
56 plea, enter a guilty plea to a misdemeanor offense and sentencing the

defendant as promised in the plea agreement, which may include a period of probation supervision pursuant to section 65.00 of the penal law; or (c) allowing the defendant to withdraw his or her guilty plea and dismissing the indictment.

11. Nothing in this article shall be construed as restricting or prohibiting courts or district attorneys from using other lawful procedures or models for placing appropriate persons into alcohol or substance [abuse] USE treatment.

S 4. This act shall take effect immediately; provided, that the amendments to the opening paragraph of subdivision 1 of section 216.00 of the criminal procedure law made by section one of this act shall be subject to the expiration and reversion of such paragraph pursuant to section 12 of chapter 90 of the laws of 2014, as amended, when upon such date the provisions of section two of this act shall take effect.

#### SUBPART I

Section 1. The executive law is amended by adding a new section 837-s to read as follows:

S 837-S. LAW ENFORCEMENT ASSISTED DIVERSION. 1. IN COORDINATION WITH THE OFFICE OF ALCOHOLISM AND SUBSTANCE ABUSE SERVICES, THE DIVISION SHALL BY REGULATION:

(A) DEVELOP BEST PRACTICES REGARDING LAW ENFORCEMENT ASSISTED DIVERSION, WHICH SHALL INCLUDE BUT NOT BE LIMITED TO A PROCEDURE FOR DIVERTING INDIVIDUALS WITH SUBSTANCE USE DISORDERS TO TREATMENT IN LIEU OF ARREST, AND METHODS FOR MONITORING AND ASSURING THAT SUCH PROCEDURES ARE USED IN A MANNER THAT IS NON-DISCRIMINATORY WITH RESPECT TO PERSONAL CHARACTERISTICS OF THE INDIVIDUAL THAT ARE UNRELATED TO THE COMMISSION OF THE ALLEGED OFFENSE; AND

(B) COLLECT AND ANALYZE STATISTICAL DATA AND ALL OTHER INFORMATION AND DATA WITH RESPECT TO LAW ENFORCEMENT ASSISTED DIVERSION PROGRAMS ENACTED BY ANY LAW ENFORCEMENT ENTITY IN THE STATE.

2. THE DIVISION SHALL MAKE AN ANNUAL REPORT TO THE GOVERNOR AND LEGISLATURE, WHICH INCLUDES BUT IS NOT LIMITED TO THE NUMBER OF LAW ENFORCEMENT ENTITIES IN THE STATE WHICH HAVE ADOPTED SUCH BEST PRACTICES, THE EFFICACY OF SUCH BEST PRACTICES, DEMOGRAPHIC AND GEOGRAPHIC INFORMATION, THE NUMBER OF JURISDICTIONS THAT HAVE IMPLEMENTED LAW ENFORCEMENT ASSISTED DIVERSION, AND ANY OTHER RELEVANT DATA.

S 2. This act shall take effect on the one hundred eightieth day after it shall have become a law; provided, however, that effective immediately, the addition, amendment and/or repeal of any rule or regulation necessary for the implementation of this act on its effective date are authorized to be made and completed on or before such effective date.

#### SUBPART J

Section 1. Section 60.48 of the criminal procedure law is renumbered section 60.49 and a new section 60.48 is added to read as follows:  
S 60.48 POSSESSION OF OPIOID ANTAGONISTS; RECEIPT INTO EVIDENCE.

1. EVIDENCE THAT A PERSON WAS IN POSSESSION OF AN OPIOID ANTAGONIST MAY NOT BE ADMITTED AT ANY TRIAL, HEARING OR OTHER PROCEEDING IN A PROSECUTION FOR ANY OFFENSE UNDER SECTIONS 220.03, 220.06, 220.09, 220.16, 220.18, OR 220.21 OF THE PENAL LAW FOR THE PURPOSE OF ESTABLISHING PROBABLE CAUSE FOR AN ARREST OR PROVING ANY PERSON'S COMMISSION OF SUCH OFFENSE.

2. FOR THE PURPOSES OF THIS SECTION, OPIOID ANTAGONIST IS DEFINED AS A DRUG APPROVED BY THE FOOD AND DRUG ADMINISTRATION THAT, WHEN ADMINISTERED, NEGATES OR NEUTRALIZES IN WHOLE OR IN PART THE PHARMACOLOGICAL EFFECTS OF AN OPIOID IN THE BODY AND SHALL BE LIMITED TO NALOXONE AND OTHER MEDICATIONS APPROVED BY THE DEPARTMENT OF HEALTH FOR SUCH PURPOSE.

S 2. The civil practice law and rules is amended by adding a new section 4519-a to read as follows:

S 4519-A. POSSESSION OF OPIOID ANTAGONISTS; RECEIPT INTO EVIDENCE. 1. POSSESSION OF AN OPIOID ANTAGONIST MAY NOT BE RECEIVED IN EVIDENCE IN ANY TRIAL, HEARING OR PROCEEDING PURSUANT TO SUBDIVISION ONE OF SECTION TWO HUNDRED THIRTY-ONE AND PARAGRAPH THREE OF SUBDIVISION B OF SECTION TWO HUNDRED THIRTY-THREE OF THE REAL PROPERTY LAW OR SUBDIVISION FIVE OF SECTION SEVEN HUNDRED ELEVEN AND SUBDIVISION ONE OF SECTION SEVEN HUNDRED FIFTEEN OF THE REAL PROPERTY ACTIONS AND PROCEEDINGS LAW AS EVIDENCE THAT THE BUILDING OR PREMISES ARE BEING USED FOR ILLEGAL TRADE, MANUFACTURE, OR OTHER ILLEGAL BUSINESS.

2. FOR THE PURPOSES OF THIS SECTION, OPIOID ANTAGONIST SHALL HAVE THE SAME MEANING AS SET FORTH IN SUBDIVISION TWO OF SECTION 60.48 OF THE CRIMINAL PROCEDURE LAW.

S 3. The executive law is amended by adding a new section 214-e to read as follows:

S 214-E. OPIOID ANTAGONIST AWARENESS. THE SUPERINTENDENT, IN COOPERATION WITH THE DEPARTMENT OF HEALTH AND THE OFFICE OF ALCOHOLISM AND SUBSTANCE ABUSE SERVICES, SHALL, FOR ALL MEMBERS OF THE DIVISION OF STATE POLICE: (1) DEVELOP, MAINTAIN AND DISSEMINATE APPROPRIATE INSTRUCTION REGARDING SECTION 60.48 OF THE CRIMINAL PROCEDURE LAW, AND (2) ESTABLISH AND IMPLEMENT WRITTEN PROCEDURES AND POLICIES IN THE EVENT A MEMBER OF THE DIVISION OF STATE POLICE ENCOUNTERS A PERSON WHO POSSESSES OPIOID ANTAGONISTS.

S 4. Section 841 of the executive law is amended by adding a new subdivision 7-b to read as follows:

7-B. TAKE SUCH STEPS AS MAY BE NECESSARY TO ENSURE THAT ALL POLICE OFFICERS AND PEACE OFFICERS CERTIFIED PURSUANT TO SUBDIVISION THREE OF THIS SECTION RECEIVE APPROPRIATE INSTRUCTION REGARDING SECTION 60.48 OF THE CRIMINAL PROCEDURE LAW RELATING TO THE INTRODUCTION OF OPIOID ANTAGONISTS INTO EVIDENCE IN CERTAIN CASES.

S 5. This act shall take effect on the sixtieth day after it shall have become a law and shall apply to all cases pending on and after such date.

#### SUBPART K

Section 1. Schedule I of section 3306 of the public health law is amended by adding a new subdivision (g) to read as follows:

(G) (1) CANNABIMIMETIC AGENTS. UNLESS SPECIFICALLY EXEMPTED OR UNLESS LISTED IN ANOTHER SCHEDULE, ANY MATERIAL, COMPOUND, MIXTURE, OR PREPARATION THAT IS NOT APPROVED BY THE FEDERAL FOOD AND DRUG ADMINISTRATION (FDA) WHICH CONTAINS ANY QUANTITY OF CANNABIMIMETIC AGENTS, OR WHICH CONTAINS THEIR SALTS, ISOMERS, AND SALTS OF ISOMERS WHENEVER THE EXISTENCE OF SUCH SALTS, ISOMERS, AND SALTS OF ISOMERS IS POSSIBLE WITHIN THE SPECIFIC CHEMICAL DESIGNATION.

(2) AS USED IN THIS SUBDIVISION, THE TERM "CANNABIMIMETIC AGENTS" MEANS ANY SUBSTANCE THAT IS A CANNABINOID RECEPTOR TYPE 1 (CB1 RECEPTOR) AGONIST AS DEMONSTRATED BY BINDING STUDIES AND FUNCTIONAL ASSAYS WITHIN ANY OF THE FOLLOWING STRUCTURAL CLASSES:



1 (I) 2-(3-HYDROXYCYCLOHEXYL)PHENOL WITH SUBSTITUTION AT THE 5-POSITION  
2 OF THE PHENOLIC RING BY ALKYL OR ALKENYL, WHETHER OR NOT SUBSTITUTED ON  
3 THE CYCLOHEXYL RING TO ANY EXTENT.  
4 (II) 3-(1-NAPHTHOYL)INDOLE OR 3-(1-NAPHTHYLMETHANE)INDOLE BY SUBSTI-  
5 TUTION AT THE NITROGEN ATOM OF THE INDOLE RING, WHETHER OR NOT FURTHER  
6 SUBSTITUTED ON THE INDOLE RING TO ANY EXTENT, WHETHER OR NOT SUBSTITUTED  
7 ON THE NAPHTHOYL OR NAPHTHYL RING TO ANY EXTENT.  
8 (III) 3-(1-NAPHTHOYL)PYRROLE BY SUBSTITUTION AT THE NITROGEN ATOM OF  
9 THE PYRROLE RING, WHETHER OR NOT FURTHER SUBSTITUTED IN THE PYRROLE RING  
10 TO ANY EXTENT, WHETHER OR NOT SUBSTITUTED ON THE NAPHTHOYL RING TO ANY  
11 EXTENT.  
12 (IV) 1-(1-NAPHTHYLMETHYLENE)INDENE BY SUBSTITUTION OF THE 3-POSITION  
13 OF THE INDENE RING, WHETHER OR NOT FURTHER SUBSTITUTED IN THE INDENE  
14 RING TO ANY EXTENT, WHETHER OR NOT SUBSTITUTED ON THE NAPHTHYL RING TO  
15 ANY EXTENT.  
16 (V) 3-PHENYLACETYLINDOLE OR 3-BENZOYLINDOLE BY SUBSTITUTION AT THE  
17 NITROGEN ATOM OF THE INDOLE RING, WHETHER OR NOT FURTHER SUBSTITUTED IN  
18 THE INDOLE RING TO ANY EXTENT, WHETHER OR NOT SUBSTITUTED ON THE PHENYL  
19 RING TO ANY EXTENT.  
20 (3) SUCH TERM INCLUDES:  
21 (I) 5-(1,1-DIMETHYLHEPTYL)-2-{(1R,3S)-3-HYDROXYCYCLOHEXYL}-PHENOL  
22 (CP-47,497);  
23 (II) 5-(1,1-DIMETHYLOCTYL)-2-{(1R,3S)-3-HYDROXYCYCLOHEXYL}-PHENOL  
24 (CANNABICYCLOHEXANOL OR CP-47,497 C8-HOMOLOG);  
25 (III) 1-PENTYL-3-(1-NAPHTHOYL)INDOLE (JWH-018 AND AM678);  
26 (IV) 1-BUTYL-3-(1-NAPHTHOYL)INDOLE (JWH-073);  
27 (V) 1-HEXYL-3-(1-NAPHTHOYL)INDOLE (JWH-019);  
28 (VI) 1-{2-(4-MORPHOLINYL)ETHYL}-3-(1-NAPHTHOYL)INDOLE (JWH-200);  
29 (VII) 1-PENTYL-3-(2-METHOXYPHENYLACETYL)INDOLE (JWH-250);  
30 (VIII) 1-PENTYL-3-{1-(4-METHOXYNAPHTHOYL)}INDOLE (JWH-081);  
31 (IX) 1-PENTYL-3-(4-METHYL-1-NAPHTHOYL)INDOLE (JWH-122);  
32 (X) 1-PENTYL-3-(4-CHLORO-1-NAPHTHOYL)INDOLE (JWH-398);  
33 (XI) 1-(5-FLUOROPENTYL)-3-(1-NAPHTHOYL)INDOLE (AM2201);  
34 (XII) 1-(5-FLUOROPENTYL)-3-(2-IODOBENZOYL)INDOLE (AM694);  
35 (XIII) 1-PENTYL-3-{(4-METHOXY)-BENZOYL}INDOLE (SR-19 AND RCS-4);  
36 (XIV) 1-CYCLOHEXYLETHYL-3-(2-METHOXYPHENYLACETYL)INDOLE (SR-18 AND  
37 RCS-8); AND  
38 (XV) 1-PENTYL-3-(2-CHLOROPHENYLACETYL)INDOLE (JWH-203).  
39 S 2. This act shall take effect on the ninetieth day after it shall  
40 have become a law.  
41 S 2. Severability clause. If any clause, sentence, paragraph, subdivi-  
42 sion, section or part of this act shall be adjudged by a court of compe-  
43 tent jurisdiction to be invalid, such judgment shall not affect, impair,  
44 or invalidate the remainder thereof, but shall be confined in its opera-  
45 tion to the clause, sentence, paragraph, subdivision, section or part  
46 thereof directly involved in the controversy in which such judgment  
47 shall have been rendered. It is hereby declared to be the intent of the  
48 legislature that this act would have been enacted even if such invalid  
49 provisions had not been included herein.  
50 S 3. This act shall take effect immediately, provided, however, that  
51 the applicable effective date of Subparts A through K of this act shall  
52 be as specifically set forth in the last section of such Subparts.

Section 1. Section 209 of the elder law, as amended by section 41 of part A of chapter 58 of the laws of 2010, paragraph (b) of subdivision 1 as separately amended by chapter 348 of the laws of 2010, paragraph (d) of subdivision 1 as amended by chapter 271 of the laws of 2014, paragraph (d) of subdivision 4 as separately amended by chapter 410 of the laws of 2010, and paragraph (k) of subdivision 4, subparagraph (6) of paragraph (c) of subdivision 5-a, and subdivision 6 as amended by chapter 320 of the laws of 2011, is amended to read as follows:

S 209. Naturally occurring retirement community supportive service program. 1. As used in this section:

(a) "Advisory committee" or "committee" shall mean the advisory committee convened by the director for the purposes specified in this section. Such committee shall be broadly representative of housing and senior citizen groups, and all geographic areas of the state.

(b) "Older adults" shall mean persons who are sixty years of age or older.

(c) "Eligible applicant" shall mean a not-for-profit agency specializing in housing, health or other human services which serves or would serve the community within which a naturally occurring retirement community is located.

(d) "Eligible services" shall mean services including, but not limited to: case management, care coordination, counseling, health assessment and monitoring, transportation, socialization activities, home care facilitation and monitoring, education regarding the signs of elder abuse and exploitation and available resources for a senior who is a suspected victim of elder abuse or exploitation, chemical dependence counseling provided by credentialed alcoholism and substance abuse counselors as defined in paragraph three of subdivision (d) of section 19.07 of the mental hygiene law and referrals to appropriate chemical dependence counseling providers, and other services designed to address the needs of residents of naturally occurring retirement communities by helping them extend their independence, improve their quality of life, and avoid unnecessary hospital and nursing home stays.

(e) "Government assistance" shall mean and be broadly interpreted to mean any monetary assistance provided by the federal, the state or a local government, or any agency thereof, or any authority or public benefit corporation, in any form, including loans or loan subsidies, for the construction of an apartment building or housing complex for low and moderate income persons, as such term is defined by the United States Department of Housing and Urban Development.

(f) "Naturally occurring retirement community", "CLASSIC NATURALLY OCCURRING RETIREMENT COMMUNITY" OR "CLASSIC NORC" shall mean an apartment building or housing complex which:

(1) [was constructed with government assistance;

(2)] was not originally built for older adults;

[(3)] (2) does not restrict admissions solely to older adults;

[(4)] (3) (A) at least [fifty] FORTY percent of the units have an occupant who is an older adult [or]; AND

(B) in which at least [twenty-five hundred] TWO HUNDRED FIFTY of the residents OF AN APARTMENT BUILDING are older adults OR FIVE HUNDRED RESIDENTS OF A HOUSING COMPLEX ARE OLDER ADULTS; and

[(5)] (4) a majority of the older adults to be served are low or moderate income, as defined by the United States Department of Housing and Urban Development.

(G) "NEIGHBORHOOD NATURALLY OCCURRING RETIREMENT COMMUNITY" OR "NEIGHBORHOOD NORC" SHALL MEAN A RESIDENTIAL DWELLING OR GROUP OF RESIDENTIAL

1 DWELLINGS IN A GEOGRAPHICALLY DEFINED NEIGHBORHOOD OF A MUNICIPALITY  
2 WHICH:

3 (1) WAS NOT PREDOMINANTLY DEVELOPED FOR OLDER ADULTS;

4 (2) DOES NOT PREDOMINANTLY RESTRICT ADMISSION TO OLDER ADULTS;

5 (3) AT LEAST THIRTY PERCENT OF THE UNITS HAVE AN OCCUPANT WHO IS AN  
6 OLDER ADULT;

7 (4) IS MADE UP OF LOW-RISE BUILDINGS SIX STORIES OR LESS IN HEIGHT  
8 AND/OR SINGLE AND MULTI-FAMILY HOMES.

9 2. A naturally occurring retirement community supportive service  
10 program is established as a [demonstration] program to be administered  
11 by the director.

12 3. The director shall be assisted by the advisory committee in the  
13 development of appropriate criteria for the selection of grantees of  
14 funds provided pursuant to this section and programmatic issues as  
15 deemed appropriate by the director.

16 4. The criteria recommended by the committee and adopted by the direc-  
17 tor for the award of grants shall be consistent with the provisions of  
18 this section and shall include, at a minimum:

19 (a) the number, size, type and location of the projects to be served,  
20 INCLUDING THE NUMBER, SIZE, TYPE AND LOCATION OF RESIDENTIAL DWELLINGS  
21 OR GROUP OF RESIDENTIAL DWELLINGS SELECTED AS CANDIDATES FOR INCLUSION  
22 IN A NEIGHBORHOOD NATURALLY OCCURRING RETIREMENT COMMUNITY; provided,  
23 that the committee and director shall make reasonable efforts to assure  
24 that geographic balance in the distribution of such projects is main-  
25 tained, consistent with the needs to be addressed, funding available,  
26 applications for eligible applicants, ABILITY TO COORDINATE SERVICES,  
27 other requirements of this section, and other criteria developed by the  
28 committee and director;

29 (b) the appropriate number and concentration of older adult residents  
30 to be served by an individual project; provided, that such criteria need  
31 not specify, in the case of a project which includes several buildings,  
32 the number of older adults to be served in any individual building;

33 (c) the demographic characteristics of the residents to be served;

34 (d) A REQUIREMENT THAT THE APPLICANT DEMONSTRATE THE DEVELOPMENT OR  
35 INTENT TO DEVELOP COMMUNITY WIDE SUPPORT FROM RESIDENTS, NEIGHBORHOOD  
36 ASSOCIATIONS, COMMUNITY GROUPS, NONPROFIT ORGANIZATIONS AND OTHERS;

37 (E) IN THE CASE OF NEIGHBORHOOD NATURALLY OCCURRING RETIREMENT COMMU-  
38 NITIES, A REQUIREMENT THAT THE BOUNDARIES OF THE GEOGRAPHIC AREA TO BE  
39 SERVED ARE CLEAR AND COHERENT AND CREATE AN IDENTIFIABLE PROGRAM AND  
40 SUPPORTIVE COMMUNITY;

41 (F) the financial or in-kind support required to be provided to the  
42 project by the owners, managers and residents of the housing development  
43 OR GEOGRAPHICALLY DEFINED AREA; provided, however, that such criteria  
44 need not address whether the funding is public or private, or the source  
45 of such support;

46 [(e)] (G) the scope and intensity of the services to be provided, and  
47 their appropriateness for the residents proposed to be served. THE  
48 APPLICANT SHALL CONDUCT OR HAVE CONDUCTED A NEEDS ASSESSMENT ON THE  
49 BASIS OF WHICH SUCH APPLICANT SHALL ESTABLISH THE NATURE AND EXTENT OF  
50 SERVICES TO BE PROVIDED; AND FURTHER THAT SUCH SERVICES SHALL PROVIDE A  
51 MIX OF APPROPRIATE SERVICES THAT PROVIDE ACTIVE AND MEANINGFUL PARTIC-  
52 IPATION FOR RESIDENTS. The criteria shall not require that the applicant  
53 agency be the sole provider of such services, but shall require that the  
54 applicant at a minimum actively manage the provision of such services.  
55 SUCH SERVICES MAY BE THE SAME AS SERVICES PROVIDED BY THE LOCAL MUNICI-  
56 PALITY OR OTHER COMMUNITY-BASED ORGANIZATION PROVIDED THAT THOSE

SERVICES ARE NOT AVAILABLE TO OR DO NOT ENTIRELY MEET THE NEEDS OF THE RESIDENTS OF THE CLASSIC OR NEIGHBORHOOD NATURALLY OCCURRING RETIREMENT COMMUNITY;

[(f)] (H) the experience and financial stability of the applicant agency, provided that the criteria shall require that priority be given to programs already in operation, including those projects participating in the resident advisor program administered by the office, [and] enriched housing programs which meet the requirements of this section, and PROGRAMS IN EXISTENCE PRIOR TO APRIL FIRST, TWO THOUSAND FIVE WHICH, EXCEPT FOR DESIGNATION AND FUNDING REQUIREMENTS ESTABLISHED HEREIN, WOULD HAVE OTHERWISE GENERALLY QUALIFIED AS A NEIGHBORHOOD NATURALLY OCCURRING RETIREMENT COMMUNITY which have demonstrated to the satisfaction of the director and the committee their fiscal and managerial stability and programmatic success in serving residents;

[(g)] (I) the [nature and extent of requirements proposed to be established] PLAN for active, meaningful participation for residents proposed to be served in project design, implementation, monitoring, evaluation, and governance;

[(h)] (J) an agreement by the applicant to participate in the data collection and evaluation project necessary to complete the report required by this section;

[(i)] (K) the policy and program roles of the applicant agency and any other agencies involved in the provision of services or the management of the project, including the housing development governing body, or other owners or managers of the apartment buildings and housing complexes and the residents of such apartment buildings and housing complexes. The criteria shall require a clear delineation of such policy and program roles;

[(j)] (L) a requirement that each eligible agency document the need for the project and financial commitments to it from such sources as the committee and the director shall deem appropriate given the character and nature of the proposed project, and written evidence of support from the appropriate housing development governing body or other owners or managers of the apartment buildings and housing complexes IN THE CASE OF CLASSIC NATURALLY OCCURRING RETIREMENT COMMUNITIES, OR THE GEOGRAPHICALLY DEFINED NEIGHBORHOOD IN THE CASE OF NEIGHBORHOOD NATURALLY OCCURRING RETIREMENT COMMUNITIES. The purpose of such documentation shall be to demonstrate the need for the project, support for it in the areas to be served, and the financial and managerial ability to sustain the project;

[(k)] (M) a requirement that any aid provided pursuant to this section be matched by an [equal] amount EQUAL TO ONE QUARTER OF THE AID PROVIDED, CONSISTING OF MONETARY SUPPORT, in-kind support [of equal value], or some combination thereof from other sources, provided that such in-kind support [to] be utilized only upon approval from the director and only to the extent matching funds are not available[, and that at least [twenty-five] FIFTY percent of such [amount] REQUIRED MATCH be contributed by the housing development governing body or other owners or managers and residents of the apartment buildings and housing complexes, OR GEOGRAPHICALLY DEFINED AREA, in which the project is proposed, or, upon approval by the director, sources in neighborhoods contiguous to the boundaries of the geographic areas served where services may also be provided pursuant to subdivision [six] SEVEN of this section; [and]

[(l)] (N) the circumstances under which the director may waive all or part of the requirement for provision of an equal amount of funding from other sources required pursuant to paragraph [(k)] (M) of this subdivi-

sion, provided that such criteria shall include provision for waiver at the discretion of the director upon a finding by the director that the program will serve a low income or hardship community, and that such waiver is required to assure that such community receive a fair share of the funding available. The committee shall develop appropriate criteria for determining whether a community is a low income or hardship community[.];

(O) THE POLICY AND PROGRAM ROLES OF THE APPLICANT AGENCY AND ANY OTHER AGENCIES INVOLVED IN THE PROVISION OF SERVICES OR THE MANAGEMENT OF THE NEIGHBORHOOD NATURALLY OCCURRING RETIREMENT COMMUNITY, PROVIDED THAT THE CRITERIA SHALL REQUIRE A CLEAR DELINEATION OF SUCH POLICY AND PROGRAM ROLES; AND

(P) NOTWITHSTANDING ANY OTHER PROVISION TO THE CONTRARY, NO CHANGES MADE PURSUANT TO THE CHAPTER OF THE LAWS OF TWO THOUSAND SIXTEEN WHICH AMENDED THIS SECTION SHALL AFFECT THE CONTINUATION OF CONTRACTS PURSUANT TO THIS SECTION AS THEY EXISTED PRIOR TO THE AMENDMENTS MADE BY SUCH CHAPTER.

(Q) NOTWITHSTANDING ANY PROVISION OF LAW TO THE CONTRARY, THE DIRECTOR OF THE OFFICE FOR THE AGING SHALL CONTINUE CONTRACTS WITH CLASSIC NORCS AND NEIGHBORHOOD NORCS FOR ALL SUCH CONTRACTS WHICH WERE EXECUTED ON OR BEFORE APRIL FIRST, TWO THOUSAND SIXTEEN, WITHOUT ANY ADDITIONAL REQUIREMENTS THAT SUCH CONTRACTS BE SUBJECT TO COMPETITIVE BIDDING OR A REQUEST FOR PROPOSALS PROCESS. NOTHING HEREIN SHALL PRECLUDE SUCH CLASSIC NORCS AND NEIGHBORHOOD NORCS FROM RECEIVING ADDITIONAL FUNDING AWARDS FOR SUCH PROGRAMS.

5. (A) Within amounts specifically appropriated therefor and consistent with the criteria developed and required pursuant to this section the director shall approve grants to eligible applicants in amounts not to exceed [one] TWO hundred [fifty] thousand dollars for a project in any twelve month period. [The director shall not approve more than ten grants in the first twelve month period after the effective date of this section.

5-a. The director may, in addition recognize neighborhood naturally occurring retirement communities, or Neighborhood NORCs, and provide program support within amounts specifically available by appropriation therefor, which shall be subject to the requirements, rules and regulations of this section, provided however that:

(a) the term Neighborhood NORC as used in this subdivision shall mean and refer to a residential dwelling or group of residential dwellings in a geographically defined neighborhood of a municipality containing not more than two thousand persons who are older adults reside in at least forty percent of the units and which is made up of low-rise buildings six stories or less in height and/or single and multi-family homes and which area was not originally developed for older adults, and which does not restrict admission strictly to older adults;

(b) grants to an eligible Neighborhood NORC shall be no less than sixty thousand dollars for any twelve-month period;

(c) the director shall be assisted by the advisory committee in the development of criteria for the selection of grants provided pursuant to this section and programmatic issues as deemed appropriate by the director. The criteria recommended by the committee and adopted by the director for the award of grants shall be consistent with the provisions of this subdivision and shall include, at a minimum, the following requirements or items of information using such criteria as the advisory committee and the director shall approve:

1 (1) the number, size, type and location of residential dwellings or  
2 group of residential dwellings selected as candidates for neighborhood  
3 NORCs funding. The director shall make reasonable efforts to assure that  
4 geographic balance in the distribution of such grants is maintained,  
5 consistent with the needs to be addressed, funding available, applica-  
6 tions from eligible applicants, ability to coordinate services and other  
7 requirements of this section;

8 (2) the appropriate number and concentration of older adult residents  
9 to be served by an individual Neighborhood NORC. The criteria need not  
10 specify the number of older adults to be served in any individual build-  
11 ing;

12 (3) the demographic characteristics of the residents to be served;

13 (4) a requirement that the applicant demonstrate the development or  
14 intent to develop community wide support from residents, neighborhood  
15 associations, community groups, nonprofit organizations and others;

16 (5) a requirement that the boundaries of the geographic area to be  
17 served are clear and coherent and create an identifiable program and  
18 supportive community;

19 (6) a requirement that the applicant commit to raising matching funds,  
20 in-kind support, or some combination thereof from non-state sources,  
21 provided that such in-kind support be utilized only upon approval from  
22 the director and only to the extent matching funds are not available,  
23 equal to fifteen percent of the state grant in the second year after the  
24 program is approved, twenty-five percent in the third year, forty  
25 percent in the fourth year, and fifty percent in the fifth year, and  
26 further commit that in each year, twenty-five percent of such required  
27 matching funds, in-kind support, or combination thereof be raised within  
28 the community served and, upon approval by the director, in neighbor-  
29 hoods contiguous to the boundaries of the geographic areas served where  
30 services may also be provided pursuant to subdivision six of this  
31 section. Such local community matching funds, in-kind support, or combi-  
32 nation thereof shall include but not be limited to: dues, fees for  
33 service, individual and community contributions, and such other funds as  
34 the advisory committee and the director shall deem appropriate;

35 (7) a requirement that the applicant demonstrate experience and finan-  
36 cial stability;

37 (8) a requirement that priority in selection be given to programs in  
38 existence prior to the effective date of this subdivision which, except  
39 for designation and funding requirements established herein, would have  
40 otherwise generally qualified as a Neighborhood NORC;

41 (9) a requirement that the applicant conduct or have conducted a needs  
42 assessment on the basis of which such applicant shall establish the  
43 nature and extent of services to be provided; and further that such  
44 services shall provide a mix of appropriate services that provide active  
45 and meaningful participation for residents;

46 (10) a requirement that residents to be served shall be involved in  
47 design, implementation, monitoring, evaluation and governance of the  
48 Neighborhood NORC;

49 (11) an agreement by the applicant that it will participate in the  
50 data collection and evaluation necessary to complete the reporting  
51 requirements as established by the director;

52 (12) the policy and program roles of the applicant agency and any  
53 other agencies involved in the provision of services or the management  
54 of the Neighborhood NORC, provided that the criteria shall require a  
55 clear delineation of such policy and program roles;

1 (13) a requirement that each applicant document the need for the grant  
2 and financial commitments to it from such sources as the advisory  
3 committee and the director shall deem appropriate given the character  
4 and nature of the proposed Neighborhood NORC and written evidence of  
5 support from the community;

6 (14) the circumstances under which the director may waive all or part  
7 of the requirement for provision of an equal amount of funding from  
8 other sources required pursuant to this subdivision, provided that such  
9 criteria shall include provision for waiver at the discretion of the  
10 director upon a finding by the director that the Neighborhood NORC will  
11 serve a low income or hardship community, and that such waiver is  
12 required to assure that such community receive a fair share of the fund-  
13 ing available. For purposes of this paragraph, a hardship community may  
14 be one that has developed a successful model but which needs additional  
15 time to raise matching funds required herein. An applicant applying for  
16 a hardship exception shall submit a written plan in a form and manner  
17 determined by the director detailing its plans to meet the matching  
18 funds requirement in the succeeding year;

19 (15) a requirement that any proposed Neighborhood NORC in a geograph-  
20 ically defined neighborhood of a municipality containing more than two  
21 thousand older adults shall require the review and recommendation by the  
22 advisory committee before being approved by the director;

23 (d) on or before March first, two thousand eight, the director shall  
24 report to the governor and the fiscal and aging committees of the senate  
25 and the assembly concerning the effectiveness of Neighborhood NORCs in  
26 achieving the objectives set forth by this subdivision. Such report  
27 shall address each of the items required for Neighborhood NORCs in  
28 achieving the objectives set forth in this section and such other items  
29 of information as the director shall deem appropriate, including recom-  
30 mendations concerning continuation or modification of the program, and  
31 any recommendations from the advisory committee.

32 (e) in] GRANTS TO AN ELIGIBLE NEIGHBORHOOD NATURALLY OCCURRING RETIRE-  
33 MENT COMMUNITY SHALL BE NO LESS THAN SIXTY THOUSAND DOLLARS FOR ANY  
34 TWELVE-MONTH PERIOD.

35 (B) NOTWITHSTANDING ANY OTHER PROVISION OF LAW TO THE CONTRARY, ANY  
36 FUNDING PROVIDED FOR CLASSIC NORCS AND NEIGHBORHOOD NORCS IN ADDITION TO  
37 THE FUNDING ALLOCATED FOR CONTRACTS IN PLACE ON OR BEFORE APRIL FIRST,  
38 TWO THOUSAND SIXTEEN SHALL BE APPORTIONED AS FOLLOWS: (1) HALF OF THE  
39 FUNDING SHALL BE MADE AVAILABLE THROUGH A COMPETITIVE PROCESS FOR  
40 PROGRAMS THAT HAVE AN EXISTING CONTRACT; AND (2) HALF OF THE FUNDING  
41 SHALL BE MADE AVAILABLE THROUGH A COMPETITIVE PROCESS FOR PROPOSALS TO  
42 START NEW PROGRAMS.

43 6. IN providing program support for [Neighborhood NORCs] NEIGHBORHOOD  
44 NATURALLY OCCURRING RETIREMENT COMMUNITIES as authorized by this subdi-  
45 vision, the director shall in no event divert or transfer funding for  
46 grants or program support from any naturally occurring retirement commu-  
47 nity supportive service programs authorized pursuant to other provisions  
48 of this section.

49 [6.] 7. The director may allow services provided by a naturally occur-  
50 ring retirement community supportive service program or by a neighbor-  
51 hood naturally occurring retirement community to also include services  
52 to residents who live in neighborhoods contiguous to the boundaries of  
53 the geographic area served by such programs if: (a) the persons served  
54 are older adults; (b) the services affect the health and welfare of such  
55 persons; and (c) the services are provided on a one-time basis in the  
56 year in which they are provided, and not in a manner which is said or

intended to be continuous. The director may also consent to the provision of such services by such program if the program has received a grant which requires services to be provided beyond the geographic boundaries of the program. The director shall establish procedures under which a program may request the ability to provide such services. The provision of such services shall not affect the funding provided to the program by the department pursuant to this section.

[7.] 8. The director shall promulgate rules and regulations as necessary to carry out the provisions of this section.

[8.] 9. On or before March first, two thousand [five] EIGHTEEN, AND EVERY FIVE YEARS THEREAFTER, the director shall report to the governor and the finance committee of the senate and the ways and means committee of the assembly concerning the effectiveness of the naturally occurring retirement community supportive services program[, other than Neighborhood NORCs, as defined in subdivision five-a of this section,] in achieving the objectives set forth by this section, which include helping to address the needs of residents in such CLASSIC AND NEIGHBORHOOD naturally occurring retirement communities, assuring access to a continuum of necessary services, increasing private, philanthropic and other public funding for programs, and preventing unnecessary hospital and nursing home stays. The report shall also include recommendations concerning continuation or modification of the program from the director and the committee, and shall note any divergence between the recommendations of the director and the committee. The director shall provide the required information and any other information deemed appropriate to the report in such form and detail as will be helpful to the legislature and the governor in determining to extend, eliminate or modify the program including, but not limited to, the following:

(a) the number, size, type and location of the projects developed and funded, including the number, kinds and functions of staff in each program;

(b) the number, size, type and location of the projects proposed but not funded, and the reasons for denial of funding for such projects;

(c) the age, sex, religion and other appropriate demographic information concerning the residents served;

(d) the services provided to residents, reported in such manner as to allow comparison of services by demographic group and region;

(e) a listing of the services provided by eligible applicants, including the number, kind and intensity of such services; and

(f) a listing of other organizations providing services, the number, kind and intensity of such services, the number of referrals to such organizations and, to the extent practicable, the outcomes of such referrals.

S 2. This act shall take effect immediately.

S 2. Severability clause. If any clause, sentence, paragraph, subdivision, section or part of this act shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, subdivision, section or part thereof directly involved in the controversy in which such judgment shall have been rendered. It is hereby declared to be the intent of the legislature that this act would have been enacted even if such invalid provisions had not been included herein.

S 3. This act shall take effect immediately provided, however, that the applicable effective date of Parts A through S of this act shall be as specifically set forth in the last section of such Parts.