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

3366--A

2015-2016 Regular Sessions

I N S E N A T E

February 5, 2015

Introduced by Sen. ROBACH -- read twice and ordered printed, and when printed to be committed to the Committee on Health -- recommitted to the Committee on Health in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the public health law, in relation to covered lives assessments in the Rochester region

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

Section 1. Subdivision 6 of section 2807-s of the public health law is amended by adding a new paragraph (g) to read as follows:

(G) A FURTHER GROSS ANNUAL AMOUNT ALLOCATED TO THE ROCHESTER REGION BEGINNING JANUARY FIRST, TWO THOUSAND SEVENTEEN SHALL BE ONE HUNDRED TEN MILLION DOLLARS. SUCH AMOUNT SHALL BE EXCLUDED FROM ALL COMPUTATIONS AND ADJUSTMENTS MADE PURSUANT TO PARAGRAPH (B) OF SUBDIVISION SIX OF SECTION TWO THOUSAND EIGHT HUNDRED SEVEN-T OF THIS ARTICLE.

S 2. Subdivision 7 of section 2807-s of the public health law is amended by adding a new paragraph (d) to read as follows:

(D)(I) FIVE MILLION DOLLARS OF THE FUNDS ALLOCATED PURSUANT TO PARAGRAPH (G) OF SUBDIVISION SIX OF THIS SECTION SHALL BE DISTRIBUTED TO A REGIONAL HEALTH PLANNING ORGANIZATION FOR USE IN FUNDING REGIONAL HEALTH CARE IMPROVEMENT PROJECTS. THE REGIONAL HEALTH PLANNING ORGANIZATION SHALL DISBURSE THOSE FUNDS IN ACCORDANCE WITH THIS PARAGRAPH, OR PURSUANT TO GRANTS MADE BY THE ORGANIZATION IN ACCORDANCE WITH THIS PARAGRAPH. DISTRIBUTION OF ANY GRANT FUNDS ADMINISTERED BY THE REGIONAL HEALTH PLANNING ORGANIZATION SHALL BE PURSUANT TO A MULTI-STAKEHOLDER PROCESS. THE REGIONAL HEALTH CARE IMPROVEMENT GRANT FUND PROJECTS SHALL INCLUDE THREE MILLION DOLLARS PER YEAR FOR A SHARED COMMUNITY HEALTH INFRASTRUCTURE DESIGNED ON THE BASIS OF COLLABORATIVE COMMUNITY EFFORTS, INCLUDING COMMUNITY-WIDE PATIENT SAFETY AND QUALITY IMPROVEMENT PROGRAMS, ELIMINATION OF HEALTH DISPARITIES, HEALTH INFORMATION TECHNOL-

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

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OGY, AND TWO MILLION DOLLARS TO FUND THE REGIONAL HEALTH PLANNING ORGANIZATION. THE HEALTH PLANNING ORGANIZATION SHALL USE REASONABLE EFFORTS TO GENERATE MATCHING FUND CONTRIBUTIONS IN THE FORM OF GRANTS, DONATIONS AND OTHER CONTRIBUTIONS.

(II) ONE HUNDRED FIVE MILLION DOLLARS OF THE FUNDS ALLOCATED PURSUANT TO PARAGRAPH (G) OF SUBDIVISION SIX OF THIS SECTION SHALL BE ALLOCATED TO A NOT-FOR-PROFIT ORGANIZATION OR ASSOCIATION THAT HAS BEEN DESIGNATED THROUGH A MULTI-STAKEHOLDER PROCESS, WHICH SHALL DISTRIBUTE THOSE FUNDS TO ALL OF THE HOSPITALS IN THE REGION ENGAGED IN GRADUATE MEDICAL EDUCATION IN ORDER TO FUND GRADUATE MEDICAL EDUCATION. ONE HUNDRED MILLION DOLLARS OF SUCH FUNDING SHALL BE DISTRIBUTED PROPORTIONALLY TO EACH OF THE HOSPITALS IN AMOUNTS WHICH REFLECT EACH HOSPITAL'S CURRENT COSTS FOR GRADUATE MEDICAL EDUCATION, AND FIVE MILLION DOLLARS OF UNREIMBURSED ADMINISTRATIVE AND OTHER GRADUATE MEDICAL EDUCATION RELATED COSTS SHALL BE ALLOCATED IN THE SAME PROPORTIONS. ONE HUNDRED MILLION DOLLARS OF THE DISTRIBUTED FUNDS SHALL BE IN LIEU OF CURRENT FUNDING OF SUCH COSTS AS CURRENTLY INCLUDED IN CLAIMS PAYMENTS BY SPECIFIED THIRD PARTY PAYORS IN THE REGION RESULTING IN A REDUCTION IN THE AMOUNT PAID BY SUCH THIRD PARTY PAYORS IN AN AMOUNT EQUAL TO THE ONE HUNDRED MILLION DOLLARS. PRIOR TO THE ALLOCATION OF FUNDS PURSUANT TO THIS SUBDIVISION, THE PARTICIPATING HOSPITALS AND SUCH THIRD PARTY PAYORS SHALL DEVELOP A PROCESS FOR THE DISTRIBUTION OF SUCH FUNDS AND A MECHANISM TO ENSURE THAT THE REQUIRED REDUCTION OF PAYMENTS BY SUCH THIRD PARTY PAYORS TO THE HOSPITALS OCCURS. THE AFFECTED HOSPITALS AND THE THIRD PARTY PAYORS IN THE REGION SHALL SELECT AN INDEPENDENT THIRD PARTY TO DETERMINE THE REDUCTIONS WHICH SHALL OCCUR FROM PREVIOUSLY NEGOTIATED RATES FOR CLAIMS PAYMENTS TO SUCH HOSPITALS BY SPECIFIED THIRD PARTY PAYORS IN ORDER TO AVOID DUPLICATE FUNDING PURSUANT TO THIS PARAGRAPH. PRIOR TO THE IMPLEMENTATION OF THESE PROVISIONS, A REPORT SHALL BE PREPARED BY SUCH INDEPENDENT THIRD PARTY TO ANALYZE THE ANTICIPATED IMPACT OF THESE PROVISIONS ON GRADUATE MEDICAL EDUCATION AND THE PROMOTION OF COMMUNITY HEALTH IN THE ROCHESTER REGION. THE REPORT WILL CONSIDER: THE IMPACT OF THE PROPOSAL ON THE DEVELOPMENT AND RETENTION OF THE PHYSICIAN WORKFORCE IN ROCHESTER AND THE SURROUNDING REGION AS A RESULT OF ITS EFFECTS ON THE SUPPORT OF GRADUATE MEDICAL EDUCATION; THE IMPACT OF THE PROPOSAL ON THE HEALTHCARE COMMUNITY (INCLUDING HOSPITALS AND OTHER HEALTHCARE PROVIDERS), THIRD PARTY PAYORS, THE BUSINESS COMMUNITY AND CONSUMERS; AND THE OVERALL IMPACT OF THE PROPOSAL ON THE HEALTHCARE DELIVERY SYSTEM IN THE ROCHESTER REGION, INCLUDING ITS SUPPORT FOR COMMUNITY HEALTH INITIATIVES AND HEALTHCARE PLANNING. THE REPORT WILL BE SUBMITTED TO THE SPEAKER OF THE ASSEMBLY, THE TEMPORARY PRESIDENT OF THE SENATE AND TO THE COMMISSIONER OF HEALTH NO LATER THAN OCTOBER FIRST, TWO THOUSAND SEVENTEEN.

S 3. This act shall take effect immediately; provided, however, that the amendments to section 2807-s of the public health law made by sections one and two of this act shall not affect the expiration of such section and shall be deemed to expire therewith.