

6407--B

I N   S E N A T E

January 14, 2016

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A BUDGET BILL, submitted by the Governor pursuant to article seven of the Constitution -- read twice and ordered printed, and when printed to be committed to the Committee on Finance -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend chapter 58 of the laws of 2005, relating to authorizing reimbursements for expenditures made by or on behalf of social services districts for medical assistance for needy persons and the administration thereof, in relation to the expenditure cap for the medical assistance program for needy persons (Part A); to amend the social services law, in relation to reimbursement for transportation costs; in relation to ambulance non-emergency medical transportation rate adequacy review; authorizing the commissioner of health to apply federally established consumer price index penalties for generic drugs, to apply prior authorization requirements for opioid drugs, to impose penalties on managed care plans for reporting late or incorrect encounter data, to authorize funding for the criminal justice pilot program within health home rates; to amend part H of chapter 59 of the laws of 2011, amending the social services law and other laws relating to covered part D drugs, in relation to the medicaid allocation savings plan; to amend part O of chapter 56 of the laws of 2013 authorizing the actions necessary to manage the loss of federal revenue and create the Mental Hygiene Stabilization Fund, in relation to the effectiveness thereof; to amend the social services law, in relation to establishing a medicaid redesign accountability process; to amend the social services law, in relation to the provision of services to certain persons suffering from traumatic brain injuries or qualifying for nursing home diversion and transition services; to amend the social services law, in relation to school-based health centers; to amend the public health law, in relation to rates of payment to residential health care facilities based on the historical costs to the owner; to amend the public health law, in relation to case payment rates for pediatric ventilator services; to amend the public health law, in relation to payments to rural hospitals designated as critical access hospitals; to amend the public health law, in relation to rates of payments at residential health care facilities;

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

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to amend part H of chapter 59 of the laws of 2011, amending the public health law and other laws, relating to general hospital inpatient reimbursement for annual rates, in relation to supplemental Medicaid managed care payments; to amend the public health law and the insurance law, in relation to the use of abuse-deterrent technology for opioids as a mechanism for reducing abuse and diversion of opioid drugs; requiring the department of health to make bi-annual assessments of non-preferred drugs in the best clinical interests of New York Medicaid beneficiaries; to amend the public health law, in relation to establishing a Medicaid drug rebate remittance demonstration program; to amend the public health law and the general business law, in relation to price gouging on prescription drugs; to amend the social services law, in relation to claims for payment furnished by providers under the medical assistance program; to direct the commissioner of health to implement a restorative care unit demonstration program; and to repeal certain provisions of the social services law and section 31 of part B of chapter 57 of the laws of 2015 amending the social services law relating to insurance payments, relating thereto (Part B); to amend chapter 60 of the laws of 2014 amending the social services law relating to eliminating prescriber prevails for brand name drugs with generic equivalents, in relation to directing the commissioner of health to establish a developmental disability clinician advisory group (Part B-1); to amend 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; to amend the insurance law, in relation to grounds for liquidation; to amend the insurance law, in relation to removing the superintendent of financial services' prior approval of a schedule of premiums within an insurance contract; to direct the department of financial services to study and report upon the provision of long term care insurance coverage in this state; and to direct the superintendent of financial services to provide for the conducting of a review and audit of FAIR Health, Inc. (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 part C of chapter 58 of the laws of 2009, amending the public health law relating to payment by governmental agencies for general hospital inpatient services, in relation to the effectiveness thereof; to amend the public health law, in relation to the appointment of a temporary operator of a facility; to amend subdivision (c) of section 122 of part E of chapter 56 of the laws of 2013, amending the public health law relating to the general public health work program, in relation to the effectiveness thereof; to amend the environmental conservation law and the public health law, in relation to the updating of cancer incidence and environmental facility maps; to amend chapter 77 of the laws of 2010 amending the environmental

conservation law and the public health law relating to an environmental facility and cancer incidence map, in relation to extending the expiration date of the provisions thereof; to amend chapter 465 of the laws of 2012, constituting Lauren's law, in relation to making the provisions of such law permanent; and to repeal subdivision 8 of section 84 of part A of 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 (Part D); intentionally omitted (Part E); to amend the public health law, in relation to establishing a statewide health care facility transformation program (Part F); to amend the public health law, in relation to authorizing the establishment of limited service 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; and to provide a report on impacted providers (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); intentionally omitted (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, the provision of services for persons with serious mental illness and/or developmental disabilities; and requiring notification to legislative leaders upon the determination to appoint a temporary operator of a chemical dependence treatment program; to amend chapter 56 of the laws of 2013 amending the public health law and other laws relating to the general public work program, in relation to the expiration of provisions providing for the appointment of temporary operators of certain chemical dependence treatment programs; and providing for the repeal of certain provision upon expiration thereof (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 the mental hygiene law, in relation to services for persons with developmental disabilities (Part O); to amend the elder law, in relation to the naturally occurring retirement community supportive service program and the authority of the office for the aging to conduct a public education campaign relating to elder abuse; to amend the public health law, in relation to screening for elder abuse and maltreatment; to amend the social services law, in relation to providing protective services to certain individuals and investigating reports of suspected elder abuse or maltreatment; and to amend the social services law and the banking law, in relation to authorizing banking institutions to refuse to disburse moneys in circumstances of the financial exploitation of a vulnerable adult (Part P); to amend the mental hygiene law, in relation to integrated employment plans; and providing for the repeal of certain provisions upon expiration thereof (Part Q); to amend the public health law, in relation to requiring the commissioner of health to establish an office of accountability; to amend the state finance law, the public health law, the social services law and the education law, in relation to the date in which certain reports shall be submitted; to amend part A of chapter 56 of the laws of 2013, relating to the report on the transition of behavioral health services as a managed care benefit in the medical assistance program, in

relation to the date the report shall be submitted; to amend part H of chapter 60 of the laws of 2014, amending the insurance law, the public health law and the financial services law relating to establishing protections to prevent surprise medical bills including network adequacy requirements, claim submission requirements, access to out-of-network care and prohibition of excessive emergency charges, in relation to the date the report shall be submitted; to amend part W of chapter 57 of the laws of 2015, requiring the commissioner of health to convene a task force to evaluate and make recommendations related to increasing the transparency and accountability of the health care reform act resources fund, in relation to the date the report shall be submitted; and to amend part B of chapter 57 of the laws of 2015, amending the public health law relating to physician profiles, in relation to the date the report shall be submitted for the young adult special populations demonstration programs (Part R); to amend part A of chapter 56 of the laws of 2013 amending chapter 59 of the laws of 2011 amending the public health law and other laws relating to general hospital reimbursement for annual rates relating to the cap on local Medicaid expenditures, in relation to rates of payment paid to certain providers by the Child Health Plus Program; and to amend chapter 111 of the laws of 2010 relating to increasing Medicaid payments to providers through managed care organizations and providing equivalent fees through an ambulatory patient group methodology, in relation to rates of payment paid to certain providers by the Child Health Plus Program (Part S); to amend the mental hygiene law, in relation to directing the office for people with developmental disabilities to establish a direct support professional credential pilot program (Part T); to amend the public health law and the executive law, in relation to the reporting, processing and secure transport of sexual offense evidence kits (Part U); to amend the public health law and the education law, in relation to electronic prescriptions; to amend the public health law and the education law, in relation to exceptions to requirements for electronic prescriptions; to amend the public health law, in relation to loan forgiveness and practice support for physicians; to amend the social services law, in relation to the use of EQUAL program funds for adult care facilities; in relation to establishing the health care facility infrastructure development demonstration program; to amend the public health law and the public authorities law, in relation to establishing a private equity pilot program; to amend the public health law, in relation to authorizing the comptroller to act as the fiscal agent for the department of health and municipalities; and to repeal certain provisions of such law relating thereto; to amend the public health law, in relation to the amount of reimbursement; to amend the public health law, in relation to limitations on state aid; and to amend the public health law, in relation to state aid during public health emergencies (Part V); and to provide for the administration of certain funds and accounts related to the 2016-17 budget, authorizing certain payments and transfers; to amend the state finance law, in relation to the rainy day reserve fund, the dedicated infrastructure investment fund infrastructure investment account, and the school tax relief fund; to amend the state finance law, in relation to payments, transfers and deposits; to amend the state finance law, in relation to the period for which appropriations can be made; to amend chapter 60 of the laws of 2015, providing for the administration of certain funds and accounts related to the 2015-16 budget, in relation to certain trans-

fers and to the effectiveness of certain provisions thereof; to amend the New York state urban development corporation act, in relation to funding project costs for certain capital projects; to amend chapter 389 of the laws of 1997, relating to the financing of the correctional facilities improvement fund and the youth facility improvement fund, in relation to the issuance of bonds; to amend the private housing finance law, in relation to housing program bonds and notes; to amend chapter 329 of the laws of 1991, amending the state finance law and other laws relating to the establishment of the dedicated highway and bridge trust fund, in relation to the issuance of bonds; to amend the public authorities law, in relation to the issuance of bonds; to amend the public authorities law, in relation to the dormitory authority; to amend chapter 61 of the laws of 2005 relating to providing for the administration of certain funds and accounts related to the 2005-2006 budget, in relation to issuance of bonds by the urban development corporation; to amend the New York state urban development corporation act, in relation to the issuance of bonds; to amend the public authorities law, in relation to the state environmental infrastructure projects; to amend the New York state urban development corporation act, in relation to authorizing the urban development corporation to issue bonds to fund project costs for the implementation of a NY-CUNY challenge grant program; to amend chapter 81 of the laws of 2002, relating to providing for the administration of certain funds and accounts related to the 2002-2003 budget, in relation to increasing the aggregate amount of bonds to be issued by the New York state urban development corporation; to amend the public authorities law, in relation to financing of peace bridge and transportation capital projects; to amend the public authorities law, in relation to dormitories at certain educational institutions other than state operated institutions and statutory or contract colleges under the jurisdiction of the state university of New York; to amend the New York state medical care facilities finance agency act, in relation to bonds and mental health facilities improvement notes; to amend chapter 63 of the laws of 2005, relating to the composition and responsibilities of the New York state higher education capital matching grant board, in relation to increasing the amount of authorized matching capital grants; to amend the public authorities law, in relation to bonds for the health care facility transformation program; to direct the distribution of local sales tax revenue from the city of New York; to amend the civil practice law and rules, in relation to the undertaking required during the pendency of a stay of enforcement of a judgment against tobacco product master settlement agreement signatories or their successors or affiliates; to authorize NYSEDA to expend proceeds collected from the auction at sale of carbon dioxide emission allowances; and providing for the repeal of certain provisions upon expiration thereof (Part W)

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 W. The effective date for each particular  
5 provision contained within such Part is set forth in the last section of

such Part. Any provision in any section contained within a Part, including the effective date of the Part, 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 Part in which it is found. Section three of this act sets forth the general effective date of this act.

## PART A

Section 1. Section 1 of part C of chapter 58 of the laws of 2005, relating to authorizing reimbursements for expenditures made by or on behalf of social services districts for medical assistance for needy persons and the administration thereof, subdivision (a) as amended by section 3-e of part B of chapter 58 of the laws of 2010, subdivision (b) as amended by section 24 of part B of chapter 109 of the laws of 2010, subdivision (c-1) as added by section 1 of part F of chapter 56 of the laws of 2012, subdivision (f) as amended by section 23 of part B of chapter 109 of the laws of 2010, paragraph (iii) of subdivision (g) as amended by section 2 of part F of chapter 56 of the laws of 2012, subdivision (h) as added by section 61 of part D of chapter 56 of the laws of 2012, is amended to read as follows:

Section 1. (a) Notwithstanding the provisions of section 368-a of the social services law, or any other provision of law, the department of health shall provide reimbursement for expenditures made by or on behalf of social services districts for medical assistance for needy persons, and the administration thereof, in accordance with the provisions of this section; provided, however, that this section shall not apply to amounts expended for health care services under FORMER section 369-ee of the social services law, which amounts shall be reimbursed in accordance with paragraph (t) of subdivision 1 of section 368-a of such law and shall be excluded from all calculations made pursuant to this section; and provided further that amounts paid to the public hospitals pursuant to subdivision 14-f of section 2807-c of the public health law and amounts expended pursuant to: subdivision 12 of section 2808 of the public health law; sections 211 and 212 of chapter 474 of the laws of 1996, as amended; and sections 11 through 14 of part A and sections 13 and 14 of part B of chapter 1 of the laws of 2002; and amounts paid to public diagnostic and treatment centers as provided in sections 3-a and 3-b of part B of [the] chapter 58 of the laws of 2010 [which amended this subdivision], amounts paid to public general hospitals as certified public expenditures as provided in section 3-c of part B of [the] chapter 58 of the laws of 2010 [which amended this subdivision], and amounts paid to managed care providers pursuant to section 3-d of part B of [the] chapter 58 of the laws of 2010 [which amended this subdivision], shall be excluded from all calculations made pursuant to this section.

(b) Commencing with the period April 1, 2005 through March 31, 2006, a social services district's yearly net share of medical assistance expenditures shall be calculated in relation to a reimbursement base year which, for purposes of this section, is defined as January 1, 2005 through December 31, 2005. The final base year expenditure calculation for each social services district shall be made by the commissioner of health, and approved by the director of the division of the budget, no later than June 30, 2006. Such calculations shall be based on actual expenditures made by or on behalf of social services districts, and revenues received by social services districts, during the base year and shall be made without regard to expenditures made, and revenues

received, outside the base year that are related to services provided during, or prior to, the base year. Such base year calculations shall be based on the social services district medical assistance shares provisions in effect on January 1, 2005. Subject to the provisions of subdivision four of section six of this part, the state/local social services district relative percentages of the non-federal share of medical assistance expenditures incurred prior to January 1, 2006 shall not be subject to adjustment on and after July 1, 2006.

(c) Commencing with the calendar year beginning January 1, 2006, calendar year social services district medical assistance expenditure amounts for each social services district shall be calculated by multiplying the results of the calculations performed pursuant to paragraph (b) of this section by a non-compounded trend factor, as follows:

(i) 2006 (January 1, 2006 through December 31, 2006): 3.5%;

(ii) 2007 (January 1, 2007 through December 31, 2007): 6.75% (3.25% plus the prior year's 3.5%);

(iii) 2008 (January 1, 2008 through December 31, 2008): 9.75% (3% plus the prior year's 6.75%);

(iv) 2009 (January 1, 2009 through December 31, 2009), and each succeeding calendar year: prior year's trend factor percentage plus 3%.

(c-1) Notwithstanding any provisions of subdivision (c) of this section to the contrary, effective April 1, 2013, for the period January 1, 2013 through December 31, 2013 and for each calendar year thereafter, the medical assistance expenditure amount for the social services district for such period shall be equal to the previous calendar year's medical assistance expenditure amount, except that:

(1) for the period January 1, 2013 through December 31, 2013, the previous calendar year medical assistance expenditure amount will be increased by 2%;

(2) for the period January 1, 2014 through December 31, 2014, the previous calendar year medical assistance expenditure amount will be increased by 1%.

(C-2) NOTWITHSTANDING ANY PROVISIONS OF SUBDIVISION (C-1) OF THIS SECTION TO THE CONTRARY, EFFECTIVE APRIL 1, 2016, FOR THE PERIOD JANUARY 1, 2016 THROUGH DECEMBER 31, 2016 AND FOR EACH CALENDAR YEAR THEREAFTER, THE MEDICAL ASSISTANCE EXPENDITURE AMOUNT FOR A SOCIAL SERVICES DISTRICT HAVING A POPULATION OF MORE THAN FIVE MILLION SHALL BE EQUAL TO THE AMOUNT CALCULATED PURSUANT TO SUBDIVISIONS (B) AND (C) OF THIS SECTION.

(d) The base year expenditure amounts calculated pursuant to paragraph (b) of this section and the calendar year social services district expenditure amounts calculated pursuant to paragraph (c) of this section shall be converted into state fiscal year social services district expenditure cap amounts for each social services district such that each such state fiscal year amount is proportional to the portions of the two calendar years within each fiscal year, as follows:

(i) fiscal year 2005-2006 (April 1, 2005 through March 31, 2006): 75% of the base year amount plus 25% of the 2006 calendar year amount;

(ii) fiscal year 2006-2007 (April 1, 2006 through March 31, 2007): 75% of the 2006 year calendar amount plus 25% of the 2007 calendar year amount;

(iii) each succeeding fiscal year: 75% of the first calendar year within that fiscal year's amount plus 25% of the second calendar year within that fiscal year's amount.

(D-1) NOTWITHSTANDING ANY PROVISIONS OF SUBDIVISION (D) OF THIS SECTION TO THE CONTRARY, FOR FISCAL YEARS 2015-2016 AND 2016-2017, THE BASE YEAR EXPENDITURE AMOUNT CALCULATED PURSUANT TO PARAGRAPH (B) OF

THIS SECTION AND THE CALENDAR YEAR SOCIAL SERVICES DISTRICT EXPENDITURE AMOUNT CALCULATED PURSUANT TO PARAGRAPH (C) OF THIS SECTION SHALL BE CONVERTED INTO A STATE FISCAL YEAR SOCIAL SERVICES DISTRICT EXPENDITURE CAP AMOUNT FOR A SOCIAL SERVICES DISTRICT HAVING A POPULATION OF MORE THAN FIVE MILLION AS FOLLOWS:

(I) FISCAL YEAR 2015-2016 (APRIL 1, 2015 THROUGH MARCH 31, 2016): 75% OF THE 2015 BASE YEAR AMOUNT PLUS 25% OF THE 2016 CALENDAR YEAR AMOUNT, IF SUCH 2016 CALENDAR YEAR AMOUNT WERE CALCULATED WITHOUT REGARD TO THE PROVISIONS OF SUBDIVISION (C-2) OF THIS SECTION;

(II) FISCAL YEAR 2016-2017 (APRIL 1, 2016 THROUGH MARCH 31, 2017): 75% OF THE 2016 BASE YEAR AMOUNT PLUS 25% OF THE 2017 CALENDAR YEAR AMOUNT; THIS CAP AMOUNT SHALL BE REDUCED BY ONE-HALF OF THE DIFFERENCE BETWEEN THIS AMOUNT AND THE CAP AMOUNT FOR THIS PERIOD THAT WOULD RESULT IF CALCULATED WITHOUT REGARD TO THE PROVISIONS OF SUBDIVISION (C-2) OF THIS SECTION.

(e) No later than April 1, 2007, the commissioner of health shall certify the 2006-2007 fiscal year social services district expenditure cap amounts for each social services district calculated pursuant to subparagraph (ii) of paragraph (d) of this section and shall communicate such amounts to the commissioner of taxation and finance.

(f) Subject to paragraph (g) of this section, the state fiscal year social services district expenditure cap amount calculated for each social services district pursuant to paragraph (d) of this section shall be allotted to each district during that fiscal year and paid to the department in equal weekly amounts in a manner to be determined by the commissioner and communicated to such districts and, subject to the provisions of subdivision four of section six of this part, shall represent each district's maximum responsibility for medical assistance expenditures governed by this section. HOWEVER, FOR FISCAL YEAR 2016-2017, THE EXPENDITURE CAP AMOUNT CALCULATED FOR A SOCIAL SERVICES DISTRICT HAVING A POPULATION OF MORE THAN FIVE MILLION SHALL BE PAID TO THE DEPARTMENT IN WEEKLY AMOUNTS IN A MANNER TO BE DETERMINED BY THE COMMISSIONER, IN CONSULTATION WITH THE DIRECTOR OF THE DIVISION OF THE BUDGET, AND COMMUNICATED TO SUCH DISTRICT.

(g) (i) No allotment pursuant to paragraph (f) of this section shall be applied against a social services district during the period April 1, 2005 through December 31, 2005. Social services district medical assistance shares shall be determined for such period pursuant to shares provisions in effect on January 1, 2005.

(ii) For the period January 1, 2006 through June 30, 2006, the commissioner is authorized to allot against each district an amount based on the commissioner's best estimate of the final base year expenditure calculation required by paragraph (b) of this section. Upon completion of such calculation, the commissioner shall, no later than December 31, 2006, reconcile such estimated allotments with the fiscal year social services district expenditure cap amounts calculated pursuant to subparagraphs (i) and (ii) of paragraph (d) of this section.

(iii) During each state fiscal year subject to the provisions of this section and prior to state fiscal year 2015-16, the commissioner shall maintain an accounting, for each social services district, of the net amounts that would have been expended by, or on behalf of, such district had the social services district medical assistance shares provisions in effect on January 1, 2005 been applied to such district. For purposes of this paragraph, fifty percent of the payments made by New York State to the secretary of the federal department of health and human services pursuant to section 1935(c) of the social security act shall be deemed



1 to be payments made on behalf of social services districts; such fifty  
2 percent share shall be apportioned to each district in the same ratio as  
3 the number of "full-benefit dual eligible individuals," as that term is  
4 defined in section 1935(c)(6) of such act, for whom such district has  
5 fiscal responsibility pursuant to section 365 of the social services  
6 law, relates to the total of such individuals for whom districts have  
7 fiscal responsibility. As soon as practicable after the conclusion of  
8 each such fiscal year, but in no event later than six months after the  
9 conclusion of each such fiscal year, the commissioner shall reconcile  
10 such net amounts with such fiscal year's social services district  
11 expenditure cap amount. Such reconciliation shall be based on actual  
12 expenditures made by or on behalf of social services districts, and  
13 revenues received by social services districts, during such fiscal year  
14 and shall be made without regard to expenditures made, and revenues  
15 received, outside such fiscal year that are related to services provided  
16 during, or prior to, such fiscal year. The commissioner shall pay to  
17 each social services district the amount, if any, by which such  
18 district's expenditure cap amount exceeds such net amount.

19 (h) Notwithstanding the provisions of section 368-a of the social  
20 services law or any other contrary provision of law, no reimbursement  
21 shall be made for social services districts' claims submitted on and  
22 after the effective date of this paragraph, for district expenditures  
23 incurred prior to January 1, 2006, including, but not limited to,  
24 expenditures for services provided to individuals who were eligible for  
25 medical assistance pursuant to section three hundred sixty-six of the  
26 social services law as a result of a mental disability, formerly  
27 referred to as human services overburden aid to counties.

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

30

## PART B

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

34 4. The commissioner of health is authorized to assume responsibility  
35 from a local social services official for the provision and reimburse-  
36 ment of transportation costs under this section. If the commissioner  
37 elects to assume such responsibility, the commissioner shall notify the  
38 local social services official in writing as to the election, the date  
39 upon which the election shall be effective and such information as to  
40 transition of responsibilities as the commissioner deems prudent. The  
41 commissioner is authorized to contract with a transportation manager or  
42 managers to manage transportation services in any local social services  
43 district, other than transportation services provided or arranged for  
44 enrollees of managed long term care plans issued certificates of author-  
45 ity under section forty-four hundred three-f of the public health law;  
46 REGISTRANTS OF ADULT DAY HEALTH CARE PROGRAMS THAT DIRECTLY PROVIDE OR  
47 ARRANGE FOR SUCH TRANSPORTATION SERVICES; AND INDIVIDUALS RESIDING IN  
48 NURSING HOMES. Any transportation manager or managers selected by the  
49 commissioner to manage transportation services shall have proven experi-  
50 ence in coordinating transportation services in a geographic and demo-  
51 graphic area similar to the area in New York state within which the  
52 contractor would manage the provision of services under this section.  
53 Such a contract or contracts may include responsibility for: review,  
54 approval and processing of transportation orders; management of the

1 appropriate level of transportation based on documented patient medical  
2 need; and development of new technologies leading to efficient transpor-  
3 tation services. If the commissioner elects to assume such responsibil-  
4 ity from a local social services district, the commissioner shall exam-  
5 ine and, if appropriate, adopt quality assurance measures that may  
6 include, but are not limited to, global positioning tracking system  
7 reporting requirements and service verification mechanisms. Any and all  
8 reimbursement rates developed by transportation managers under this  
9 subdivision shall be subject to the review and approval of the commis-  
10 sioner.

11 (A) THE COMMISSIONER SHALL CONDUCT AN ANNUAL REVIEW OF ANY TRANSPORTA-  
12 TION MANAGER OR MANAGERS SELECTED BY THE COMMISSIONER TO ENSURE: (I)  
13 ONLY SUCH TRANSPORTATION THAT IS ESSENTIAL, MEDICALLY NECESSARY AND  
14 APPROPRIATE TO OBTAIN MEDICAL CARE, SERVICES OR SUPPLIES OTHERWISE  
15 AVAILABLE UNDER THIS TITLE IS PROVIDED; (II) FOR RIDES ORIGINATING WITH-  
16 IN A RURAL COUNTY AS DEFINED UNDER SECTION FOUR HUNDRED EIGHTY-ONE OF  
17 THE EXECUTIVE LAW, NO EXPENDITURES FOR TAXI OR LIVERY TRANSPORTATION ARE  
18 MADE WHEN PUBLIC TRANSPORTATION OR LOWER COST TRANSPORTATION IS REASON-  
19 ABLY AVAILABLE TO ELIGIBLE PERSONS; AND (III) TRANSPORTATION SERVICES  
20 ARE PROVIDED IN A SAFE, TIMELY, AND RELIABLE MANNER BY PROVIDERS THAT  
21 COMPLY WITH STATE AND LOCAL REGULATORY REQUIREMENTS AND MEET CONSUMER  
22 SATISFACTION CRITERIA APPROVED BY THE COMMISSIONER. THE ANNUAL REVIEW  
23 SHALL BE CONDUCTED BY AN ENTITY UNRELATED TO THE TRANSPORTATION MANAGER.

24 (B) THE COMMISSIONER SHALL PROVIDE AN ANNUAL REPORT TO THE LEGISLATURE  
25 DETAILING: (I) THE FINDINGS OF THE ANNUAL REVIEW REQUIRED BY PARAGRAPH  
26 (A) OF THIS SUBDIVISION; (II) THE TOTAL NUMBER OF COMPLAINTS BY  
27 COMPLAINT TYPE AND PROVIDER TYPE RECEIVED BY ENROLLEES PER COUNTY,  
28 INCLUDING ALLEGED INSTANCES OF FRAUD; (III) THE TOTAL NUMBER OF TRANS-  
29 PORTS PROVIDED PER COUNTY; (IV) THE TOTAL NUMBER FOR EACH TYPE OF TRANS-  
30 PORTATION METHOD UTILIZED PER COUNTY, INCLUDING TAXI OR LIVERY TRANSPOR-  
31 TATION, PUBLIC TRANSPORTATION INCLUDING FIXED AND DIAL-A-RIDE, AND  
32 VOLUNTEER DRIVING SERVICES; (V) THE TOTAL FISCAL IMPACT TO THE STATE;  
33 AND (VI) THE TOTAL FISCAL IMPACT TO THE STATE PER COUNTY.

34 S 1-a. Ambulance non-emergency medical transportation rate adequacy  
35 review. The commissioner shall review the rates of reimbursement made  
36 through the medicaid program for ambulance non-emergency medical trans-  
37 portation for rate adequacy. At a minimum, such analysis shall consider  
38 by region the costs of operation compared to the current Medicaid  
39 reimbursement rate; access to services; provider sustainability; and  
40 payer mix. By December 31, 2016 the commissioner shall report the find-  
41 ings, of the rate adequacy review to the temporary president of the  
42 senate and the speaker of the assembly.

43 S 2. Intentionally omitted.

44 S 3. Intentionally omitted.

45 S 4. Intentionally omitted.

46 S 5. Intentionally omitted.

47 S 6. Intentionally omitted.

48 S 7. Intentionally omitted.

49 S 8. Intentionally omitted.

50 S 9. Subdivision 25 of section 364-j of the social services law, as  
51 added by section 55 of part D of chapter 56 of the laws of 2012, is  
52 amended to read as follows:

53 25. [Effective January first, two thousand thirteen, notwithstanding]  
54 NOTWITHSTANDING any provision of law to the contrary, managed care  
55 providers shall cover medically necessary prescription drugs [in the  
56 atypical antipsychotic therapeutic class], including non-formulary

1 drugs[, upon demonstration by]. IF the prescriber, after consulting with  
2 the managed care provider, DETERMINES that such drugs, in the  
3 prescriber's reasonable professional judgment, are medically necessary  
4 and warranted, THE PRESCRIBER'S DETERMINATION SHALL BE FINAL.

5 S 10. Subdivision 25-a of section 364-j of the social services law is  
6 REPEALED.

7 S 11. Intentionally omitted.

8 S 12. Intentionally omitted.

9 S 13. Intentionally omitted.

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

12 26-A. MANAGED CARE PROVIDERS SHALL REQUIRE PRIOR AUTHORIZATION OF  
13 PRESCRIPTIONS OF OPIOID ANALGESICS IN EXCESS OF FOUR PRESCRIPTIONS IN A  
14 THIRTY-DAY PERIOD. PRIOR AUTHORIZATION OF PRESCRIPTIONS OF OPIOID ANAL-  
15 GESICS SHALL NOT BE REQUIRED WHEN A PATIENT IS UNDER THE CARE OF A  
16 HOSPICE.

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

19 32. (A) THE COMMISSIONER MAY, IN HIS OR HER DISCRETION, APPLY PENAL-  
20 TIES AS PRESCRIBED BELOW TO MANAGED CARE ORGANIZATIONS SUBJECT TO THIS  
21 SECTION AND ARTICLE FORTY-FOUR OF THE PUBLIC HEALTH LAW FOR UNTIMELY OR  
22 INACCURATE SUBMISSION OF ENCOUNTER DATA ONLY IF:

23 (I) THE DEPARTMENT PROVIDES WRITTEN NOTICE OF THE SPECIFIC DEFICIEN-  
24 CIES TO THE MANAGED CARE ORGANIZATION, AND SUCH MANAGED CARE ORGANIZA-  
25 TION FAILS TO SUBMIT A PLAN OF CORRECTION OR MAKE A GOOD FAITH EFFORT TO  
26 CURE THE IDENTIFIED DEFICIENCIES WITHIN FIFTEEN BUSINESS DAYS OF RECEIV-  
27 ING SUCH NOTICE; AND

28 (II) THE DEFECTIVE OR UNTIMELY SUBMISSION IS NOT ATTRIBUTABLE TO  
29 FACTORS BEYOND THE CONTROL OF THE MANAGED CARE ORGANIZATION.

30 FOR PURPOSES OF THIS SECTION, "ENCOUNTER DATA" SHALL MEAN THE TRANS-  
31 ACTIONS REQUIRED TO BE REPORTED UNDER THE MODEL CONTRACT. ANY PENALTY  
32 ASSESSED UNDER THIS SUBDIVISION SHALL BE CALCULATED AS A PERCENTAGE OF  
33 THE ADMINISTRATIVE COMPONENT OF THE MEDICAID PREMIUM CALCULATED BY THE  
34 DEPARTMENT AND SHALL BE THE EXCLUSIVE REMEDY FOR UNTIMELY OR INACCURATE  
35 SUBMISSION OF ENCOUNTER DATA.

36 (B) SUCH PENALTIES SHALL BE LIMITED TO:

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

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

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

46 (C) PENALTIES UNDER THIS SUBDIVISION MAY BE APPLIED TO ANY AND ALL  
47 CIRCUMSTANCES DESCRIBED IN PARAGRAPH (B) OF THIS SUBDIVISION FOR UP TO  
48 FOUR MONTHS FROM THE DATE SUCH PENALTIES ARE IMPOSED. NO OTHER RATE  
49 MODIFICATIONS OR ADJUSTMENTS TO PAYMENTS MAY BE MADE FOR UNTIMELY OR  
50 INACCURATE SUBMISSION OF ENCOUNTER DATA. THE COMMISSIONER MAY, IN HIS  
51 OR HER DISCRETION, WAIVE SUCH PENALTY.

52 S 16. Intentionally omitted.

53 S 16-a. Section 31 of part B of chapter 57 of the laws of 2015 amend-  
54 ing the social services law relating to insurance payments is REPEALED.

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

4 2-b. The commissioner is authorized to make [grants] LUMP SUM  
5 PAYMENTS OR ADJUST RATES OF PAYMENT TO PROVIDERS up to a gross amount of  
6 five million dollars, to establish coordination between the health homes  
7 and the criminal justice system and for the integration of information  
8 of health homes with state and local correctional facilities, to the  
9 extent permitted by law. SUCH RATE ADJUSTMENTS MAY BE MADE TO HEALTH  
10 HOMES PARTICIPATING IN A CRIMINAL JUSTICE PILOT PROGRAM WITH THE PURPOSE  
11 OF ENROLLING INCARCERATED INDIVIDUALS WITH SERIOUS MENTAL ILLNESS, TWO  
12 OR MORE CHRONIC CONDITIONS, INCLUDING SUBSTANCE ABUSE DISORDERS, OR  
13 HIV/AIDS, INTO SUCH HEALTH HOME. Health homes receiving funds under this  
14 subdivision shall be required to document and demonstrate the effective  
15 use of funds distributed herein.

16 S 18. Intentionally omitted.

17 S 19. Subdivisions 3 and 4 of section 92 of part H of chapter 59 of  
18 the laws of 2011, amending the social services law and other laws relat-  
19 ing to covered part D drugs, are amended to read as follows:

20 3. (a) The commissioner of health shall seek the input of the legisla-  
21 ture, as well as organizations representing health care providers,  
22 consumers, businesses, workers, health insurers, and others with rele-  
23 vant expertise, in developing such medicaid savings allocation plan, to  
24 the extent that all or part of such plan, in the discretion of the  
25 commissioner, is likely to have [a material] MORE THAN A DE MINIMIS  
26 impact on the overall medicaid program, [particular categories] ANY  
27 SINGLE CATEGORY of service, ON THE DISBURSEMENT OF FUNDS UNDER THE  
28 GLOBAL MEDICAID CAP, or [particular] ON ANY ONE OR MORE geographic  
29 regions of the [states] STATE.

30 (b)(i) The commissioner of health [shall] MUST post the medicaid  
31 savings allocation plan, INCLUDING THE EXPECTED IMPACTS OF ITS IMPLEMEN-  
32 TATION, on the department of health's website and shall provide written  
33 copies of such plan to the chairs of the senate finance and the assembly  
34 ways and means committees at least 30 days before the date on which  
35 implementation is expected to begin. ANY ADJUSTMENTS MADE TO AVOID  
36 EXCEEDING THE DEPARTMENT OF HEALTH MEDICAID STATE FUNDS DISBURSEMENT  
37 AMOUNT IN THE ENACTED BUDGET FINANCIAL PLAN SHALL BE DEEMED A COMPONENT  
38 OF THE MEDICAID SAVINGS ALLOCATION PLAN.

39 (ii) The commissioner of health may revise the medicaid savings allo-  
40 cation plan [subsequent to the provision of notice and prior to imple-  
41 mentation but need provide a new notice pursuant to subparagraph (i) of  
42 this paragraph only if the commissioner determines, in his or her  
43 discretion, that such revisions materially alter the plan] UPON APPROVAL  
44 OF THE SECRETARY OF THE SENATE FINANCE COMMITTEE AND THE SECRETARY OF  
45 THE ASSEMBLY WAYS AND MEANS COMMITTEE.

46 (c) [Notwithstanding the provisions of paragraphs (a) and (b) of this  
47 subdivision, the commissioner of health need not seek the input  
48 described in paragraph (a) of this subdivision or provide notice pursu-  
49 ant to paragraph (b) of this paragraph if, in the discretion of the  
50 commissioner, expedited development and implementation of a medicaid  
51 savings allocation plan is necessary due to a public health emergency.]

52 For purposes of this section, a public health emergency is defined as:  
53 (i) a disaster, natural or otherwise, that significantly increases the  
54 immediate need for health care personnel in an area of the state; (ii)  
55 an event or condition that creates a widespread risk of exposure to a  
56 serious communicable disease, or the potential for such widespread risk

1 of exposure; or (iii) any other event or condition determined by the  
2 commissioner to constitute an imminent threat to public health. IF THE  
3 COMMISSIONER MAKES A PUBLIC DETERMINATION THAT THERE IS A PUBLIC HEALTH  
4 EMERGENCY, THE APPROVALS REQUIRED PURSUANT TO SUBPARAGRAPH (II) OF PARA-  
5 GRAPH (B) OF THIS SUBDIVISION MAY BE MADE SUBSEQUENT TO ACTIVITY.

6 [(d) Nothing in this paragraph shall be deemed to prevent all or part  
7 of such medical savings allocation plan from taking effect retroactively  
8 to the extent permitted by the federal centers for medicare and medicaid  
9 services.]

10 4. In accordance with the medicaid savings allocation plan, the  
11 commissioner of the department of health shall reduce department of  
12 health state funds medicaid disbursements by the amount of the projected  
13 overspending [through, actions including, but not limited to modifying  
14 or suspending reimbursement methods, including but not limited to all  
15 fees, premium levels and rates of payment, notwithstanding any provision  
16 of law that sets a specific amount or methodology for any such payments  
17 or rates of payment; modifying Medicaid program benefits; seeking all  
18 necessary Federal approvals, including, but not limited to waivers,  
19 waiver amendments; and suspending time frames for notice, approval or  
20 certification of rate requirements, notwithstanding any provision of  
21 law, rule or regulation to the contrary, including but not limited to  
22 sections 2807 and 3614 of the public health law, section 18 of chapter 2  
23 of the laws of 1988, and 18 NYCRR 505.14(h)] UPON APPROVAL PURSUANT TO  
24 SUBDIVISION THREE OF THIS SECTION.

25 S 20. Section 7 of part 0 of chapter 56 of the laws of 2013 authoriz-  
26 ing the actions necessary to manage the loss of federal revenue and  
27 create the Mental Hygiene Stabilization Fund, is amended to read as  
28 follows:

29 S 7. This act shall take effect immediately and shall be deemed to  
30 have been in full force and effect on and after April 1, 2013, AND SHALL  
31 EXPIRE AND BE DEEMED REPEALED ON AND AFTER MARCH 31, 2021.

32 S 21. The social services law is amended by adding a new section 365-o  
33 to read as follows:

34 S 365-O. MEDICAID REDESIGN ACCOUNTABILITY PROCESS. (A) THE COMMIS-  
35 SIONER, IN CONSULTATION WITH THE DIRECTOR OF THE DIVISION OF BUDGET,  
36 SHALL ESTABLISH A PROCESS TO REVIEW AND REPORT ON EACH PHASE OF THE  
37 MEDICAID REDESIGN TEAM, INCLUDING ADMINISTRATIVE ACTIONS, AND INITI-  
38 ATIVES THAT WERE AUTHORIZED AND NOT IMPLEMENTED. THE PROCESS SHALL  
39 INCLUDE A REVIEW OF EACH MEDICAID REDESIGN TEAM INITIATIVE AT LEAST  
40 EVERY FIVE YEARS FROM THE EFFECTIVE DATE OF THIS SECTION. THE DEPART-  
41 MENT, IN CONSULTATION WITH THE DIVISION OF BUDGET, SHALL PROVIDE AN  
42 ANNUAL REPORT DETAILING THE FINDINGS OF THE ANNUAL REVIEW OF EACH MEDI-  
43 CAID REDESIGN TEAM PHASE TO THE CHAIR OF THE SENATE FINANCE COMMITTEE  
44 AND THE CHAIR OF THE ASSEMBLY WAYS AND MEANS COMMITTEE ON OR BEFORE  
45 OCTOBER FIRST OF EACH YEAR.

46 (B) FOR EACH MEDICAID REDESIGN TEAM PHASE ANNUAL REVIEW, THE COMMIS-  
47 SIONER AND THE DIRECTOR SHALL REVIEW EACH INITIATIVE AND PROVIDE A  
48 DETAILED REPORT, INCLUDING BUT NOT LIMITED TO:

49 (I) A COMPARISON OF EACH RECOMMENDED INITIATIVE TO THE IMPLEMENTED  
50 INITIATIVE, INCLUDING AN ANALYSIS OF INITIATIVE COMPLETENESS, ANY SUBSE-  
51 QUENT MODIFICATIONS AND ANY ADMINISTRATIVE ACTION BEYOND THE SCOPE OF  
52 THE RECOMMENDED INITIATIVE;

53 (II) A COST BENEFIT ANALYSIS OF EACH INITIATIVE, INCLUDING THE LEVEL  
54 OF FEDERAL FINANCIAL PARTICIPATION AND FISCAL IMPLICATIONS TO THE STATE,  
55 LOCAL GOVERNMENTS, HEALTH CARE PROVIDERS, AND INSURANCE AND HEALTH  
56 PLANS;

1 (III) AN ANALYSIS OF THE IMPACT OF EACH INITIATIVE ON THE ACCESS TO  
2 CARE, QUALITY OF CARE, ADMINISTRATIVE PROCESS AND PROCEDURES, AND SHIFTS  
3 IN CARE SETTING;

4 (IV) AN ANALYSIS OF THE IMPACT ON PROVIDER SUSTAINABILITY;

5 (V) AN ANALYSIS OF PHARMACY REIMBURSEMENT RATES, DRUG FILL SETTING  
6 TRENDS, DRUG UTILIZATION, TOTAL STATE DRUG SPENDING DURING EACH IMPL-  
7 MENTATION PHASE AND THE FACTORS RESPONSIBLE FOR ANY DRUG SPENDING  
8 REDUCTIONS OVER THE COURSE OF REFORM INITIATIVES;

9 (VI) AN ANALYSIS OF UNINTENDED CONSEQUENCES TO THE STATE, LOCAL  
10 GOVERNMENTS, HEALTH CARE PROVIDERS, INSURANCE AND HEALTH PLANS, MEDICAID  
11 ENROLLEES AND OTHER STAKEHOLDERS; AND

12 (VII) IF APPLICABLE, THE BASIS FOR NOT IMPLEMENTING AN INITIATIVE.

13 S 22. Subdivision 3 of section 364-j of the social services law is  
14 amended by adding a new paragraph (d-2) to read as follows:

15 (D-2) SERVICES PROVIDED PURSUANT TO WAIVERS, GRANTED PURSUANT TO  
16 SUBSECTION (C) OF SECTION 1915 OF THE FEDERAL SOCIAL SECURITY ACT, TO  
17 PERSONS SUFFERING FROM TRAUMATIC BRAIN INJURIES OR QUALIFYING FOR NURS-  
18 ING HOME DIVERSION AND TRANSITION SERVICES SHALL NOT BE PROVIDED TO  
19 MEDICAL ASSISTANCE RECIPIENTS THROUGH MANAGED CARE PROGRAMS ESTABLISHED  
20 PURSUANT TO THIS SECTION, AND SHALL CONTINUE TO BE PROVIDED OUTSIDE OF  
21 MANAGED CARE PROGRAMS AND IN ACCORDANCE WITH SUCH WAIVER PROGRAMS AS  
22 THEY EXISTED ON JANUARY FIRST, TWO THOUSAND FIFTEEN; PROVIDED, FURTHER  
23 THAT THE COMMISSIONER OF HEALTH IS HEREBY DIRECTED TO TAKE ANY ACTION  
24 REQUIRED, INCLUDING BUT NOT LIMITED TO FILING WAIVERS AND WAIVER EXTEN-  
25 SIONS AS NECESSARY WITH THE FEDERAL GOVERNMENT, TO CONTINUE THE  
26 PROVISION OF SUCH SERVICES.

27 S 23. Subdivision 1 of section 364-j of the social services law is  
28 amended by adding a new paragraph (w) to read as follows:

29 (W) "SCHOOL-BASED HEALTH CENTER." A CLINIC LICENSED UNDER ARTICLE  
30 TWENTY-EIGHT OF THE PUBLIC HEALTH LAW OR SPONSORED BY A FACILITY  
31 LICENSED UNDER THE PUBLIC HEALTH LAW WHICH PROVIDES PRIMARY HEALTH CARE  
32 SERVICES INCLUDING URGENT CARE, WELL CHILD CARE, REPRODUCTIVE HEALTH  
33 CARE, DENTAL CARE, BEHAVIORAL HEALTH SERVICES, VISION CARE, AND MANAGE-  
34 MENT OF CHRONIC DISEASES TO CHILDREN AND ADOLESCENTS WITHIN AN ELEMENTA-  
35 RY, SECONDARY OR PREKINDERGARTEN PUBLIC SCHOOL SETTING.

36 S 24. Subdivision 2 of section 364-j of the social services law is  
37 amended by adding a new paragraph (d) to read as follows:

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

42 S 25. Subdivision 3 of section 364-j of the social services law is  
43 amended by adding a new paragraph (d-2) to read as follows:

44 (D-2) BEHAVIORAL HEALTH AND REPRODUCTIVE HEALTH CARE SERVICES PROVIDED  
45 BY SCHOOL-BASED HEALTH CENTERS SHALL NOT BE PROVIDED TO MEDICAL ASSIST-  
46 ANCE RECIPIENTS THROUGH MANAGED CARE PROGRAMS ESTABLISHED PURSUANT TO  
47 THIS SECTION, AND SHALL CONTINUE TO BE PROVIDED OUTSIDE OF MANAGEMENT  
48 CARE PROGRAMS IN ACCORDANCE WITH APPLICABLE REIMBURSEMENT METHODOLOGIES.  
49 APPLICABLE REIMBURSEMENT METHODOLOGIES SHALL MEAN:

50 (I) FOR SCHOOL-BASED HEALTH CENTERS SPONSORED BY A FEDERALLY QUALIFIED  
51 HEALTH CENTER, RATES OF REIMBURSEMENT AND REQUIREMENTS IN ACCORDANCE  
52 WITH THOSE MANDATED BY 42 U.S.C. SECS. 1396A(BB), 1396(M)(2)(A)(IX) AND  
53 1936(A)(13)(C); AND

54 (II) FOR SCHOOL-BASED HEALTH CENTERS SPONSORED BY AN ENTITY LICENSED  
55 PURSUANT TO ARTICLE TWENTY-EIGHT OF THE PUBLIC HEALTH LAW THAT IS NOT A  
56 FEDERALLY QUALIFIED HEALTH CENTER, RATES OF REIMBURSEMENT AT THE FEE FOR

SERVICE RATE FOR SUCH SERVICES IN EFFECT PRIOR TO THE ENACTMENT OF THIS CHAPTER FOR THE AMBULATORY PATIENT GROUP RATE FOR THE APPLICABLE SERVICE.

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

S 26. Paragraph (d) of subdivision 2-a of section 2808 of the public health law, as amended by section 52 of part B of chapter 57 of the laws of 2015, is amended to read as follows:

(d) For facilities granted operating certificates on or after March tenth, nineteen hundred seventy-five, recognition of real property costs in such regulations shall be based upon historical costs to the owner of the facility, provided that payment for real property costs shall not be in excess of the actual debt service, including principal and interest, and payment with respect to owner's equity, and further provided that, subject to federal financial participation, and subject to the approval of the commissioner, effective April first, two thousand fifteen, the commissioner may modify such payments for real property costs for purposes of effectuating a shared savings program, whereby facilities share a minimum of fifty percent of savings, for facilities that elect to refinance their mortgage loans. For purposes of this subdivision, owner's equity shall be calculated without regard to any surplus created by revaluation of assets and shall not include amounts resulting from mortgage amortization where the payment therefor has been provided by real property cost reimbursement; PROVIDED, HOWEVER, AS USED IN THIS SUBDIVISION THE TERMS "HISTORICAL COSTS" AND "OWNER'S EQUITY" SHALL INCLUDE THE FULL REVALUATION OF THE ASSETS OF A FACILITY PURCHASED AND TRANSFERRED IMMEDIATELY FOLLOWING THE OPERATION OF SUCH FACILITY UNDER A COURT-ORDERED RECEIVERSHIP, BUT ONLY IF:

(I) THE FACILITY HAS BEEN CONTINUOUSLY OPERATED AND OCCUPIED PRIMARILY WITH PERSONS WHO ARE IN RECEIPT OF MEDICAL ASSISTANCE BENEFITS FROM THE TIME THAT THE RECEIVERSHIP WAS ESTABLISHED UNTIL THE TIME OF PURCHASE OR TRANSFER;

(II) THE PUBLIC HEALTH AND HEALTH PLANNING COUNCIL HAS CONSIDERED THE APPLICATION FOR THE ESTABLISHMENT OF A NEW OPERATOR OF A RESIDENTIAL HEALTH CARE FACILITY AT THE SITE OF THE FACILITY;

(III) THE COMMISSIONER HAS REQUIRED SIGNIFICANT UPGRADE TO THE FACILITY'S PHYSICAL PLANT IN CONSIDERATION OF HIS OR HER APPROVAL OF THE CONSTRUCTION OF A RESIDENTIAL HEALTH CARE FACILITY AT THE SITE OF THE FACILITY; AND

(IV) THE COMMISSIONER HAS DETERMINED EACH OF THE FOLLOWING CONDITIONS IS TRUE:

(1) THERE IS A CONTINUING NEED FOR THE BEDS AT THEIR CURRENT LOCATION;

(2) THE ESTIMATED TOTAL PROJECT COST FOR NEW CONSTRUCTION OF A FACILITY OF THE SAME BED CAPACITY IN THE AREA WOULD SUBSTANTIALLY EXCEED THE COMBINED PURCHASE PRICE AND TOTAL PROJECT COST FOR APPROVED RENOVATION COSTS OF THE REVALUED FACILITY;

(3) THE PURCHASE PRICE IS REASONABLE; AND

(4) THE CONTINUED USE OF THE FACILITY AS A RESIDENTIAL HEALTH CARE FACILITY IS IN THE PUBLIC INTEREST.

S 27. Paragraph (d) of subdivision 2-a of section 2808 of the public health law, as added by chapter 483 of the laws of 1978, is amended to read as follows:

(d) For facilities granted operating certificates on or after March tenth, nineteen hundred seventy-five, recognition of real property costs

1 in such regulations shall be based upon historical costs to the owner of  
2 the facility, provided that payment for real property costs shall not be  
3 in excess of the actual debt service, including principal and interest,  
4 and payment with respect to owner's equity. For purposes of this subdivi-  
5 sion, owner's equity shall be calculated without regard to any surplus  
6 created by revaluation of assets and shall not include amounts resulting  
7 from mortgage amortization where the payment therefor has been provided  
8 by real property cost reimbursement; PROVIDED, HOWEVER, AS USED IN THIS  
9 SUBDIVISION THE TERMS "HISTORICAL COSTS" AND "OWNER'S EQUITY" SHALL  
10 INCLUDE THE FULL REVALUATION OF THE ASSETS OF A FACILITY PURCHASED AND  
11 TRANSFERRED IMMEDIATELY FOLLOWING THE OPERATION OF SUCH FACILITY UNDER A  
12 COURT-ORDERED RECEIVERSHIP, BUT ONLY IF:

13 (I) THE FACILITY HAS BEEN CONTINUOUSLY OPERATED AND OCCUPIED PRIMARILY  
14 WITH PERSONS WHO ARE IN RECEIPT OF MEDICAL ASSISTANCE BENEFITS FROM THE  
15 TIME THAT THE RECEIVERSHIP WAS ESTABLISHED UNTIL THE TIME OF PURCHASE OR  
16 TRANSFER;

17 (II) THE PUBLIC HEALTH AND HEALTH PLANNING COUNCIL HAS CONSIDERED THE  
18 APPLICATION FOR THE ESTABLISHMENT OF A NEW OPERATOR OF A RESIDENTIAL  
19 HEALTH CARE FACILITY AT THE SITE OF THE FACILITY;

20 (III) THE COMMISSIONER HAS REQUIRED SIGNIFICANT UPGRADE TO THE FACILI-  
21 TY'S PHYSICAL PLANT IN CONSIDERATION OF HIS OR HER APPROVAL OF THE  
22 CONSTRUCTION OF A RESIDENTIAL HEALTH CARE FACILITY AT THE SITE OF THE  
23 FACILITY; AND

24 (IV) THE COMMISSIONER HAS DETERMINED EACH OF THE FOLLOWING CONDITIONS  
25 IS TRUE:

26 (1) THERE IS A CONTINUING NEED FOR THE BEDS AT THEIR CURRENT LOCATION;

27 (2) THE ESTIMATED TOTAL PROJECT COST FOR NEW CONSTRUCTION OF A FACILI-  
28 TY OF THE SAME BED CAPACITY IN THE AREA WOULD SUBSTANTIALLY EXCEED THE  
29 COMBINED PURCHASE PRICE AND TOTAL PROJECT COST FOR APPROVED RENOVATION  
30 COSTS OF THE REVALUED FACILITY;

31 (3) THE PURCHASE PRICE IS REASONABLE; AND

32 (4) THE CONTINUED USE OF THE FACILITY AS A RESIDENTIAL HEALTH CARE  
33 FACILITY IS IN THE PUBLIC INTEREST.

34 S 28. Subparagraph (i) of paragraph (e-2) of subdivision 4 of section  
35 2807-c of the public health law, as added by section 13 of part C of  
36 chapter 58 of the laws of 2009, is amended to read as follows:

37 (i) For physical medical rehabilitation services and for chemical  
38 dependency rehabilitation services, the operating cost component of such  
39 rates shall reflect the use of two thousand five operating costs for  
40 each respective category of services as reported by each facility to the  
41 department prior to July first, two thousand nine and as adjusted for  
42 inflation pursuant to paragraph (c) of subdivision ten of this section,  
43 as otherwise modified by any applicable statute, provided, however, that  
44 such two thousand five reported operating costs, but not including  
45 reported direct medical education cost, shall, for rate-setting  
46 purposes, be held to a ceiling of one hundred ten percent of the average  
47 of such reported costs in the region in which the facility is located,  
48 as determined pursuant to clause (E) of subparagraph [(iii)] (IV) of  
49 paragraph (1) of this subdivision; AND PROVIDED, FURTHER, THAT FOR PHYS-  
50 ICAL MEDICAL REHABILITATION SERVICES, THE COMMISSIONER IS AUTHORIZED TO  
51 MAKE ADJUSTMENTS TO SUCH RATES FOR THE PURPOSES OF REIMBURSING PEDIATRIC  
52 VENTILATOR SERVICES.

53 S 29. Subdivision 2-a of section 2807 of the public health law is  
54 amended by adding a new paragraph (j) to read as follows:

55 (J) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SUBDIVISION OR ANY  
56 OTHER PROVISION OF LAW TO THE CONTRARY AND, SUBJECT TO AN APPROPRIATION



1 THEREFOR, ON AND AFTER APRIL FIRST, TWO THOUSAND SEVENTEEN, RATES OF  
2 PAYMENT FOR DIAGNOSTIC AND TREATMENT CENTER SERVICES, EMERGENCY  
3 SERVICES, GENERAL HOSPITAL OUTPATIENT SERVICES, AMBULATORY SURGICAL  
4 SERVICES AND REFERRED AMBULATORY SERVICES, PROVIDED BY A RURAL HOSPITAL  
5 DESIGNATED AS A CRITICAL ACCESS HOSPITAL IN ACCORDANCE WITH TITLE XVIII  
6 OF THE FEDERAL SOCIAL SECURITY ACT SHALL BE EQUAL TO ONE HUNDRED ONE  
7 PERCENT OF THE REASONABLE COSTS OF A FACILITY IN PROVIDING SUCH SERVICES  
8 TO PATIENTS ELIGIBLE FOR PAYMENTS MADE IN ACCORDANCE WITH THIS SUBDIVI-  
9 SION. REASONABLE COSTS SHALL BE DETERMINED IN A MANNER CONSISTENT WITH  
10 THAT USED TO DETERMINE PAYMENT FOR OUTPATIENT CRITICAL ACCESS HOSPITAL  
11 SERVICES PROVIDED TO BENEFICIARIES OF TITLE XVIII OF THE FEDERAL SOCIAL  
12 SECURITY ACT. FOR FACILITIES WITHOUT ADEQUATE COST EXPERIENCE, SUCH  
13 RATES SHALL BE BASED ON BUDGETED COSTS SUBSEQUENTLY ADJUSTED TO ONE  
14 HUNDRED ONE PERCENT OF REASONABLE ACTUAL COSTS.

15 S 30. Paragraph d of subdivision 20 of section 2808 of the public  
16 health law, as added by section 8 of part H of section 59 of the laws of  
17 2011, is amended to read as follows:

18 d. Notwithstanding any contrary provision of law, rule or regulation,  
19 for rate periods on and after April first, two thousand eleven THROUGH  
20 MARCH THIRTY-FIRST, TWO THOUSAND SIXTEEN, the commissioner may reduce or  
21 eliminate the payment factor for return on or return of equity in the  
22 capital cost component of Medicaid rates of payment for services  
23 provided by residential health care facilities.

24 S 31. Section 26 of part H of chapter 59 of the laws of 2011, amending  
25 the public health law and other laws, relating to general hospital inpa-  
26 tient reimbursement for annual rates, is amended to read as follows:

27 S 26. Notwithstanding any provision of law to the contrary and subject  
28 to the availability of federal financial participation, for periods on  
29 and after April 1, 2011, clinics certified pursuant to [articles 16,]  
30 ARTICLE 31 or 32 of the mental hygiene law shall be subject to targeted  
31 Medicaid reimbursement rate reductions in accordance with the provisions  
32 of this section. Such reductions shall be based on utilization thresh-  
33 olds which may be established either as provider-specific or patient-  
34 specific thresholds. Provider-specific thresholds shall be based on  
35 average patient utilization for a given provider in comparison to a peer  
36 based standard to be determined for each service. The commissioners of  
37 the office of mental health[, the office for persons with developmental  
38 disabilities,] and the office of alcoholism and substance abuse  
39 services, in consultation with the commissioner of health, are author-  
40 ized to waive utilization thresholds for patients of clinics certified  
41 pursuant to article [16,] 31[, ] or 32 of the mental hygiene law who are  
42 enrolled in specific treatment programs or otherwise meet criteria as  
43 may be specified by such commissioners. When applying a provider-spe-  
44 cific threshold, rates will be reduced on a prospective basis based on  
45 the amount any provider is over the determined threshold level.  
46 Patient-specific thresholds will be based on annual thresholds deter-  
47 mined for each service over which the per visit payment for each visit  
48 in excess of the standard during a twelve month period shall be reduced  
49 by a pre-determined amount. The thresholds, peer based standards and the  
50 payment reductions shall be determined by the department of health, with  
51 the approval of the division of the budget, and in consultation with the  
52 office of mental health[, the office for people with developmental disa-  
53 bilities] and the office of alcoholism and substance abuse services, and  
54 any such resulting rates shall be subject to certification by the appro-  
55 priate commissioners pursuant to subdivision (a) of section 43.02 of the  
56 mental hygiene law. The base period used to establish the thresholds

1 shall be the 2009 calendar year. The total annualized reduction in  
2 payments shall be not more than \$10,900,000 for Article 31 clinics[, not  
3 more than \$2,400,000 for Article 16 clinics,] and not more than  
4 \$13,250,000 for Article 32 clinics. The commissioner of health may  
5 promulgate regulations to implement the provisions of this section.

6 S 32. The public health law is amended by adding a new section 3340 to  
7 read as follows:

8 S 3340. SUBSTITUTION OF OPIOIDS WITH ABUSE-DETERRENT TECHNOLOGY. 1.

9 (A) NOTWITHSTANDING THE PROVISIONS OF SECTION SIXTY-EIGHT HUNDRED  
10 SIXTEEN-A OF THE EDUCATION LAW, NO PHARMACIST SHALL INTERCHANGE OR  
11 SUBSTITUTE AN ABUSE-DETERRENT OPIOID ANALGESIC DRUG PRODUCT, BRAND OR  
12 GENERIC, WITH AN OPIOID ANALGESIC DRUG PRODUCT LACKING ABUSE-DETERRENT  
13 PROPERTIES WHEN THE PRESCRIBER WRITES OR ELECTRONICALLY NOTATES  
14 "DISPENSE AS WRITTEN" OR "DAW" ON THE PRESCRIPTION, WITHOUT OBTAINING A  
15 NEW PRESCRIPTION FOR A NON-ABUSE DETERRENT OPIOID DRUG FROM THE PRESCRI-  
16 BER. ANY SUBSTITUTABLE OPIOID DRUG PRODUCT SHALL CONTAIN THE SAME OPIOID  
17 ACTIVE PHARMACEUTICAL INGREDIENT AND THE SAME DRUG RELEASE CHARACTER-  
18 ISTICS WITH REGARD TO IMMEDIATE RELEASE, OR EXTENDED RELEASE LONG ACTING  
19 PROPERTIES. A DETERMINATION OF INTERCHANGEABILITY BETWEEN TWO ABUSE-DET-  
20 ERRENT OPIOID ANALGESIC DRUG PRODUCTS SHALL NOT REQUIRE THAT BOTH  
21 PRODUCTS INCORPORATE THE SAME METHODS OF ABUSE-DETERRENCE, BUT THAT THE  
22 OPIOID DRUG PRODUCTS HAVE THE SAME LEVEL OF FDA-APPROVED ABUSE DETER-  
23 RENCE LABELING CLAIMS.

24 (B) THE REQUIREMENTS OF PARAGRAPH (A) OF THIS SECTION SHALL NOT APPLY  
25 TO A PHARMACIST DISPENSING MEDICATION IN THE INPATIENT HOSPITAL SETTING  
26 WHEN THE PRESCRIBED MEDICATION WILL BE ADMINISTERED TO THE PATIENT BY AN  
27 EMPLOYEE OF THE HOSPITAL.

28 2. DEFINITIONS. AS USED IN THIS SECTION:

29 (A) "OPIOID ANALGESIC DRUG PRODUCT" MEANS A DRUG IN THE OPIOID ANAL-  
30 GESIC DRUG CLASS PRESCRIBED TO TREAT MODERATE TO SEVERE PAIN OR OTHER  
31 CONDITIONS, WHETHER IN IMMEDIATE RELEASE OR EXTENDED RELEASE LONG ACTING  
32 FORM AND WHETHER OR NOT COMBINED WITH OTHER DRUG SUBSTANCES TO FORM A  
33 SINGLE DRUG PRODUCT OR OTHER DOSAGE FORM.

34 (B) "ABUSE-DETERRENT OPIOID ANALGESIC DRUG PRODUCT" MEANS A BRAND OR  
35 GENERIC OPIOID ANALGESIC DRUG PRODUCT APPROVED BY THE FEDERAL FOOD AND  
36 DRUG ADMINISTRATION WITH ABUSE-DETERRENCE LABELING CLAIMS INDICATING ITS  
37 ABUSE-DETERRENT PROPERTIES ARE EXPECTED TO DETER OR REDUCE ITS ABUSE.

38 (C) "INTERCHANGE OR SUBSTITUTION OF AN OPIOID DRUG" MEANS THE SUBSTI-  
39 TUTION OF ANY ABUSE-DETERRENT OPIOID DRUG PRODUCT, BRAND OR GENERIC,  
40 WITH AN OPIOID ANALGESIC DRUG LACKING ABUSE-DETERRENT PROPERTIES.

41 (D) "PHARMACIST" INCLUDES ANY PHARMACIST DISPENSING DRUGS UNDER THE  
42 JURISDICTION OF THE STATE BOARD OF PHARMACY, INCLUDING BUT NOT LIMITED  
43 TO, COMMUNITY PHARMACISTS AND PHARMACISTS IN MAIL ORDER PHARMACIES  
44 LICENSED BY THE STATE TO DISTRIBUTE IN THE STATE.

45 S 33. The insurance law is amended by adding a new section 3216-a to  
46 read as follows:

47 S 3216-A. ACCESS TO ABUSE-DETERRENT OPIOID MEDICATIONS. (A) AN INSUR-  
48 ANCE CARRIER OR HEALTH PLAN SHALL PROVIDE COVERAGE ON ITS FORMULARY,  
49 DRUG LIST OR OTHER LISTS OF SIMILAR CONSTRUCT FOR AT LEAST ONE  
50 ABUSE-DETERRENT OPIOID ANALGESIC DRUG PRODUCT PER OPIOID ANALGESIC  
51 ACTIVE INGREDIENT.

52 (1) COST-SHARING FOR BRAND NAME ABUSE-DETERRENT OPIOID ANALGESIC DRUG  
53 PRODUCTS COVERED PURSUANT TO THIS SECTION SHALL NOT EXCEED THE LOWEST  
54 COST-SHARING LEVEL APPLIED TO BRAND NAME NON-ABUSE DETERRENT OPIOID  
55 DRUGS COVERED UNDER THE APPLICABLE HEALTH PLAN OR POLICY.

(2) COST-SHARING FOR GENERIC ABUSE-DETERRENT OPIOID ANALGESIC DRUG PRODUCTS COVERED PURSUANT TO THIS SECTION SHALL NOT EXCEED THE LOWEST COST-SHARING LEVEL APPLIED TO GENERIC NON-ABUSE DETERRENT OPIOID DRUGS COVERED UNDER THE APPLICABLE HEALTH PLAN OR POLICY.

(3) AN INCREASE IN PATIENT COST-SHARING OR DISINCENTIVES FOR PRESCRIBERS OR DISPENSERS SHALL NOT BE ALLOWED TO ACHIEVE COMPLIANCE WITH THIS SECTION.

(B) ANY PRIOR-AUTHORIZATION REQUIREMENTS OR OTHER UTILIZATION REVIEW MEASURES FOR OPIOID ANALGESICS, AND ANY SERVICE DENIALS MADE PURSUANT THERETO, SHALL NOT REQUIRE USE OF OPIOID ANALGESIC DRUG PRODUCTS WITHOUT ABUSE-DETERRENT PROPERTIES IN ORDER TO ACCESS ABUSE-DETERRENT OPIOID ANALGESIC DRUG PRODUCTS.

(C) DEFINITIONS. AS USED IN THIS SECTION:

(1) "OPIOID ANALGESIC DRUG PRODUCT" MEANS A DRUG IN THE OPIOID ANALGESIC DRUG CLASS PRESCRIBED TO TREAT MODERATE TO SEVERE PAIN OR OTHER CONDITIONS, WHETHER IN IMMEDIATE RELEASE OR EXTENDED LONG ACTING RELEASE FORM AND WHETHER OR NOT COMBINED WITH OTHER DRUG SUBSTANCES TO FORM A SINGLE DRUG PRODUCT OR OTHER DOSAGE FORM.

(2) "ABUSE DETERRENT OPIOID ANALGESIC DRUG PRODUCT" MEANS A BRAND OR GENERIC OPIOID ANALGESIC DRUG PRODUCT APPROVED BY THE FEDERAL FOOD AND DRUG ADMINISTRATION WITH ABUSE-DETERRENCE LABELING CLAIMS INDICATING ITS ABUSE-DETERRENT PROPERTIES ARE EXPECTED TO DETER OR REDUCE ITS ABUSE.

(3) "COST-SHARING" MEANS ANY COVERAGE LIMIT, COPAYMENT, COINSURANCE, DEDUCTIBLE OR OTHER OUT-OF-POCKET PATIENT EXPENSE REQUIREMENTS.

S 34. In Medicaid FFS, the department of health shall make bi-annual assessments of non-preferred drugs in the best clinical interests of New York Medicaid beneficiaries. The department shall include, at the manufacturer's option, a non-preferred drug as a preferred drug when at least 35 percent of prescriptions filled in that drug's class in the previous two quarters were for a non-preferred drug on the preferred drug list, provided that the manufacturer of such previously non-preferred drug agrees to the rebate required under section 1927 of the Social Security Act and an additional supplemental rebate. The department of health and the manufacturer may negotiate the alternative supplemental rebate. The previously non-preferred drug will not be disadvantaged, including but not limited to imposing prior authorization or utilization management requirements, relative to the other preferred drugs in its class other than what is required by the FDA-approved label.

S 35. The department of health shall provide an annual report to the legislature that outlines, with respect to any drug class on the preferred drug list in which only a single therapeutic pathway, which may involve one or more drugs prescribed in combination for the same patient, is preferred, the financial impact of the state's preferred drug list decision, the clinical evidence the state relied on in establishing preferences for the class, and the clinical criteria that permit beneficiaries to access non-preferred drugs in such a class.

S 36. The public health law is amended by adding a new section 276-a to read as follows:

S 276-A. MEDICAID DRUG REBATE REMITTANCE DEMONSTRATION PROGRAM. 1. THE DEPARTMENT SHALL ESTABLISH A MEDICAID DRUG REBATE REMITTANCE DEMONSTRATION PROGRAM FOR THE PURPOSE OF WORKING COLLABORATIVELY WITH THIRD PARTY VENDORS TO VALIDATE THE EXISTING MEDICAID DRUG REBATE CLAIMS AND DETERMINE WHETHER THE DATA CONTAINS DUPLICATE CLAIMS OR CLAIMS ON WHICH REBATES MAY ALREADY HAVE BEEN PAID ALL OR IN PART TO MEDICARE PART D PLANS OR SOME OTHER THIRD PARTIES IN ORDER TO RECTIFY DISPUTED CLAIMS.

1 2. FOR THE PURPOSES OF THIS DEMONSTRATION PROGRAM, THE DEPARTMENT  
2 SHALL PROVIDE UTILIZATION INFORMATION TYING TO INVOICES SENT TO PHARMA-  
3 CEUTICAL MANUFACTURERS, WHICH HAVE ENTERED INTO A REBATE AGREEMENT WITH  
4 THE DEPARTMENT OR WITH THE FEDERAL SECRETARY OF HEALTH AND HUMAN  
5 SERVICES ON BEHALF OF THE DEPARTMENT UNDER SECTION 1927 OF THE FEDERAL  
6 SOCIAL SECURITY ACT, AND TO THIRD PARTY DATA VENDORS, FOR THE PURPOSE OF  
7 VALIDATING CLAIMS SUBMITTED UNDER SUCH REBATE AGREEMENT OR PROGRAM  
8 INCLUDING BUT NOT LIMITED TO, THE PROGRAM FOR ELDERLY PHARMACEUTICAL  
9 INSURANCE COVERAGE, AND THE MEDICAID DRUG REBATE PROGRAM IN GENERAL FOR  
10 THE PERIOD FROM JANUARY FIRST, TWO THOUSAND FOURTEEN THROUGH JUNE THIR-  
11 TIETH, TWO THOUSAND SEVENTEEN. SUCH UTILIZATION INFORMATION SHALL  
12 INCLUDE, BUT NOT BE LIMITED TO: PRESCRIPTION NUMBERS, NATIONAL DRUG  
13 CODES, NUMBER OF UNITS DISPENSED, CLAIMS PAID DATE, DATE OF SERVICE,  
14 PRESCRIBING PHYSICIAN STATE IDENTIFICATION NUMBER, AMOUNT BILLED FOR  
15 EACH PRESCRIPTION, AMOUNT OF REIMBURSEMENT RECEIVED FOR EACH  
16 PRESCRIPTION (INCLUDING ANY ADJUSTMENT CODES), DISPENSING PHARMACY'S  
17 STATE IDENTIFICATION NUMBER, DISPENSING FEE, ANY APPLICABLE THIRD-PARTY  
18 PAYMENTS, APPLICABLE CO-PAYMENTS, REFILL CODE, INTERNAL CLAIM NUMBER OF  
19 THE SCRIPT, DAYS SUPPLY, J-CODE CLAIMS INCLUDING SINGLE SOURCE AND  
20 MULTISOURCE PHYSICIAN ADMINISTERED DRUGS, NPI NUMBERS, MCO PLAN IDENTI-  
21 FIER, MCO PLAN NAME, AND THE NAME, ADDRESS, CITY, STATE AND ZIP CODE OF  
22 THE PRESCRIBING PRACTITIONER AND PHARMACY. THE PRESCRIPTION DRUG UTILI-  
23 ZATION INFORMATION SHALL BE PROVIDED TO THE THIRD PARTY DATA VENDORS AS  
24 SOON AS PRACTICABLE FOLLOWING ESTABLISHMENT OF THIS PROGRAM. THERE SHALL  
25 BE NO COST TO THE DEPARTMENT FOR SERVICES PERFORMED BY THIRD PARTY DATA  
26 VENDORS. ANY PRESCRIPTION DRUG UTILIZATION DATA PROVIDED TO THIRD PARTY  
27 DATA VENDORS UNDER THIS DEMONSTRATION PROGRAM SHALL NOT BE SHARED WITH  
28 OTHER PARTIES, EXCEPT PARTICIPATING DRUG MANUFACTURERS WHO HAVE ENTERED  
29 INTO A REBATE AGREEMENT WITH THE DEPARTMENT OR WITH THE FEDERAL SECRE-  
30 TARY OF HEALTH AND HUMAN SERVICES ON BEHALF OF THE DEPARTMENT UNDER  
31 SECTION 1927 OF THE FEDERAL SOCIAL SECURITY ACT. UTILIZATION DATA  
32 PROVIDED UNDER THIS SECTION SHALL BE USED FOR THE FOLLOWING PURPOSE:  
33 REBATE VALIDATION SERVICES FOR THE BENEFIT OF DRUG COMPANIES AND  
34 STATE/FEDERAL AGENCIES INCLUDING DRUG USE TREND REVIEW. INDIVIDUAL  
35 PATIENT IDENTIFYING INFORMATION SHALL BE KEPT CONFIDENTIAL BY ANY PERSON  
36 OR ENTITY TO WHOM OR TO WHICH IT IS PROVIDED UNDER THIS SECTION. THE  
37 DISCLOSURE OF THE FOREGOING DATA BY THE DEPARTMENT SHALL BE CONSIDERED,  
38 FOR PURPOSES OF SECTION THREE HUNDRED SIXTY-NINE OF THE SOCIAL SERVICES  
39 LAW, TO BE DIRECTLY CONNECTED WITH THE ADMINISTRATION OF MEDICAL ASSIST-  
40 ANCE FOR NEEDY PERSONS.

41 3. THE DEPARTMENT SHALL PROVIDE A REPORT ON THE RESULTS OF THE DEMON-  
42 STRATION PROGRAM, WITH INPUT FROM STAKEHOLDERS, TO THE GOVERNOR, THE  
43 DIRECTOR OF THE DIVISION OF BUDGET, THE STATE COMPTROLLER AND THE LEGIS-  
44 LATURE ON OR BEFORE DECEMBER THIRTY-FIRST, TWO THOUSAND SEVENTEEN. THE  
45 REPORT SHALL INCLUDE FINDINGS AS TO THE DEMONSTRATION PROGRAM'S CONTRIB-  
46 UTION TO IMPROVING THE ABILITY OF THE DEPARTMENT TO VALIDATE DRUG REBATE  
47 CLAIMS AND RECTIFY DISPUTED CLAIMS. IN THE REPORT, THE DEPARTMENT SHALL  
48 OFFER RECOMMENDATIONS AS TO WHETHER THE DEMONSTRATION PROGRAM SHOULD BE  
49 EXTENDED, MODIFIED, ELIMINATED OR MADE PERMANENT.

50 S 37. The public health law is amended by adding a new section 278-a  
51 to read as follows:

52 S 278-A. LIMITATION ON EXCESSIVE PRICE INCREASES; PRESCRIPTION DRUGS:  
53 1. IN THE EVENT A MANUFACTURER, AS DEFINED IN SUBDIVISION TWENTY-ONE OF  
54 SECTION SIXTY-EIGHT HUNDRED TWO OF THE EDUCATION LAW, OF A BRAND OR  
55 GENERIC DRUG, MADE AVAILABLE IN NEW YORK, INCREASES THE WHOLESALE ACQUI-  
56 SITION COST (WAC) OF A DRUG BY A PERCENT EQUAL TO OR GREATER THAN ONE

1 HUNDRED PERCENT AT ANY ONE TIME OR IN THE AGGREGATE IN ANY TWELVE MONTH  
2 PERIOD:

3 (A) THE MANUFACTURER SHALL, NOT LESS THAN THIRTY DAYS PRIOR TO INSTI-  
4 TUTING SUCH INCREASE, NOTIFY THE COMMISSIONER AND THE DRUG UTILIZATION  
5 REVIEW BOARD ESTABLISHED UNDER SECTION THREE HUNDRED SIXTY-NINE-BB OF  
6 THE SOCIAL SERVICES LAW. NOTICE SHALL BE PROVIDED ON THE FORM ESTAB-  
7 LISHED PURSUANT TO SUBDIVISION TWO OF THIS SECTION; AND

8 (B) THE COMMISSIONER SHALL REQUIRE PRIOR AUTHORIZATION AND AUTHORIZE  
9 MEDICAID MANAGED CARE PLANS TO REQUIRE PRIOR AUTHORIZATION FOR THE DRUG  
10 EFFECTIVE AS OF THE DATE OF THE PRICE INCREASE AND CONTINUING UNTIL A  
11 DETERMINATION IS MADE BY THE DRUG UTILIZATION REVIEW BOARD.

12 2. THE COMMISSIONER, IN CONSULTATION WITH THE DRUG UTILIZATION REVIEW  
13 BOARD, SHALL PRODUCE AND MAKE AVAILABLE TO MANUFACTURERS A PRICE  
14 INCREASE NOTIFICATION FORM THAT SHALL ELICIT:

15 (A) THE MOST RECENT WHOLESALE ACQUISITION COST (WAC) OF THE DRUG PRIOR  
16 TO AN INCREASE EQUAL TO OR GREATER THAN ONE HUNDRED PERCENT AT ANY ONE  
17 TIME OR IN THE AGGREGATE IN ANY TWELVE MONTH PERIOD IN EITHER PRICING  
18 MEASURE. FOR THE PURPOSES OF THIS SECTION WHOLESALE ACQUISITION COST  
19 (WAC) SHALL INCLUDE THE PRICES FOR EACH DOSAGE, SIZE OR CONCENTRATION OF  
20 THE DRUG OFFERED OR SOLD BY THE MANUFACTURER;

21 (B) THE WHOLESALE ACQUISITION COST (WAC) OF THE DRUG WHEN EXCEEDING  
22 THE ONE HUNDRED PERCENT THRESHOLD;

23 (C) ANY MATERIAL CHANGE IN INGREDIENT, PRODUCTION, OR MANUFACTURING  
24 COSTS RESULTING IN THE PRICE INCREASE;

25 (D) IN THE CASE OF A BRAND DRUG, THE EXPIRATION DATE OF THE PATENT;

26 (E) IN THE CASE OF A GENERIC DRUG, WHETHER THE DRUG IS A SOLE SOURCE  
27 DRUG; AND

28 (F) ANY OTHER INFORMATION THE MANUFACTURER DEEMS RELEVANT TO THE  
29 BOARD'S REVIEW.

30 3. UPON RECEIPT OF A PRICE INCREASE NOTIFICATION FORM, THE DRUG UTILI-  
31 ZATION REVIEW BOARD SHALL REVIEW THE PRICE INCREASE AND MAKE A DETERMI-  
32 NATION AS TO WHETHER THE PRICE INCREASE IS EXCESSIVE. IN MAKING A DETER-  
33 MINATION THE BOARD SHALL CONSIDER:

34 (A) THE WHOLESALE ACQUISITION COST (WAC) OF THE DRUG IN COMPARISON TO  
35 ANY GENERIC EQUIVALENT OR THERAPEUTICALLY EQUIVALENT DRUG;

36 (B) THE FDA APPROVED OR COMPENDIUM SUPPORTED USE OF THE DRUG AND CRIT-  
37 ICAL NEED TO THE PATIENT;

38 (C) ANY KNOWN MARKET FACTORS JUSTIFYING THE PRICE INCREASE, INCLUDING  
39 BUT NOT LIMITED TO:

40 (I) WHETHER THE DRUG HAS BEEN ABSENT FROM THE MARKET FOR ANY PERIOD OF  
41 TIME; AND

42 (II) CHANGES IN MANUFACTURING OR REGULATORY REQUIREMENTS OR COSTS.

43 (D) ANY MATERIAL CHANGE IN THE PREVALENCE OR SEVERITY OF THE DISEASE  
44 OR MEDICAL CONDITION OR CONDITIONS THAT THE DRUG IS APPROVED TO TREAT;

45 (E) IN THE CASE OF A BRAND DRUG, THE EXPIRATION DATE OF THE PATENT;  
46 AND

47 (F) IN THE CASE OF A GENERIC DRUG, WHETHER THE DRUG IS A SOLE SOURCE  
48 DRUG.

49 4. UPON A FINDING BY THE DRUG UTILIZATION REVIEW BOARD THAT A MANUFAC-  
50 Turer HAS INSTITUTED AN EXCESSIVE PRICE INCREASE, (I) THE BOARD SHALL  
51 REQUIRE PRIOR AUTHORIZATION FOR THE DRUG AND AUTHORIZE MEDICAID MANAGED  
52 CARE PLANS TO REQUIRE PRIOR AUTHORIZATION UNTIL THE BOARD DETERMINES  
53 OTHERWISE; AND (II) THE BOARD MAY REFER THE MATTER TO THE ATTORNEY  
54 GENERAL WITH ANY INFORMATION NECESSARY FOR THE INVESTIGATION AND PROSE-  
55 CUTION OF PRICE GOUGING VIOLATIONS UNDER SECTION THREE HUNDRED  
56 NINETY-SIX-RRR OF THE GENERAL BUSINESS LAW. IN THE EVENT THE BOARD DOES

NOT FIND THAT THE MANUFACTURER HAS ENGAGED IN AN EXCESSIVE PRICE INCREASE, THE BOARD SHALL REMOVE THE REQUIREMENT FOR PRIOR AUTHORIZATION AND SUCH AUTHORITY GRANTED TO MEDICAID MANAGED CARE PLANS TO INSTITUTE PRIOR AUTHORIZATION UNDER THIS SECTION SHALL CEASE.

S 38. The general business law is amended by adding a new section 396-rrr to read as follows:

S 396-RRR. PRICE GOUGING; PRESCRIPTION DRUGS. 1. LEGISLATIVE FINDINGS AND DECLARATION. THE LEGISLATURE HEREBY FINDS THAT EXCESSIVE PRICE INCREASES TO PRESCRIPTION DRUGS THAT LACK JUSTIFICATION BASED ON MARKET FORCES CREATE A PUBLIC HEALTH RISK TO CONSUMERS THAT RELY ON THESE PRESCRIPTION DRUGS. IN ORDER TO PREVENT A MANUFACTURER, AS DEFINED IN SUBDIVISION TWENTY-ONE OF SECTION SIXTY-EIGHT HUNDRED TWO OF THE EDUCATION LAW, FROM TAKING UNFAIR ADVANTAGE OF CONSUMERS WHO RELY UPON AND MAY LOSE ACCESS TO THE PRESCRIPTION DRUGS IF THE MEDICATION HAS A SUDDEN AND EXCESSIVE PRICE INCREASE, THE LEGISLATURE DECLARES THAT THE PUBLIC INTEREST REQUIRES THAT SUCH CONDUCT BE PROHIBITED AND MADE SUBJECT TO CIVIL PENALTIES.

2. IN ORDER TO PREVENT A DRUG MANUFACTURER, AS DEFINED IN SUBDIVISION TWENTY-ONE OF SECTION SIXTY-EIGHT HUNDRED TWO OF THE EDUCATION LAW, FROM IMPOSING UNCONSCIONABLY AND UNJUSTIFIABLY EXCESSIVE PRICE INCREASES, THE ATTORNEY GENERAL MAY, UPON REFERRAL FROM THE DRUG UTILIZATION REVIEW BOARD AS CODIFIED IN SECTION TWO HUNDRED SEVENTY-EIGHT-A OF THE PUBLIC HEALTH LAW, APPLY IN THE NAME OF THE PEOPLE OF THE STATE OF NEW YORK TO THE SUPREME COURT OF THE STATE OF NEW YORK WITHIN THE JUDICIAL DISTRICT IN WHICH SUCH VIOLATIONS ARE ALLEGED TO HAVE OCCURRED, ON NOTICE OF FIVE DAYS, FOR AN ORDER ENJOINING OR RESTRAINING COMMISSION OR CONTINUANCE OF THE ALLEGED UNLAWFUL ACTS. IN ANY SUCH PROCEEDING, THE COURT MAY IMPOSE A CIVIL PENALTY IN AN AMOUNT NOT TO EXCEED TWENTY-FIVE THOUSAND DOLLARS AND, WHERE APPROPRIATE, ORDER RESTITUTION TO AGGRIEVED CONSUMERS.

3. WHETHER A PRICE IS UNCONSCIONABLY AND UNJUSTIFIABLY EXCESSIVE IS A QUESTION OF LAW FOR THE COURT. THE COURT'S DETERMINATION THAT A VIOLATION OF THIS SECTION HAS OCCURRED SHALL BE BASED UPON THE FOLLOWING FACTORS:

(A) THE INCREASE IN PRICE IS UNCONSCIONABLY EXTREME;

(B) THE DRUG IS VITAL AND MEDICALLY NECESSARY TO THE HEALTH OF THE CONSUMER;

(C) THE DRUG IS A SOLE SOURCE DRUG WITHOUT A THERAPEUTIC EQUIVALENT; AND

(D) THE PRICE INCREASE WAS WITHIN THE CONTROL OF THE MANUFACTURER AND NOT CAUSED BY COSTS IMPOSED ON OR FACTORS BEYOND THE CONTROL OF THE MANUFACTURER.

S 39. Section 367-b of the social services law is amended by adding a new subdivision 15 to read as follows:

15. (A) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, CLAIMS FOR PAYMENT FOR MEDICAL CARE, SERVICES OR SUPPLIES FURNISHED BY ANY PROVIDER UNDER THE MEDICAL ASSISTANCE PROGRAM MUST BE INITIALLY SUBMITTED WITHIN NINETY DAYS OF THE DATE THE MEDICAL CARE, SERVICES OR SUPPLIES WERE FURNISHED TO AN ELIGIBLE PERSON TO BE VALID AND ENFORCEABLE AGAINST THE DEPARTMENT OR A SOCIAL SERVICES DISTRICT, UNLESS THE PROVIDER'S SUBMISSION OF THE CLAIMS IS DELAYED BEYOND NINETY DAYS DUE TO CIRCUMSTANCES OUTSIDE OF THE CONTROL OF THE PROVIDER. SUCH CIRCUMSTANCES INCLUDE, BUT ARE NOT LIMITED TO, ATTEMPTS TO RECOVER FROM A THIRD-PARTY INSURER, LEGAL PROCEEDINGS AGAINST A RESPONSIBLE THIRD-PARTY OR THE RECIPIENT OF THE MEDICAL CARE, SERVICES OR SUPPLIES, AN UNFORESEEABLE COMPUTER OR SYSTEMS MALFUNCTION WHICH, IN THE JUDGMENT OF THE DEPARTMENT, IMPACTED THE SUBMISSION OF A SIGNIFICANT NUMBER OF CLAIMS AND WAS UNKNOWN TO THE PROVIDER PRIOR TO

1 THE EXPIRATION OF THE NINETY DAY TIME PERIOD, OR DELAYS IN THE DETERMI-  
2 NATION OF CLIENT ELIGIBILITY BY THE SOCIAL SERVICES DISTRICT. ALL CLAIMS  
3 SUBMITTED AFTER NINETY DAYS MUST BE ACCOMPANIED BY A STATEMENT OF THE  
4 REASON FOR SUCH DELAY AND MUST BE SUBMITTED WITHIN THIRTY DAYS FROM THE  
5 TIME SUBMISSION CAME WITHIN THE CONTROL OF THE PROVIDER, SUBJECT TO THE  
6 LIMITATIONS OF PARAGRAPH (C) OF THIS SUBDIVISION.

7 (B) ANY CLAIM RETURNED TO A PROVIDER DUE TO DATA INSUFFICIENCY OR  
8 CLAIMING ERRORS MAY BE RESUBMITTED BY THE PROVIDER UPON PROPER  
9 COMPLETION OF THE CLAIM IN ACCORDANCE WITH THE CLAIMS PROCESSING  
10 REQUIREMENTS OF THE DEPARTMENT WITHIN SIXTY DAYS OF THE DATE OF THE  
11 NOTIFICATION TO THE PROVIDER ADVISING THE PROVIDER OF SUCH INSUFFICIENCY  
12 OR INVALIDITY. ANY RETURNED CLAIM NOT CORRECTLY RESUBMITTED WITHIN SIXTY  
13 DAYS OR ON THE SECOND RESUBMISSION IS NEITHER VALID NOR ENFORCEABLE  
14 AGAINST THE DEPARTMENT OR A SOCIAL SERVICES DISTRICT.

15 (C) NOTWITHSTANDING PARAGRAPHS (A) AND (B) OF THIS SUBDIVISION TO THE  
16 CONTRARY:

17 (I) ALL CLAIMS FOR PAYMENT FOR MEDICAL CARE, SERVICES OR SUPPLIES  
18 FURNISHED BY NON-PUBLIC PROVIDERS UNDER THE MEDICAL ASSISTANCE PROGRAM  
19 MUST BE FINALLY SUBMITTED TO THE DEPARTMENT OR ITS FISCAL AGENT AND BE  
20 PAYABLE WITHIN TWO YEARS FROM THE DATE THE CARE, SERVICES OR SUPPLIES  
21 WERE FURNISHED IN ORDER TO BE VALID AND ENFORCEABLE AS AGAINST THE  
22 DEPARTMENT OR A SOCIAL SERVICES DISTRICT; AND

23 (II) ALL CLAIMS FOR PAYMENT FOR MEDICAL CARE, SERVICES OR SUPPLIES  
24 FURNISHED BY PUBLIC PROVIDERS MUST BE FINALLY SUBMITTED TO THE DEPART-  
25 MENT OR ITS FISCAL AGENT AND BE PAYABLE WITHIN TWO YEARS FROM THE DATE  
26 THE CARE, SERVICES OR SUPPLIES WERE FURNISHED (OR WITHIN SUCH OTHER  
27 PERIOD AS AGREED BY THE DEPARTMENT AND THE PUBLIC PROVIDER FOR PAYMENTS  
28 INITIALLY MADE BY THE PUBLIC PROVIDER UNDER A PROGRAM OTHER THAN THE  
29 MEDICAL ASSISTANCE PROGRAM) IN ORDER TO BE VALID AND ENFORCEABLE AS  
30 AGAINST THE DEPARTMENT OR A SOCIAL SERVICES DISTRICT.

31 (D) FOR PURPOSES OF THIS SUBDIVISION, A CLAIM IS CONSIDERED SUBMITTED  
32 UPON ITS RECEIPT BY THE DEPARTMENT OR ITS FISCAL AGENT.

33 S 40. Restorative care unit demonstration program. 1. Notwithstanding  
34 any law, rule or regulation to the contrary, the commissioner of health,  
35 within amounts appropriated, shall implement a restorative care unit  
36 demonstration program within one year of the effective date of this  
37 section to reduce hospital admissions and readmissions from residential  
38 health care facilities established pursuant to article 28 of the public  
39 health law, through the establishment of restorative care units. Such  
40 units shall provide higher-intensity treatment services for residents  
41 who are at risk of hospitalization upon an acute change in condition,  
42 and seek to improve the capacity of nursing facilities to identify and  
43 treat higher acuity patients with multiple co-morbidities as effectively  
44 as possible in-situ, rather than through admission to an acute care  
45 facility. The unit shall utilize evidence based tools, as well as: (a) a  
46 critical indicator monitoring system to evaluate performance indicators;  
47 (b) patient-focused education to support advanced care planning and  
48 palliative care decisions; and (c) protocols to effect care monitoring  
49 practices designed to reduce the likelihood of change in patient status  
50 conditions that may require acute care evaluation. A residential health  
51 care facility, established pursuant to article 28 of the public health  
52 law, wishing to establish restorative care units must contract with an  
53 eligible applicant.

54 2. For the purposes of this section, an eligible applicant must at a  
55 minimum meet the following criteria: (a) be a New York state entity in  
56 good standing; and (b) have demonstrated experience and capacity in

1 developing and implementing a similar unit as described herein. An  
2 eligible applicant for this demonstration program shall contract with a  
3 residential health care facility, established pursuant to article 28 of  
4 the public health law, with a license in good standing that: (i) employs  
5 a nursing home administrator with at least two years operational experi-  
6 ence; (ii) has a minimum of 160 certified beds; (iii) accepts reimburse-  
7 ment pursuant to title XVIII and title XIX of the federal social securi-  
8 ty act; (iv) has achieved at least a three star overall nursing home  
9 compare rating from the Center for Medicare and Medicaid Services five-  
10 star quality rating system; and (v) operates a discreet dedicated  
11 restorative care unit with a minimum of 18 beds. Additionally, the  
12 contracting facility must have at the time of application, and maintain  
13 during the course of the demonstration, functional wireless internet  
14 connectivity throughout the facility, including backup, with sufficient  
15 bandwidth to support technological monitoring.

16 3. Restorative care units; requirements. Restorative care units shall  
17 provide on-site healthcare services, including, but not limited to: (a)  
18 radiology; (b) peripherally inserted central catheter insertion; (c)  
19 blood sugar, hemoglobin/hematocrit, electrolytes and blood gases moni-  
20 toring; (d) 12-lead transmissible electrocardiograms; (e) specialized  
21 cardiac services, including rapid response teams, crash carts, and defi-  
22 brillators; (f) telemedicine and telemetry which shall have the capabil-  
23 ity to notify the user, in real time, when an urgent or emergent physio-  
24 logical change has occurred in a patient's condition requiring  
25 intervention, and to generate reports that can be accessed by any  
26 provider, in real time, in any location to allow for immediate clinical  
27 intervention. For the purposes of this demonstration, each such unit  
28 must maintain the following clinical staffing levels: (a) one registered  
29 nurse for every six patients, each of whom must be certified in intrave-  
30 nous therapy and advanced cardiovascular life support; and (b) a medical  
31 director certified by the American Board of Critical Care Medicine or  
32 the American Board of Hospital Medicine.

33 4. Electronic health records. For the duration of the demonstration,  
34 the restorative care unit shall utilize and maintain an electronic  
35 health record system that connects to the local regional health informa-  
36 tion organization to facilitate the exchange of health information.

37 5. The department of health shall monitor the quality and effective-  
38 ness of the demonstration program in reducing hospital admissions and  
39 readmissions over a three year period and shall report to the legisla-  
40 ture, within one year of implementation, on the demonstration program's  
41 effectiveness in providing a higher level of care at lower cost, and  
42 include recommendations regarding the utilization of the restorative  
43 care unit model in the state.

44 S 41. This act shall take effect immediately and shall be deemed to  
45 have been in full force and effect on and after April 1, 2016; provided  
46 that:

47 (a) section one of this act shall take effect October 1, 2016;

48 (b) subdivisions 26-a and 32 of section 364-j of the social services  
49 law, as added by sections fourteen and fifteen of this act shall be  
50 deemed repealed on the same date and in the same manner as such section  
51 is repealed;

52 (c) the amendments to section 364-j of the social services law, made  
53 by section twenty-two of this act shall not affect the expiration and  
54 repeal of such section, and shall expire and be deemed repealed there-  
55 with;



(d) the amendments to subdivision 1 of section 364-j of the social services law made by section twenty-three of this act shall not affect the repeal of such section and shall be deemed to repeal therewith;

(e) the amendments to subdivision 2 of section 364-j of the social services law made by section twenty-four of this act shall not affect the repeal of such section and shall be deemed to repeal therewith;

(f) the amendments to subdivision 3 of section 364-j of the social services law made by section twenty-five of this act shall not affect the repeal of such section and shall be deemed to repeal therewith;

(g) the amendments to paragraph (d) of subdivision 2-a of section 2808 of the public health law made by section twenty-six of this act shall not affect the expiration of such paragraph and shall be deemed to expire therewith, when upon such date section twenty-seven of this act shall take effect;

(h) the implementation of the provisions of section twenty-nine of this act shall be subject to the appropriation of moneys specifically for the purposes thereof;

(i) the provisions of sections thirty-two and thirty-three of this act shall take effect on the one hundred twentieth day after it shall have become a law, and shall apply to all policies and contracts issued, renewed, modified, altered or amended on or after such date; and

(j) section thirty-nine of this act shall apply to all provider claims that were the subject of an appeal or department of health review on or after January 1, 2015.

#### PART B-1

Section 1. Section 18 of part C of chapter 60 of the laws of 2014, amending the social services law relating to eliminating prescriber prevails for brand name drugs with generic equivalents, is amended to read as follows:

S 18. The commissioner of health [is authorized to] SHALL establish a disability clinician advisory group of experienced clinicians and clinic administrators who have an understanding of the comprehensive needs of people with disabilities INCLUDING BUT NOT LIMITED TO PEOPLE WITH DEVELOPMENTAL DISABILITIES. Such group shall provide the commissioner and the department of health with information and data on the effect of policies, including proposed regulations or statutes, and of fiscal proposals, including rate setting and appropriations, on the delivery of supports and services, INCLUDING BUT NOT LIMITED TO THE ROLE OF SPECIALTY SERVICES for individuals with disabilities [including but not limited to the role of specialty services.], INCLUDING BUT NOT LIMITED TO INDIVIDUALS WITH DEVELOPMENTAL DISABILITIES. SUCH GROUP SHALL CONSIST OF THE FOLLOWING PERSONS OR THEIR DESIGNEES: THE COMMISSIONER OF DEVELOPMENTAL DISABILITIES, THE COMMISSIONER OF HEALTH, THREE INDIVIDUALS APPOINTED BY THE GOVERNOR, AND TWO INDIVIDUALS EACH BY THE TEMPORARY PRESIDENT OF THE SENATE AND BY THE SPEAKER OF THE ASSEMBLY. THE MEMBERS OF THE GROUP SHALL BE APPOINTED FOR A TERM OF TWO YEARS AND SHALL MEET AT LEAST THREE TIMES IN EACH FULL CALENDAR YEAR DURING THE FIRST TWO YEARS AND ADDITIONALLY UPON THE REQUEST OF THE COMMISSIONER OF HEALTH. THE MEMBERS OF THE GROUP SHALL RECEIVE NO COMPENSATION FOR THEIR SERVICES AS MEMBERS, BUT EACH SHALL BE ALLOWED THE NECESSARY AND ACTUAL EXPENSES INCURRED IN THE PERFORMANCE OF HIS OR HER DUTIES.

S 2. This act shall take effect immediately; provided, however, that any appointments pursuant to section one of this act shall be made within one hundred eighty days of such effective date.

1

## PART C

2 Section 1. Intentionally Omitted.

3 S 2. Paragraph (a) of subdivision 1 of section 18 of chapter 266 of  
4 the laws of 1986, amending the civil practice law and rules and other  
5 laws relating to malpractice and professional medical conduct, as  
6 amended by section 1 of part Y of chapter 57 of the laws of 2015, is  
7 amended to read as follows:8 (a) The superintendent of financial services and the commissioner of  
9 health or their designee shall, from funds available in the hospital  
10 excess liability pool created pursuant to subdivision 5 of this section,  
11 purchase a policy or policies for excess insurance coverage, as author-  
12 ized by paragraph 1 of subsection (e) of section 5502 of the insurance  
13 law; or from an insurer, other than an insurer described in section 5502  
14 of the insurance law, duly authorized to write such coverage and actual-  
15 ly writing medical malpractice insurance in this state; or shall  
16 purchase equivalent excess coverage in a form previously approved by the  
17 superintendent of financial services for purposes of providing equiv-  
18 alent excess coverage in accordance with section 19 of chapter 294 of  
19 the laws of 1985, for medical or dental malpractice occurrences between  
20 July 1, 1986 and June 30, 1987, between July 1, 1987 and June 30, 1988,  
21 between July 1, 1988 and June 30, 1989, between July 1, 1989 and June  
22 30, 1990, between July 1, 1990 and June 30, 1991, between July 1, 1991  
23 and June 30, 1992, between July 1, 1992 and June 30, 1993, between July  
24 1, 1993 and June 30, 1994, between July 1, 1994 and June 30, 1995,  
25 between July 1, 1995 and June 30, 1996, between July 1, 1996 and June  
26 30, 1997, between July 1, 1997 and June 30, 1998, between July 1, 1998  
27 and June 30, 1999, between July 1, 1999 and June 30, 2000, between July  
28 1, 2000 and June 30, 2001, between July 1, 2001 and June 30, 2002,  
29 between July 1, 2002 and June 30, 2003, between July 1, 2003 and June  
30 30, 2004, between July 1, 2004 and June 30, 2005, between July 1, 2005  
31 and June 30, 2006, between July 1, 2006 and June 30, 2007, between July  
32 1, 2007 and June 30, 2008, between July 1, 2008 and June 30, 2009,  
33 between July 1, 2009 and June 30, 2010, between July 1, 2010 and June  
34 30, 2011, between July 1, 2011 and June 30, 2012, between July 1, 2012  
35 and June 30, 2013, between July 1, 2013 and June 30, 2014, between July  
36 1, 2014 and June 30, 2015, [and] between July 1, 2015 and June 30, 2016,  
37 AND BETWEEN JULY 1, 2016 AND JUNE 30, 2017 or reimburse the hospital  
38 where the hospital purchases equivalent excess coverage as defined in  
39 subparagraph (i) of paragraph (a) of subdivision 1-a of this section for  
40 medical or dental malpractice occurrences between July 1, 1987 and June  
41 30, 1988, between July 1, 1988 and June 30, 1989, between July 1, 1989  
42 and June 30, 1990, between July 1, 1990 and June 30, 1991, between July  
43 1, 1991 and June 30, 1992, between July 1, 1992 and June 30, 1993,  
44 between July 1, 1993 and June 30, 1994, between July 1, 1994 and June  
45 30, 1995, between July 1, 1995 and June 30, 1996, between July 1, 1996  
46 and June 30, 1997, between July 1, 1997 and June 30, 1998, between July  
47 1, 1998 and June 30, 1999, between July 1, 1999 and June 30, 2000,  
48 between July 1, 2000 and June 30, 2001, between July 1, 2001 and June  
49 30, 2002, between July 1, 2002 and June 30, 2003, between July 1, 2003  
50 and June 30, 2004, between July 1, 2004 and June 30, 2005, between July  
51 1, 2005 and June 30, 2006, between July 1, 2006 and June 30, 2007,  
52 between July 1, 2007 and June 30, 2008, between July 1, 2008 and June  
53 30, 2009, between July 1, 2009 and June 30, 2010, between July 1, 2010  
54 and June 30, 2011, between July 1, 2011 and June 30, 2012, between July  
55 1, 2012 and June 30, 2013, between July 1, 2013 and June 30, 2014,

1 between July 1, 2014 and June 30, 2015, [and] between July 1, 2015 and  
2 June 30, 2016, AND BETWEEN JULY 1, 2016 AND JUNE 30, 2017 for physicians  
3 or dentists certified as eligible for each such period or periods pursu-  
4 ant to subdivision 2 of this section by a general hospital licensed  
5 pursuant to article 28 of the public health law; provided that no single  
6 insurer shall write more than fifty percent of the total excess premium  
7 for a given policy year; and provided, however, that such eligible  
8 physicians or dentists must have in force an individual policy, from an  
9 insurer licensed in this state of primary malpractice insurance coverage  
10 in amounts of no less than one million three hundred thousand dollars  
11 for each claimant and three million nine hundred thousand dollars for  
12 all claimants under that policy during the period of such excess cover-  
13 age for such occurrences or be endorsed as additional insureds under a  
14 hospital professional liability policy which is offered through a volun-  
15 tary attending physician ("channeling") program previously permitted by  
16 the superintendent of financial services during the period of such  
17 excess coverage for such occurrences. During such period, such policy  
18 for excess coverage or such equivalent excess coverage shall, when  
19 combined with the physician's or dentist's primary malpractice insurance  
20 coverage or coverage provided through a voluntary attending physician  
21 ("channeling") program, total an aggregate level of two million three  
22 hundred thousand dollars for each claimant and six million nine hundred  
23 thousand dollars for all claimants from all such policies with respect  
24 to occurrences in each of such years provided, however, if the cost of  
25 primary malpractice insurance coverage in excess of one million dollars,  
26 but below the excess medical malpractice insurance coverage provided  
27 pursuant to this act, exceeds the rate of nine percent per annum, then  
28 the required level of primary malpractice insurance coverage in excess  
29 of one million dollars for each claimant shall be in an amount of not  
30 less than the dollar amount of such coverage available at nine percent  
31 per annum; the required level of such coverage for all claimants under  
32 that policy shall be in an amount not less than three times the dollar  
33 amount of coverage for each claimant; and excess coverage, when combined  
34 with such primary malpractice insurance coverage, shall increase the  
35 aggregate level for each claimant by one million dollars and three  
36 million dollars for all claimants; and provided further, that, with  
37 respect to policies of primary medical malpractice coverage that include  
38 occurrences between April 1, 2002 and June 30, 2002, such requirement  
39 that coverage be in amounts no less than one million three hundred thou-  
40 sand dollars for each claimant and three million nine hundred thousand  
41 dollars for all claimants for such occurrences shall be effective April  
42 1, 2002.

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

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

1 between July 1, 1999 and June 30, 2000, between July 1, 2000 and June  
2 30, 2001, between July 1, 2001 and June 30, 2002, between July 1, 2002  
3 and June 30, 2003, between July 1, 2003 and June 30, 2004, between July  
4 1, 2004 and June 30, 2005, between July 1, 2005 and June 30, 2006,  
5 between July 1, 2006 and June 30, 2007, between July 1, 2007 and June  
6 30, 2008, between July 1, 2008 and June 30, 2009, between July 1, 2009  
7 and June 30, 2010, between July 1, 2010 and June 30, 2011, between July  
8 1, 2011 and June 30, 2012, between July 1, 2012 and June 30, 2013, and  
9 between July 1, 2013 and June 30, 2014, between July 1, 2014 and June  
10 30, 2015, [and] between July 1, 2015 and June 30, 2016, AND BETWEEN JULY  
11 1, 2016 AND JUNE 30, 2017 allocable to each general hospital for physi-  
12 cians or dentists certified as eligible for purchase of a policy for  
13 excess insurance coverage by such general hospital in accordance with  
14 subdivision 2 of this section, and may amend such determination and  
15 certification as necessary.

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

1 30, 1997, to the period July 1, 1997 to December 31, 1997, to the period  
2 January 1, 1998 to June 30, 1998, to the period July 1, 1998 to December  
3 31, 1998, to the period January 1, 1999 to June 30, 1999, to the period  
4 July 1, 1999 to December 31, 1999, to the period January 1, 2000 to June  
5 30, 2000, to the period July 1, 2000 to December 31, 2000, to the period  
6 January 1, 2001 to June 30, 2001, to the period July 1, 2001 to June 30,  
7 2002, to the period July 1, 2002 to June 30, 2003, to the period July 1,  
8 2003 to June 30, 2004, to the period July 1, 2004 to June 30, 2005, to  
9 the period July 1, 2005 and June 30, 2006, to the period July 1, 2006  
10 and June 30, 2007, to the period July 1, 2007 and June 30, 2008, to the  
11 period July 1, 2008 and June 30, 2009, to the period July 1, 2009 and  
12 June 30, 2010, to the period July 1, 2010 and June 30, 2011, to the  
13 period July 1, 2011 and June 30, 2012, to the period July 1, 2012 and  
14 June 30, 2013, to the period July 1, 2013 and June 30, 2014, to the  
15 period July 1, 2014 and June 30, 2015, [and] to the period July 1, 2015  
16 and June 30, 2016, AND BETWEEN JULY 1, 2016 AND JUNE 30, 2017.

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

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

55 (b) Each provider of excess insurance coverage or equivalent excess  
56 coverage covering the period July 1, 1992 to June 30, 1993, or covering

1 the period July 1, 1993 to June 30, 1994, or covering the period July 1,  
2 1994 to June 30, 1995, or covering the period July 1, 1995 to June 30,  
3 1996, or covering the period July 1, 1996 to June 30, 1997, or covering  
4 the period July 1, 1997 to June 30, 1998, or covering the period July 1,  
5 1998 to June 30, 1999, or covering the period July 1, 1999 to June 30,  
6 2000, or covering the period July 1, 2000 to June 30, 2001, or covering  
7 the period July 1, 2001 to October 29, 2001, or covering the period  
8 April 1, 2002 to June 30, 2002, or covering the period July 1, 2002 to  
9 June 30, 2003, or covering the period July 1, 2003 to June 30, 2004, or  
10 covering the period July 1, 2004 to June 30, 2005, or covering the peri-  
11 od July 1, 2005 to June 30, 2006, or covering the period July 1, 2006 to  
12 June 30, 2007, or covering the period July 1, 2007 to June 30, 2008, or  
13 covering the period July 1, 2008 to June 30, 2009, or covering the peri-  
14 od July 1, 2009 to June 30, 2010, or covering the period July 1, 2010 to  
15 June 30, 2011, or covering the period July 1, 2011 to June 30, 2012, or  
16 covering the period July 1, 2012 to June 30, 2013, or covering the peri-  
17 od July 1, 2013 to June 30, 2014, or covering the period July 1, 2014 to  
18 June 30, 2015, or covering the period July 1, 2015 to June 30, 2016, OR  
19 COVERING THE PERIOD JULY 1, 2016 TO JUNE 30, 2017 shall notify a covered  
20 physician or dentist by mail, mailed to the address shown on the last  
21 application for excess insurance coverage or equivalent excess coverage,  
22 of the amount due to such provider from such physician or dentist for  
23 such coverage period determined in accordance with paragraph (a) of this  
24 subdivision. Such amount shall be due from such physician or dentist to  
25 such provider of excess insurance coverage or equivalent excess coverage  
26 in a time and manner determined by the superintendent of financial  
27 services.

28 (c) If a physician or dentist liable for payment of a portion of the  
29 costs of excess insurance coverage or equivalent excess coverage cover-  
30 ing the period July 1, 1992 to June 30, 1993, or covering the period  
31 July 1, 1993 to June 30, 1994, or covering the period July 1, 1994 to  
32 June 30, 1995, or covering the period July 1, 1995 to June 30, 1996, or  
33 covering the period July 1, 1996 to June 30, 1997, or covering the peri-  
34 od July 1, 1997 to June 30, 1998, or covering the period July 1, 1998 to  
35 June 30, 1999, or covering the period July 1, 1999 to June 30, 2000, or  
36 covering the period July 1, 2000 to June 30, 2001, or covering the peri-  
37 od July 1, 2001 to October 29, 2001, or covering the period April 1,  
38 2002 to June 30, 2002, or covering the period July 1, 2002 to June 30,  
39 2003, or covering the period July 1, 2003 to June 30, 2004, or covering  
40 the period July 1, 2004 to June 30, 2005, or covering the period July 1,  
41 2005 to June 30, 2006, or covering the period July 1, 2006 to June 30,  
42 2007, or covering the period July 1, 2007 to June 30, 2008, or covering  
43 the period July 1, 2008 to June 30, 2009, or covering the period July 1,  
44 2009 to June 30, 2010, or covering the period July 1, 2010 to June 30,  
45 2011, or covering the period July 1, 2011 to June 30, 2012, or covering  
46 the period July 1, 2012 to June 30, 2013, or covering the period July 1,  
47 2013 to June 30, 2014, or covering the period July 1, 2014 to June 30,  
48 2015, or covering the period July 1, 2015 to June 30, 2016, OR COVERING  
49 THE PERIOD JULY 1, 2016 TO JUNE 30, 2017 determined in accordance with  
50 paragraph (a) of this subdivision fails, refuses or neglects to make  
51 payment to the provider of excess insurance coverage or equivalent  
52 excess coverage in such time and manner as determined by the superinten-  
53 dent of financial services pursuant to paragraph (b) of this subdivi-  
54 sion, excess insurance coverage or equivalent excess coverage purchased  
55 for such physician or dentist in accordance with this section for such  
56 coverage period shall be cancelled and shall be null and void as of the

1 first day on or after the commencement of a policy period where the  
2 liability for payment pursuant to this subdivision has not been met.

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

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

1 1997 to June 30, 1998, and covering the period July 1, 1998 to June 30,  
2 1999, and covering the period July 1, 1999 to June 30, 2000, and cover-  
3 ing the period July 1, 2000 to June 30, 2001, and covering the period  
4 July 1, 2001 to October 29, 2001, and covering the period April 1, 2002  
5 to June 30, 2002, and covering the period July 1, 2002 to June 30, 2003,  
6 and covering the period July 1, 2003 to June 30, 2004, and covering the  
7 period July 1, 2004 to June 30, 2005, and covering the period July 1,  
8 2005 to June 30, 2006, and covering the period July 1, 2006 to June 30,  
9 2007, and covering the period July 1, 2007 to June 30, 2008, and cover-  
10 ing the period July 1, 2008 to June 30, 2009, and covering the period  
11 July 1, 2009 to June 30, 2010, and covering the period July 1, 2010 to  
12 June 30, 2011, and covering the period July 1, 2011 to June 30, 2012,  
13 and covering the period July 1, 2012 to June 30, 2013, and covering the  
14 period July 1, 2013 to June 30, 2014, and covering the period July 1,  
15 2014 to June 30, 2015, and covering the period July 1, 2015 to June 30,  
16 2016, AND COVERING THE PERIOD JULY 1, 2016 TO JUNE 30, 2017 for a physi-  
17 cian or dentist where such excess insurance coverage or equivalent  
18 excess coverage is cancelled in accordance with paragraph (c) of this  
19 subdivision.

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

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



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

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

35 S 5. The superintendent of financial services and the commissioner of  
36 health shall determine, no later than June 15, 2002, June 15, 2003, June  
37 15, 2004, June 15, 2005, June 15, 2006, June 15, 2007, June 15, 2008,  
38 June 15, 2009, June 15, 2010, June 15, 2011, June 15, 2012, June 15,  
39 2013, June 15, 2014, June 15, 2015, [and] June 15, 2016, AND JUNE 15,  
40 2017 the amount of funds available in the hospital excess liability  
41 pool, created pursuant to section 18 of chapter 266 of the laws of 1986,  
42 and whether such funds are sufficient for purposes of purchasing excess  
43 insurance coverage for eligible participating physicians and dentists  
44 during the period July 1, 2001 to June 30, 2002, or July 1, 2002 to June  
45 30, 2003, or July 1, 2003 to June 30, 2004, or July 1, 2004 to June 30,  
46 2005, or July 1, 2005 to June 30, 2006, or July 1, 2006 to June 30,  
47 2007, or July 1, 2007 to June 30, 2008, or July 1, 2008 to June 30,  
48 2009, or July 1, 2009 to June 30, 2010, or July 1, 2010 to June 30,  
49 2011, or July 1, 2011 to June 30, 2012, or July 1, 2012 to June 30,  
50 2013, or July 1, 2013 to June 30, 2014, or July 1, 2014 to June 30,  
51 2015, or July 1, 2015 to June 30, 2016, OR JULY 1, 2016 TO JUNE 30, 2017  
52 as applicable.

53 (a) This section shall be effective only upon a determination, pursu-  
54 ant to section five of this act, by the superintendent of financial  
55 services and the commissioner of health, and a certification of such  
56 determination to the state director of the budget, the chair of the

1 senate committee on finance and the chair of the assembly committee on  
2 ways and means, that the amount of funds in the hospital excess liabil-  
3 ity pool, created pursuant to section 18 of chapter 266 of the laws of  
4 1986, is insufficient for purposes of purchasing excess insurance cover-  
5 age for eligible participating physicians and dentists during the period  
6 July 1, 2001 to June 30, 2002, or July 1, 2002 to June 30, 2003, or July  
7 1, 2003 to June 30, 2004, or July 1, 2004 to June 30, 2005, or July 1,  
8 2005 to June 30, 2006, or July 1, 2006 to June 30, 2007, or July 1, 2007  
9 to June 30, 2008, or July 1, 2008 to June 30, 2009, or July 1, 2009 to  
10 June 30, 2010, or July 1, 2010 to June 30, 2011, or July 1, 2011 to June  
11 30, 2012, or July 1, 2012 to June 30, 2013, or July 1, 2013 to June 30,  
12 2014, or July 1, 2014 to June 30, 2015, or July 1, 2015 to June 30,  
13 2016, OR JULY 1, 2016 TO JUNE 30, 2017 as applicable.

14 (e) The commissioner of health shall transfer for deposit to the  
15 hospital excess liability pool created pursuant to section 18 of chapter  
16 266 of the laws of 1986 such amounts as directed by the superintendent  
17 of financial services for the purchase of excess liability insurance  
18 coverage for eligible participating physicians and dentists for the  
19 policy year July 1, 2001 to June 30, 2002, or July 1, 2002 to June 30,  
20 2003, or July 1, 2003 to June 30, 2004, or July 1, 2004 to June 30,  
21 2005, or July 1, 2005 to June 30, 2006, or July 1, 2006 to June 30,  
22 2007, as applicable, and the cost of administering the hospital excess  
23 liability pool for such applicable policy year, pursuant to the program  
24 established in chapter 266 of the laws of 1986, as amended, no later  
25 than June 15, 2002, June 15, 2003, June 15, 2004, June 15, 2005, June  
26 15, 2006, June 15, 2007, June 15, 2008, June 15, 2009, June 15, 2010,  
27 June 15, 2011, June 15, 2012, June 15, 2013, June 15, 2014, June 15,  
28 2015, [and] June 15, 2016, AND JUNE 15, 2017 as applicable.

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

54 S 8. Section 7404 of the insurance law, as amended by chapter 215 of  
55 the laws of 1993, is amended to read as follows:

1 S 7404. Grounds for liquidation. (A) The superintendent may apply  
2 under this article for an order directing the superintendent to liqui-  
3 date the business of a domestic insurer, or of the United States branch  
4 of an alien insurer having trustee assets in this state, upon any of  
5 the grounds specified in subsections [(a)] (B) through (o) of section  
6 seven thousand four hundred two of this article, whether or not there  
7 has been a prior order directing the superintendent to rehabilitate such  
8 insurer.

9 (B) WITHIN THIRTY DAYS OF BEING DEEMED INSOLVENT PURSUANT TO  
10 SUBSECTION (A) OF SECTION SEVEN THOUSAND FOUR HUNDRED TWO OF THIS ARTI-  
11 CLE, THE SUPERINTENDENT SHALL APPLY FOR AN ORDER DIRECTING THE SUPER-  
12 INTENDENT TO LIQUIDATE THE BUSINESS OF A DOMESTIC INSURER, OR OF THE  
13 UNITED STATES BRANCH OF AN ALIEN INSURER HAVING TRUSTEED ASSETS IN THIS  
14 STATE, UNLESS THERE HAS BEEN A PRIOR ORDER DIRECTING THE SUPERINTENDENT  
15 TO REHABILITATE SUCH INSURER.

16 S 9. Subsections (d) and (e) of section 3231 of the insurance law,  
17 subsection (d) as amended by section 1 of part A of chapter 494 of the  
18 laws of 2009, subsection (e) as amended by chapter 107 of the laws of  
19 2010, subparagraph (A) of paragraph 1 of subsection (e) as further  
20 amended by section 104 of part A of chapter 62 of the laws of 2011 and  
21 subparagraph (B) of paragraph 1 of subsection (e) as amended by section  
22 61 of part D of chapter 56 of the laws of 2013, are amended to read as  
23 follows:

24 (d) (1) Notwithstanding any other provision of this chapter to the  
25 contrary, no policy form subject to this section shall be issued or  
26 delivered, nor any insurance contract entered into, unless and until the  
27 insurer has filed with the superintendent a schedule of premiums, not to  
28 exceed twelve months in duration, to be paid under the policy forms [and  
29 obtained the superintendent's approval thereof. The superintendent may  
30 refuse such approval if he or she finds that such premiums are exces-  
31 sive, inadequate, or unfairly discriminatory. The superintendent may  
32 consider the financial condition of such insurer in approving or disap-  
33 proving any premium. In determining whether to approve the schedule of  
34 premiums filed, the superintendent shall, subject to the provisions of  
35 section three thousand two hundred thirty-three of this article, consid-  
36 er the prior experience of the insurer's community pool and the insur-  
37 er's projections relating to claim costs, utilization and administrative  
38 expenses and shall not adjust the insurer's rates based upon the rates  
39 approved for other insurers.

40 (2) An insurer shall provide specific claims experience to a municipal  
41 corporation, as defined in subsection (f) of section four thousand seven  
42 hundred two of this chapter, covered by the insurer under a community  
43 rated policy when the municipal corporation requests its claims experi-  
44 ence for purposes of forming or joining a municipal cooperative health  
45 benefit plan certified pursuant to article forty-seven of this chapter.  
46 Notwithstanding the forgoing provisions, no insurer shall be required to  
47 provide more than three years' claims experience to a municipal corpo-  
48 ration making this request.

49 (e) (1) (A) An insurer desiring to increase or decrease premiums for  
50 any policy form subject to this section shall submit a rate filing or  
51 application to the superintendent.

52 An insurer shall send written notice of the proposed rate adjustment,  
53 including the specific change requested, to each policy holder and  
54 certificate holder affected by the adjustment on or before the date the  
55 rate filing or application is submitted to the superintendent. The  
56 notice shall prominently include mailing and website addresses for both

1 the department of financial services and the insurer through which a  
2 person may, within thirty days from the date the rate filing or applica-  
3 tion is submitted to the superintendent, contact the department of  
4 financial services or insurer to receive additional information or to  
5 submit written comments to the department of financial services on the  
6 rate filing or application. The superintendent shall establish a process  
7 to post on the department's website, in a timely manner, all relevant  
8 written comments received pertaining to rate filings or applications.  
9 The insurer shall provide a copy of the notice to the superintendent  
10 with the rate filing or application. The superintendent shall immediate-  
11 ly cause the notice to be posted on the department of financial  
12 services' website. The superintendent shall determine whether the filing  
13 or application shall become effective as filed, shall become effective  
14 as modified, or shall be disapproved. The superintendent may modify or  
15 disapprove the rate filing or application if the superintendent finds  
16 that the premiums are unreasonable, excessive, inadequate, or unfairly  
17 discriminatory, and may consider the financial condition of the insurer  
18 when approving, modifying or disapproving any premium adjustment. The  
19 determination of the superintendent shall be supported by sound actuari-  
20 al assumptions and methods, and shall be rendered in writing between  
21 thirty and sixty days from the date the rate filing or application is  
22 submitted to the superintendent. Should the superintendent require addi-  
23 tional information from the insurer in order to make a determination,  
24 the superintendent shall require the insurer to furnish such informa-  
25 tion, and in such event, the sixty days shall be tolled and shall resume  
26 as of the date the insurer furnishes the information to the superinten-  
27 dent. If the superintendent requests additional information less than  
28 ten days from the expiration of the sixty days (exclusive of tolling),  
29 the superintendent may extend the sixty day period an additional twenty  
30 days to make a determination. The application or rate filing will be  
31 deemed approved if a determination is not rendered within the time  
32 allotted under this section. An insurer shall not implement a rate  
33 adjustment unless the insurer provides at least sixty days advance writ-  
34 ten notice of the premium rate adjustment approved by the superintendent  
35 to each policy holder and certificate holder affected by the rate  
36 adjustment.

37 (B) The expected minimum loss ratio for a policy form subject to this  
38 section, for which a rate filing or application is made pursuant to this  
39 paragraph, other than a medicare supplemental insurance policy, or, with  
40 the approval of the superintendent, an aggregation of policy forms that  
41 are combined into one community rating experience pool and rated  
42 consistent with community rating requirements, shall not be less than  
43 eighty-two percent. In reviewing a rate filing or application, the  
44 superintendent may modify the eighty-two percent expected minimum loss  
45 ratio requirement if the superintendent determines the modification to  
46 be in the interests of the people of this state or if the superintendent  
47 determines that a modification is necessary to maintain insurer solven-  
48 cy. No later than July thirty-first of each year, every insurer subject  
49 to this subparagraph shall annually report the actual loss ratio for the  
50 previous calendar year in a format acceptable to the superintendent. If  
51 an expected loss ratio is not met, the superintendent may direct the  
52 insurer to take corrective action, which may include the submission of a  
53 rate filing to reduce future premiums, or to issue dividends, premium  
54 refunds or credits, or any combination of these.

55 (2) (A) Until September thirtieth, two thousand ten, as an alternate  
56 procedure to the requirements of paragraph one of this subsection, an

1 insurer desiring to increase or decrease premiums for any policy form  
2 subject to this section may instead submit a rate filing or application  
3 to the superintendent and such application or]. SUCH filing shall be  
4 deemed approved, provided that: (i) the anticipated minimum loss ratio  
5 for a policy form shall not be less than eighty-two percent of the  
6 premium; and (ii) the insurer submits, as part of such filing, a certifi-  
7 cation by a member of the American Academy of Actuaries or other indi-  
8 vidual acceptable to the superintendent that the insurer is in compli-  
9 ance with the provisions of this paragraph, based upon that person's  
10 examination, including a review of the appropriate records and of the  
11 actuarial assumptions and methods used by the insurer in establishing  
12 premium rates for policy forms subject to this section. [An insurer  
13 shall not utilize the alternate procedure pursuant to this paragraph to  
14 implement a change in rates to be effective on or after October first,  
15 two thousand ten] AN INSURER SHALL NOT IMPLEMENT A PREMIUM RATE ADJUST-  
16 MENT UNLESS THE INSURER PROVIDES AT LEAST ONE HUNDRED TWENTY DAYS  
17 ADVANCE NOTICE OF THE PREMIUM RATE ADJUSTMENT BY WRITTEN NOTICE TO EACH  
18 POLICY HOLDER AND CERTIFICATE HOLDER AFFECTED BY THE RATE ADJUSTMENT.

19 [(B)] (2) Each calendar year, an insurer shall return, in the form of  
20 aggregate benefits for each policy form [filed pursuant to the alternate  
21 procedure set forth in this paragraph] at least eighty-two percent of  
22 the aggregate premiums collected for the policy form during that calen-  
23 dar year. Insurers shall annually report, no later than [June thirtieth]  
24 JULY THIRTY-FIRST of each year, the loss ratio calculated pursuant to  
25 this paragraph for each such policy form for the previous calendar year.  
26 In each case where the loss ratio for a policy form fails to comply with  
27 the eighty-two percent loss ratio requirement, the insurer shall issue a  
28 dividend or credit against future premiums for all policy holders with  
29 that policy form in an amount sufficient to assure that the aggregate  
30 benefits paid in the previous calendar year plus the amount of the divi-  
31 dends and credits shall equal eighty-two percent of the aggregate premi-  
32 ums collected for the policy form in the previous calendar year. The  
33 dividend or credit shall be issued to each policy holder who had a poli-  
34 cy which was in effect at any time during the applicable year. The divi-  
35 dend or credit shall be prorated based on the direct premiums earned for  
36 the applicable year among all policy holders eligible to receive such  
37 dividend or credit. An insurer shall make a reasonable effort to identi-  
38 fy the current address of, and issue dividends or credits to, former  
39 policy holders entitled to the dividend or credit. An insurer shall,  
40 with respect to dividends or credits to which former policy holders that  
41 the insurer is unable to identify after a reasonable effort would other-  
42 wise be entitled, have the option, as deemed acceptable by the super-  
43 intendent, of prospectively adjusting premium rates by the amount of  
44 such dividends or credits, issuing the amount of such dividends or cred-  
45 its to existing policy holders, depositing the amount of such dividends  
46 or credits in the fund established pursuant to section four thousand  
47 three hundred twenty-two-a of this chapter, or utilizing any other meth-  
48 od which offsets the amount of such dividends or credits. All dividends  
49 and credits must be distributed by September thirtieth of the year  
50 following the calendar year in which the loss ratio requirements were  
51 not satisfied. The annual report required by this paragraph shall  
52 include an insurer's calculation of the dividends and credits, as well  
53 as an explanation of the insurer's plan to issue dividends or credits.  
54 The instructions and format for calculating and reporting loss ratios  
55 and issuing dividends or credits shall be specified by the superinten-  
56 dent by regulation. Such regulations shall include provisions for the

1 distribution of a dividend or credit in the event of cancellation or  
2 termination by a policy holder.

3 [(3) All policy forms subject to this subsection, other than medicare  
4 supplemental insurance policy forms, issued or in effect during calendar  
5 year two thousand ten shall be subject to a minimum loss ratio require-  
6 ment of eighty-two percent. Insurers may use the alternate filing proce-  
7 dure set forth in paragraph two of this subsection to adjust premium  
8 rates in order to meet the required minimum loss ratio for calendar year  
9 two thousand ten. The rate filing or application shall be submitted no  
10 later than September thirtieth, two thousand ten.]

11 S 10. Section 4308 of the insurance law, as amended by chapter 107 of  
12 the laws of 2010, paragraph 2 of subsection (c) as further amended by  
13 section 104 of part A of chapter 62 of the laws of 2011 and subparagraph  
14 (A) of paragraph 3 of subsection (c) as amended by section 62 of part D  
15 of chapter 56 of the laws of 2013, is amended to read as follows:

16 S 4308. Supervision of superintendent. (a) No corporation subject to  
17 the provisions of this article shall enter into any contract unless and  
18 until it shall have filed with the superintendent a copy of the contract  
19 or certificate [and of], all applications, riders and endorsements for  
20 use in connection with the issuance or renewal thereof[, to be formally  
21 approved by him as conforming to the applicable provisions of this arti-  
22 cle and not inconsistent with any other provision of law applicable  
23 thereto. The superintendent shall, within a reasonable time after the  
24 filing of any such form, notify the corporation filing the same either  
25 of his approval or of his disapproval of such form.

26 (b) No corporation subject to the provisions of this article shall  
27 enter into any contract unless and until it shall have filed with the  
28 superintendent a schedule of the premiums or, if appropriate, rating  
29 formula from which premiums are determined, to be paid under the  
30 contracts and shall have obtained the superintendent's approval thereof.  
31 The superintendent may refuse such approval if he finds that such premi-  
32 ums, or the premiums derived from the rating formula, are excessive,  
33 inadequate or unfairly discriminatory, provided, however, the super-  
34 intendent may also consider the financial condition of such corporation  
35 in approving or disapproving any premium or rating formula. Any adjust-  
36 ments to an approved schedule of premiums or to the approved rating  
37 formula for non-community rated contracts shall also be subject to the  
38 approval of the superintendent provided, however, such adjustments shall  
39 not be subject to the requirements of subsection (c) of this section.  
40 Any premium or formula approved by the superintendent shall make  
41 provision for such increase as may be necessary to meet the requirements  
42 of a plan approved by the superintendent in the manner prescribed in  
43 section four thousand three hundred ten of this article for restoration  
44 of the statutory reserve fund required by such section. Notwithstanding  
45 any other provision of law, the superintendent, as part of the rate  
46 increase approval process, may defer, reduce or reject a rate increase  
47 if, in the judgment of the superintendent, the salary increases for  
48 senior level management executives employed at corporations subject to  
49 the provisions of this article are excessive or unwarranted given the  
50 financial condition or overall performance of such corporation. The  
51 superintendent is authorized to promulgate rules and regulations which  
52 the superintendent deems necessary to carry out such deferral, reduction  
53 or rejection.

54 (c) (1) An increase or decrease in premiums with respect to community  
55 rated contracts shall not be approved by the superintendent unless it is

1 in compliance with the provisions of this subsection as well as other  
2 applicable provisions of law.

3 (2) A corporation desiring to increase or decrease premiums for any  
4 contract subject to this subsection shall submit a rate filing or appli-  
5 cation to the superintendent. A corporation shall send written notice of  
6 the proposed rate adjustment, including the specific change requested,  
7 to each contract holder and subscriber affected by the adjustment on or  
8 before the date the rate filing or application is submitted to the  
9 superintendent. The notice shall prominently include mailing and website  
10 addresses for both the department of financial services and the corpo-  
11 ration through which a person may, within thirty days from the date the  
12 rate filing or application is submitted to the superintendent, contact  
13 the department of financial services or corporation to receive addi-  
14 tional information or to submit written comments to the department of  
15 financial services on the rate filing or application. The superintendent  
16 shall establish a process to post on the department's website, in a  
17 timely manner, all relevant written comments received pertaining to rate  
18 filings or applications. The corporation shall provide a copy of the  
19 notice to the superintendent with the rate filing or application. The  
20 superintendent shall immediately cause the notice to be posted on the  
21 department of financial services' website. The superintendent shall  
22 determine whether the filing or application shall become effective as  
23 filed, shall become effective as modified, or shall be disapproved. The  
24 superintendent may modify or disapprove the rate filing or application  
25 if the superintendent finds that the premiums are unreasonable, exces-  
26 sive, inadequate, or unfairly discriminatory, and may consider the  
27 financial condition of the corporation in approving, modifying or disap-  
28 proving any premium adjustment. The determination of the superintendent  
29 shall be supported by sound actuarial assumptions and methods, and shall  
30 be rendered in writing between thirty and sixty days from the date the  
31 rate filing or application is submitted to the superintendent. Should  
32 the superintendent require additional information from the corporation  
33 in order to make a determination, the superintendent shall require the  
34 corporation to furnish such information, and in such event, the sixty  
35 days shall be tolled and shall resume as of the date the corporation  
36 furnishes the information to the superintendent. If the superintendent  
37 requests additional information less than ten days from the expiration  
38 of the sixty days (exclusive of tolling), the superintendent may extend  
39 the sixty day period an additional twenty days, to make a determination.  
40 The application or rate filing will be deemed approved if a determi-  
41 nation is not rendered within the time allotted under this section. A  
42 corporation shall not implement a rate adjustment unless the corporation  
43 provides at least sixty days advance written notice of the premium rate  
44 adjustment approved by the superintendent to each contract holder and  
45 subscriber affected by the rate adjustment.

46 (3) (A) The expected minimum loss ratio for a contract form subject to  
47 this subsection for which a rate filing or application is made pursuant  
48 to this paragraph, other than a medicare supplemental insurance  
49 contract, or, with the approval of the superintendent, an aggregation of  
50 contract forms that are combined into one community rating experience  
51 pool and rated consistent with community rating requirements, shall not  
52 be less than eighty-two percent. In reviewing a rate filing or applica-  
53 tion, the superintendent may modify the eighty-two percent expected  
54 minimum loss ratio requirement if the superintendent determines the  
55 modification to be in the interests of the people of this state or if  
56 the superintendent determines that a modification is necessary to main-

tain insurer solvency. No later than July thirty-first of each year, every corporation subject to this subparagraph shall annually report the actual loss ratio for the previous calendar year in a format acceptable to the superintendent. If an expected loss ratio is not met, the superintendent may direct the corporation to take corrective action, which may include the submission of a rate filing to reduce future premiums, or to issue dividends, premium refunds or credits, or any combination of these.

(B) The expected minimum loss ratio for a medicare supplemental insurance contract form shall not be less than eighty percent. No later than May first of each year, every corporation subject to this subparagraph shall annually report the actual loss ratio for each contract form subject to this section for the previous calendar year in a format acceptable to the superintendent. In each case where the loss ratio for the contract form fails to comply with the eighty percent loss ratio requirement, the corporation shall submit a corrective action plan to the superintendent for assuring compliance with the applicable minimum loss ratio standard. The corrective action plan shall be submitted to the superintendent within sixty days of the corporation's submission of the annual report required by this subparagraph. The corporation's plan may utilize premium refunds or credits, subject to the approval of the superintendent.

(4) In case of conflict between this subsection and any other provision of law, this subsection shall prevail] AND A SCHEDULE OF THE PREMIUMS OR, IF APPROPRIATE, RATING FORMULA FROM WHICH PREMIUMS ARE DETERMINED, TO BE PAID UNDER SUCH CONTRACTS. SUCH APPLICATION OR FILING SHALL BE DEEMED APPROVED, PROVIDED THAT (A) THE ANTICIPATED INCURRED LOSS RATIO FOR A CONTRACT FORM SHALL NOT BE LESS THAN EIGHTY-TWO PERCENT FOR INDIVIDUAL DIRECT PAYMENT CONTRACTS OR EIGHTY-TWO PERCENT FOR SMALL GROUP AND SMALL GROUP REMITTANCE CONTRACTS, AND (B) THE CORPORATION SUBMITS, AS PART OF SUCH FILING, A CERTIFICATION BY A MEMBER OF THE AMERICAN ACADEMY OF ACTUARIES OR OTHER INDIVIDUAL ACCEPTABLE TO THE SUPERINTENDENT THAT THAT CORPORATION IS IN COMPLIANCE WITH THE PROVISIONS OF THIS SUBSECTION, BASED UPON THAT PERSON'S EXAMINATION, INCLUDING A REVIEW OF THE APPROPRIATE RECORDS AND OF THE ACTUARIAL ASSUMPTIONS AND METHODS USED BY THE CORPORATION IN ESTABLISHING PREMIUM RATES FOR CONTRACTS SUBJECT TO THIS SECTION. FOR PURPOSES OF THIS SECTION, A SMALL GROUP IS ANY GROUP WHOSE CONTRACT IS SUBJECT TO THE REQUIREMENTS OF SECTION FORTY-THREE HUNDRED SEVENTEEN OF THIS ARTICLE. THE PROVISIONS OF THIS SUBSECTION SHALL APPLY TO INDIVIDUAL DIRECT PAYMENT CONTRACTS ISSUED PURSUANT TO SECTIONS FOUR THOUSAND THREE HUNDRED TWENTY-ONE AND FOUR THOUSAND THREE HUNDRED TWENTY-TWO OF THIS ARTICLE. A CORPORATION SHALL NOT IMPLEMENT A PREMIUM RATE ADJUSTMENT UNLESS THE CORPORATION PROVIDES AT LEAST ONE HUNDRED TWENTY DAYS ADVANCE NOTICE OF THE PREMIUM RATE ADJUSTMENT BY WRITTEN NOTICE TO EACH POLICY HOLDER AND CERTIFICATE HOLDER AFFECTED BY THE RATE ADJUSTMENT.

(B)(1) EACH CALENDAR YEAR, A CORPORATION SUBJECT TO THE PROVISIONS OF THIS ARTICLE SHALL RETURN, IN THE FORM OF AGGREGATE BENEFITS INCURRED FOR EACH CONTRACT FORM FILED, AT LEAST EIGHTY-TWO PERCENT FOR INDIVIDUAL DIRECT PAYMENT CONTRACTS OR EIGHTY-TWO PERCENT FOR SMALL GROUP AND SMALL GROUP REMITTANCE CONTRACTS. CORPORATIONS SUBJECT TO THE PROVISIONS OF THIS ARTICLE SHALL ANNUALLY REPORT, NO LATER THAN JULY THIRTY-FIRST OF EACH YEAR, THE LOSS RATIO CALCULATED PURSUANT TO THIS SUBSECTION FOR EACH SUCH CONTRACT FORM FOR THE PREVIOUS CALENDAR YEAR.

(2) IN EACH CASE WHERE THE LOSS RATIO FOR A CONTRACT FORM FAILS TO COMPLY WITH THE EIGHTY-TWO PERCENT MINIMUM LOSS RATIO REQUIREMENT FOR



1 INDIVIDUAL DIRECT PAYMENT CONTRACTS, OR THE EIGHTY-TWO PERCENT MINIMUM  
2 LOSS RATIO REQUIREMENT FOR SMALL GROUP AND SMALL GROUP REMITTANCE  
3 CONTRACTS, AS SET FORTH IN PARAGRAPH ONE OF THIS SUBSECTION, THE CORPO-  
4 RATION SHALL ISSUE A DIVIDEND OR CREDIT AGAINST FUTURE PREMIUMS FOR ALL  
5 CONTRACT HOLDERS WITH THAT CONTRACT FORM IN AN AMOUNT SUFFICIENT TO  
6 ASSURE THAT THE AGGREGATE BENEFITS INCURRED IN THE PREVIOUS CALENDAR  
7 YEAR PLUS THE AMOUNT OF THE DIVIDENDS AND CREDITS SHALL EQUAL NO LESS  
8 THAN EIGHTY-TWO PERCENT FOR INDIVIDUAL DIRECT PAYMENT CONTRACTS, OR  
9 EIGHTY-TWO PERCENT FOR SMALL GROUP AND SMALL GROUP REMITTANCE CONTRACTS,  
10 OF THE AGGREGATE PREMIUMS EARNED FOR THE CONTRACT FORM IN THE PREVIOUS  
11 CALENDAR YEAR. THE DIVIDEND OR CREDIT SHALL BE ISSUED TO EACH CONTRACT  
12 HOLDER OR SUBSCRIBER WHO HAD A CONTRACT THAT WAS IN EFFECT AT ANY TIME  
13 DURING THE APPLICABLE YEAR. THE DIVIDEND OR CREDIT SHALL BE PRORATED  
14 BASED ON THE DIRECT PREMIUMS EARNED FOR THE APPLICABLE YEAR AMONG ALL  
15 CONTRACT HOLDERS OR SUBSCRIBERS ELIGIBLE TO RECEIVE SUCH DIVIDEND OR  
16 CREDIT. A CORPORATION SHALL MAKE A REASONABLE EFFORT TO IDENTIFY THE  
17 CURRENT ADDRESS OF, AND ISSUE DIVIDENDS OR CREDITS TO, FORMER CONTRACT  
18 HOLDERS OR SUBSCRIBERS ENTITLED TO THE DIVIDEND OR CREDIT. A CORPORATION  
19 SHALL, WITH RESPECT TO DIVIDENDS OR CREDITS TO WHICH FORMER CONTRACT  
20 HOLDERS THAT THE CORPORATION IS UNABLE TO IDENTIFY AFTER A REASONABLE  
21 EFFORT WOULD OTHERWISE BE ENTITLED, HAVE THE OPTION, AS DEEMED ACCEPTA-  
22 BLE BY THE SUPERINTENDENT, OF PROSPECTIVELY ADJUSTING PREMIUM RATES BY  
23 THE AMOUNT OF SUCH DIVIDENDS OR CREDITS, ISSUING THE AMOUNT OF SUCH  
24 DIVIDENDS OR CREDITS TO EXISTING CONTRACT HOLDERS, DEPOSITING THE AMOUNT  
25 OF SUCH DIVIDENDS OR CREDITS IN THE FUND ESTABLISHED PURSUANT TO SECTION  
26 FOUR THOUSAND THREE HUNDRED TWENTY-TWO-A OF THIS ARTICLE, OR UTILIZING  
27 ANY OTHER METHOD WHICH OFFSETS THE AMOUNT OF SUCH DIVIDENDS OR CREDITS.  
28 ALL DIVIDENDS AND CREDITS MUST BE DISTRIBUTED BY SEPTEMBER THIRTIETH OF  
29 THE YEAR FOLLOWING THE CALENDAR YEAR IN WHICH THE LOSS RATIO REQUIRE-  
30 MENTS WERE NOT SATISFIED. THE ANNUAL REPORT REQUIRED BY PARAGRAPH ONE OF  
31 THIS SUBSECTION SHALL INCLUDE A CORPORATION'S CALCULATION OF THE DIVI-  
32 DENDS AND CREDITS, AS WELL AS AN EXPLANATION OF THE CORPORATION'S PLAN  
33 TO ISSUE DIVIDENDS OR CREDITS. THE INSTRUCTIONS AND FORMAT FOR CALCU-  
34 LATING AND REPORTING LOSS RATIOS AND ISSUING DIVIDENDS OR CREDITS SHALL  
35 BE SPECIFIED BY THE SUPERINTENDENT BY REGULATION. SUCH REGULATIONS  
36 SHALL INCLUDE PROVISIONS FOR THE DISTRIBUTION OF A DIVIDEND OR CREDIT IN  
37 THE EVENT OF CANCELLATION OR TERMINATION BY A CONTRACT HOLDER OR  
38 SUBSCRIBER.

39 [(d)] (C) The superintendent shall order an independent management and  
40 financial audit of corporations subject to the provisions of this arti-  
41 cle with a combined premium volume exceeding two billion dollars annual-  
42 ly in order to develop a detailed understanding of such corporation's  
43 financial status and to determine the viability of such corporation's  
44 products. Such audit shall be performed by an organization upon  
45 submission of a program plan in response to a request for proposal  
46 approved by the superintendent in consultation with the commissioner of  
47 health and the state comptroller. Such audit shall not be performed by  
48 any organization that has in any way performed or furnished services of  
49 any kind to the corporation within the past five years, unless it is  
50 adequately demonstrated that such services would not compromise that  
51 organization's performance and objectivity. The audit shall be completed  
52 and a report submitted by May first, nineteen hundred ninety-three to  
53 the superintendent, the commissioner of health, and the chairs of the  
54 senate and assembly committees on health and insurance. The scope of the  
55 audit shall include, but not be limited to, financial and competitive  
56 position, corporate structure and governance, organization and manage-

ment, strategic direction, rate adequacy, and the regulatory and competitive environment in the state of New York. Specifically, the audit shall include, but not be limited to:

(i) determining the corporation's financial and market position, including its reserves, trends in membership, market share, and profitability by market segment;

(ii) evaluating the corporation's product offerings with respect to market requirements and trends, the corporation's responses to the New York health care market, and its management of medical claims costs;

(iii) assessing the effectiveness of the organizational and management structure and performance, including, but not limited to, possible improvement in the size, structure, composition and operation of the board of directors, productivity improvement, information systems, management development, personnel practices, mix and level of skills, personnel turnover, investment practices and rate of return upon investment activities;

(iv) analyzing the corporation's strategic directions, its adequacy to meet competitive, market, and existing regulatory trends, including an evaluation of the use of brokers in marketing products, and the impact of those strategies on the corporation's future financial performance and on the health care system of New York;

(v) evaluating the adequacy of rates for existing products, particularly (but not limited to) small group, medicare supplemental, and direct payment to identify areas that may need immediate remedial attention;

(vi) identifying any changes to the regulatory and legislative environment that may need to be made to ensure that the corporation can continue to be financially viable and competitive;

(vii) identifying and assessing specific transactions such as the procurement of reinsurance, sale of real property and the sale of future investment income to improve the financial condition of the corporation; and

(viii) evaluating and identifying possible improvements in the corporation's managed care strategies, operations and claims handling.

[(e)] (D) Notwithstanding any other provision of law, the superintendent shall have the power to require independent management and financial audits of corporations subject to the provisions of this article whenever in the judgment of the superintendent, losses sustained by a corporation jeopardize its ability to provide meaningful coverage at affordable rates or when such audit would be necessary to protect the interests of subscribers. The audit shall include, but not be limited to, an investigation of the corporation's provision of benefits to senior citizens, individual and family, and small group and small business subscribers in relation to the needs of those subscribers. The audit shall also include an evaluation of the efficiency of the corporation's management, particularly with respect to lines of business which are experiencing losses. In every case in which the superintendent chooses to require an audit provided for in this subsection, the superintendent shall have the authority to select the auditor. Any costs incurred as a result of the operation of this subsection shall be assessed on all domestic insurers in the same manner as provided for in section [three hundred thirty-two of this chapter] TWO HUNDRED SIX OF THE FINANCIAL SERVICES LAW.

[(f)] (E) The results of any audit conducted pursuant to subsections [(d)] (C) and [(e)] (D) of this section shall be provided to the corporation and each member of its board of directors. The superintendent

1 shall have the authority to direct the corporation in writing to imple-  
2 ment any recommendations resulting from the audit that the superinten-  
3 dent finds to be necessary and reasonable; provided, however, that the  
4 superintendent shall first consider any written response submitted by  
5 the corporation or the board of directors prior to making such finding.  
6 Upon any application for a rate adjustment by the corporation, the  
7 superintendent shall review the corporation's compliance with the  
8 directions and recommendations made previously by the superintendent, as  
9 a result of the most recently completed management or financial audit  
10 and shall include such findings in any written decision concerning such  
11 application.

12 [(g)(1) Until September thirtieth, two thousand ten, as an alternate  
13 procedure to the requirements of subsection (c) of this section, a  
14 corporation subject to the provisions of this article desiring to  
15 increase or decrease premiums for any contract subject to this section  
16 may instead submit a rate filing or application to the superintendent  
17 and such application or filing shall be deemed approved, provided that  
18 (A) the anticipated incurred loss ratio for a contract form shall not be  
19 less than eighty-two percent for individual direct payment contracts or  
20 eighty-two percent for small group and small group remittance contracts,  
21 nor, except in the case of individual direct payment contracts with a  
22 loss ratio of greater than one hundred five percent during nineteen  
23 hundred ninety-four, shall the loss ratio for any direct payment, group  
24 or group remittance contract be more than one hundred five percent of  
25 the anticipated earned premium, and (B) the corporation submits, as part  
26 of such filing, a certification by a member of the American Academy of  
27 Actuaries or other individual acceptable to the superintendent that that  
28 corporation is in compliance with the provisions of this subsection,  
29 based upon that person's examination, including a review of the appro-  
30 priate records and of the actuarial assumptions and methods used by the  
31 corporation in establishing premium rates for contracts subject to this  
32 section. A corporation shall not utilize the alternate procedure pursu-  
33 ant to this subsection to implement a change in rates to be effective on  
34 or after October first, two thousand ten. For purposes of this section,  
35 a small group is any group whose contract is subject to the requirements  
36 of section forty-three hundred seventeen of this article.

37 (2) Prior to January first, two thousand, no rate increase or decrease  
38 may be deemed approved under this subsection if that increase or  
39 decrease, together with any other rate increases or decreases imposed on  
40 the same contract form, would cause the aggregate rate increase or  
41 decrease for that contract form to exceed ten percent during any contin-  
42 uous twelve month period. No rate increase may be imposed pursuant to  
43 this subsection unless at least thirty days advance written notice of  
44 such increase has been provided to each contract holder and subscriber.

45 (h)(1) Each calendar year, a corporation subject to the provisions of  
46 this article shall return, in the form of aggregate benefits incurred  
47 for each contract form filed pursuant to the alternate procedure set  
48 forth in subsection (g) of this section, at least eighty-two percent for  
49 individual direct payment contracts or eighty-two percent for small  
50 group and small group remittance contracts, but, except in the case of  
51 individual direct payment contracts with a loss ratio of greater than  
52 one hundred five percent in nineteen hundred ninety-four, for any direct  
53 payment, group or group remittance contract, not in excess of one  
54 hundred five percent of the aggregate premiums earned for the contract  
55 form during that calendar year. Corporations subject to the provisions  
56 of this article shall annually report, no later than June thirtieth of

1 each year, the loss ratio calculated pursuant to this subsection for  
2 each such contract form for the previous calendar year.

3 (2) In each case where the loss ratio for a contract form fails to  
4 comply with the eighty-two percent minimum loss ratio requirement for  
5 individual direct payment contracts, or the eighty-two percent minimum  
6 loss ratio requirement for small group and small group remittance  
7 contracts, as set forth in paragraph one of this subsection, the corpo-  
8 ration shall issue a dividend or credit against future premiums for all  
9 contract holders with that contract form in an amount sufficient to  
10 assure that the aggregate benefits incurred in the previous calendar  
11 year plus the amount of the dividends and credits shall equal no less  
12 than eighty-two percent for individual direct payment contracts, or  
13 eighty-two percent for small group and small group remittance contracts,  
14 of the aggregate premiums earned for the contract form in the previous  
15 calendar year. The dividend or credit shall be issued to each contract  
16 holder or subscriber who had a contract that was in effect at any time  
17 during the applicable year. The dividend or credit shall be prorated  
18 based on the direct premiums earned for the applicable year among all  
19 contract holders or subscribers eligible to receive such dividend or  
20 credit. A corporation shall make a reasonable effort to identify the  
21 current address of, and issue dividends or credits to, former contract  
22 holders or subscribers entitled to the dividend or credit. A corporation  
23 shall, with respect to dividends or credits to which former contract  
24 holders that the corporation is unable to identify after a reasonable  
25 effort would otherwise be entitled, have the option, as deemed accepta-  
26 ble by the superintendent, of prospectively adjusting premium rates by  
27 the amount of such dividends or credits, issuing the amount of such  
28 dividends or credits to existing contract holders, depositing the amount  
29 of such dividends or credits in the fund established pursuant to section  
30 four thousand three hundred twenty-two-a of this article, or utilizing  
31 any other method which offsets the amount of such dividends or credits.  
32 All dividends and credits must be distributed by September thirtieth of  
33 the year following the calendar year in which the loss ratio require-  
34 ments were not satisfied. The annual report required by paragraph one of  
35 this subsection shall include a corporation's calculation of the divi-  
36 dends and credits, as well as an explanation of the corporation's plan  
37 to issue dividends or credits. The instructions and format for calculat-  
38 ing and reporting loss ratios and issuing dividends or credits shall be  
39 specified by the superintendent by regulation. Such regulations shall  
40 include provisions for the distribution of a dividend or credit in the  
41 event of cancellation or termination by a contract holder or subscriber.

42 (3) In each case where the loss ratio for a contract form fails to  
43 comply with the one hundred five percent maximum loss ratio requirement  
44 of paragraph one of this subsection, the corporation shall institute a  
45 premium rate increase in an amount sufficient to assure that the aggre-  
46 gate benefits incurred in the previous calendar year shall equal no more  
47 than one hundred five percent of the sum of the aggregate premiums  
48 earned for the contract form in the previous calendar year and the  
49 aggregate premium rate increase. The rate increase shall be applied to  
50 each contract that was in effect as of December thirty-first of the  
51 applicable year and remains in effect as of the date the rate increase  
52 is imposed. All rate increases must be imposed by September thirtieth of  
53 the year following the calendar year in which the loss ratio require-  
54 ments were not satisfied. The annual report required by paragraph one of  
55 this subsection shall include a corporation's calculation of the premium  
56 rate increase, as well as an explanation of the corporation's plan to

1 implement the rate increase. The instructions and format for calculating  
2 and reporting loss ratios and implementing rate increases shall be spec-  
3 ified by the superintendent by regulation.

4 (i) The alternate procedure described in subsections (g) and (h) of  
5 this section shall apply to individual direct payment contracts issued  
6 pursuant to sections four thousand three hundred twenty-one and four  
7 thousand three hundred twenty-two of this article on and after January  
8 first, nineteen hundred ninety-seven. Such alternate procedure shall not  
9 be utilized to implement a change in rates to be effective on or after  
10 October first, two thousand ten.

11 (j) All community rated contracts, other than medicare supplemental  
12 insurance contracts, issued or in effect during calendar year two thou-  
13 sand ten shall be subject to a minimum loss ratio requirement of eight-  
14 y-two percent. Corporations may use the alternate procedure set forth in  
15 subsection (g) of this section to adjust premium rates in order to meet  
16 the required minimum loss ratio for calendar year two thousand ten. The  
17 rate filing or application shall be submitted no later than September  
18 thirtieth, two thousand ten.]

19 S 11. 1. The department of financial services shall examine, evaluate,  
20 and make recommendations concerning the provision of long term care  
21 insurance coverage in this state, as authorized pursuant to section 1117  
22 of the insurance law. In conducting its study, such department shall  
23 seek input from a representation of interested parties, such as policy-  
24 holders, insurance carriers, and caregivers. Such study shall specif-  
25 ically include, but not be limited to the following:

26 (a) the present state of the long term care insurance market, with  
27 respect to the growing aging population and other demographic shifts as  
28 well as market participation by insurance carriers;

29 (b) the impact of long term care coverage to public benefits such as  
30 Medicaid, care recipients and caregivers;

31 (c) identifiable trends in life expectancy, policy claim and utiliza-  
32 tion rates, and policy lapse rates;

33 (d) a review of the National Association of Insurance Commissioners  
34 (NAIC) activities as well as studies and reports prepared by the Ameri-  
35 can Academy of Actuaries and/or the Society of Actuaries regarding long  
36 term care insurance premium rates increases;

37 (e) the actuarial assumptions and methodologies used by such depart-  
38 ment to ensure benefits are reasonable to premiums charged when approv-  
39 ing and adjusting premium for this product, at this product's inception  
40 and presently;

41 (f) the impact of premium rates on the solvency of the plans offering  
42 this product;

43 (g) the impact of premium increases, and options offered to policy-  
44 holders, on the affordability of long term care insurance and the abili-  
45 ty of policyholders to maintain meaningful benefits; and

46 (h) solutions to making this public benefit more affordable and  
47 attractive to consumers.

48 2. Within twelve months of the effective date of this act, the super-  
49 intendent of financial services shall submit a report to the governor,  
50 the temporary president of the senate, and the speaker of the assembly,  
51 of the department's findings, conclusions, and recommendations.

52 S 12. Notwithstanding any other provision of law, to encourage high  
53 standards of conflict-free and transparent data, the superintendent of  
54 financial services shall procure an independent not-for-profit research  
55 organization to review and audit the nonprofit organization FAIR Health,  
56 Inc., established pursuant to the 2009 attorney general settlement and

1 referenced in subdivision 7 of section 4408 of the public health law,  
2 subdivision (i) of section 603 of the financial services law, and  
3 subsection (f) of section 4324 and paragraph (2) of subsection (b) of  
4 section 3241 of the insurance law.

5 (a) Such audit shall include, but not be limited to, reviewing the  
6 sources, data, modifiers, values, metrics and methodologies FAIR Health,  
7 Inc., utilizes to determine fee schedules.

8 (b) Upon completion of the review and audit, the superintendent of  
9 financial services shall review and discuss the findings and recommenda-  
10 tions with FAIR Health, Inc. Such superintendent shall compile a report  
11 of the findings and recommendations to be made available to any inter-  
12 ested parties, and to be distributed to the chairs of the senate finance  
13 committee and the assembly ways and means committee within 60 days of  
14 the initial findings.

15 S 13. This act shall take effect immediately and shall be deemed to  
16 have been in full force and effect on and after April 1, 2016, provided  
17 however, section two of this act shall take effect on July 1, 2016;  
18 provided further that for any insurer that has been deemed insolvent  
19 within six months prior to the effective date of this act, the super-  
20 intendent shall have thirty days from the effective date of this act to  
21 comply with subsection (b) of section 7404 of the insurance law as added  
22 by section eight of this act.

23

## PART D

24 Section 1. Paragraph (a) of subdivision 1 of section 212 of chapter  
25 474 of the laws of 1996, amending the education law and other laws  
26 relating to rates for residential healthcare facilities, as amended by  
27 section 2 of part B of chapter 56 of the laws of 2013, is amended to  
28 read as follows:

29 (a) Notwithstanding any inconsistent provision of law or regulation to  
30 the contrary, effective beginning August 1, 1996, for the period April  
31 1, 1997 through March 31, 1998, April 1, 1998 for the period April 1,  
32 1998 through March 31, 1999, August 1, 1999, for the period April 1,  
33 1999 through March 31, 2000, April 1, 2000, for the period April 1, 2000  
34 through March 31, 2001, April 1, 2001, for the period April 1, 2001  
35 through March 31, 2002, April 1, 2002, for the period April 1, 2002  
36 through March 31, 2003, and for the state fiscal year beginning April 1,  
37 2005 through March 31, 2006, and for the state fiscal year beginning  
38 April 1, 2006 through March 31, 2007, and for the state fiscal year  
39 beginning April 1, 2007 through March 31, 2008, and for the state fiscal  
40 year beginning April 1, 2008 through March 31, 2009, and for the state  
41 fiscal year beginning April 1, 2009 through March 31, 2010, and for the  
42 state fiscal year beginning April 1, 2010 through March 31, 2016, AND  
43 FOR THE STATE FISCAL YEAR BEGINNING APRIL 1, 2016 THROUGH MARCH 31,  
44 2017, the department of health is authorized to pay public general  
45 hospitals, as defined in subdivision 10 of section 2801 of the public  
46 health law, operated by the state of New York or by the state university  
47 of New York or by a county, which shall not include a city with a popu-  
48 lation of over one million, of the state of New York, and those public  
49 general hospitals located in the county of Westchester, the county of  
50 Erie or the county of Nassau, additional payments for inpatient hospital  
51 services as medical assistance payments pursuant to title 11 of article  
52 5 of the social services law for patients eligible for federal financial  
53 participation under title XIX of the federal social security act in  
54 medical assistance pursuant to the federal laws and regulations govern-

1 ing disproportionate share payments to hospitals up to one hundred  
2 percent of each such public general hospital's medical assistance and  
3 uninsured patient losses after all other medical assistance, including  
4 disproportionate share payments to such public general hospital for  
5 1996, 1997, 1998, and 1999, based initially for 1996 on reported 1994  
6 reconciled data as further reconciled to actual reported 1996 reconciled  
7 data, and for 1997 based initially on reported 1995 reconciled data as  
8 further reconciled to actual reported 1997 reconciled data, for 1998  
9 based initially on reported 1995 reconciled data as further reconciled  
10 to actual reported 1998 reconciled data, for 1999 based initially on  
11 reported 1995 reconciled data as further reconciled to actual reported  
12 1999 reconciled data, for 2000 based initially on reported 1995 recon-  
13 ciled data as further reconciled to actual reported 2000 data, for 2001  
14 based initially on reported 1995 reconciled data as further reconciled  
15 to actual reported 2001 data, for 2002 based initially on reported 2000  
16 reconciled data as further reconciled to actual reported 2002 data, and  
17 for state fiscal years beginning on April 1, 2005, based initially on  
18 reported 2000 reconciled data as further reconciled to actual reported  
19 data for 2005, and for state fiscal years beginning on April 1, 2006,  
20 based initially on reported 2000 reconciled data as further reconciled  
21 to actual reported data for 2006, for state fiscal years beginning on  
22 and after April 1, 2007 through March 31, 2009, based initially on  
23 reported 2000 reconciled data as further reconciled to actual reported  
24 data for 2007 and 2008, respectively, for state fiscal years beginning  
25 on and after April 1, 2009, based initially on reported 2007 reconciled  
26 data, adjusted for authorized Medicaid rate changes applicable to the  
27 state fiscal year, and as further reconciled to actual reported data for  
28 2009, for state fiscal years beginning on and after April 1, 2010, based  
29 initially on reported reconciled data from the base year two years prior  
30 to the payment year, adjusted for authorized Medicaid rate changes  
31 applicable to the state fiscal year, and further reconciled to actual  
32 reported data from such payment year, and to actual reported data for  
33 each respective succeeding year. The payments may be added to rates of  
34 payment or made as aggregate payments to an eligible public general  
35 hospital.

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

41 S 10. This act shall take effect immediately and shall be deemed to  
42 have been in full force and effect on and after July 1, 1996; provided,  
43 however, that sections one, two and three of this act shall expire and  
44 be deemed repealed on March 31, [2016] 2020 provided, however that the  
45 amendments to section 364-j of the social services law made by section  
46 four of this act shall not affect the expiration of such section and  
47 shall be deemed to expire therewith and provided, further, that the  
48 provisions of subdivisions 8, 9 and 10 of section 4401 of the public  
49 health law, as added by section one of this act; section 4403-d of the  
50 public health law as added by section two of this act and the provisions  
51 of section seven of this act, except for the provisions relating to the  
52 establishment of no more than twelve comprehensive HIV special needs  
53 plans, shall expire and be deemed repealed on July 1, 2000.

54 S 3. Subdivision 8 of section 84 of part A of chapter 56 of the laws  
55 of 2013, amending the public health law and other laws relating to  
56 general hospital reimbursement for annual rates is REPEALED.

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

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

8 S 4-a. Section 2806-a of the public health law is amended by adding a  
9 new subdivision 8 to read as follows:

10 8. THE COMMISSIONER SHALL, UPON MAKING A DETERMINATION OF AN INTENTION  
11 TO APPOINT A TEMPORARY OPERATOR PURSUANT TO PARAGRAPH (A) OF SUBDIVISION  
12 TWO OF THIS SECTION, PRIOR TO THE COMMENCEMENT OF THE APPOINTMENT, CAUSE  
13 THE TEMPORARY PRESIDENT OF THE SENATE, THE SPEAKER OF THE ASSEMBLY, AND  
14 THE CHAIRS OF THE SENATE AND THE ASSEMBLY HEALTH COMMITTEES TO BE NOTI-  
15 FIED OF SUCH APPOINTMENT. SUCH NOTIFICATION SHALL INCLUDE, BUT NOT BE  
16 LIMITED TO, THE NAME OF THE ESTABLISHED OPERATOR, THE NAMES OF ALL  
17 APPOINTED TEMPORARY OPERATORS AND A DETAILED DESCRIPTION OF THE FINDINGS  
18 UNDERLYING THE INTENTION TO APPOINT A TEMPORARY OPERATOR.

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

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

24 S 5-a. Subdivision 2 of section 3-0317 of the environmental conserva-  
25 tion law, as added by chapter 77 of the laws of 2010, is amended to read  
26 as follows:

27 2. The department shall, pursuant to established security protocols,  
28 provide to the department of health the GPS coordinates, category of  
29 license or permit, facility identification number, and address on  
30 current environmental facilities that are necessary for the department  
31 of health to develop and maintain cancer incidence and environmental  
32 facility maps required pursuant to section twenty-four hundred one-b of  
33 the public health law, and shall provide any technical assistance neces-  
34 sary for the development of such maps. The department, in consultation  
35 with the department of health, shall update such data [periodically] NOT  
36 LESS THAN ONCE EVERY FIVE YEARS.

37 S 5-b. Subdivisions 3 and 9 of section 2401-b of the public health  
38 law, as added by chapter 77 of the laws of 2010, are amended to read as  
39 follows:

40 3. The technical advisory group shall make recommendations BIENNIALY  
41 to the department on the appropriate use and communication of the cancer  
42 incidence and environmental facility maps. Such recommendations shall  
43 consider the scientific strengths and limitations of such mapping and  
44 overlay methodologies for cancer tracking and geospatial linking to  
45 significant disease risk factors, and the appropriate means for communi-  
46 cating such strengths and limitation to the public in an easily discern-  
47 ible manner. The department shall consider the recommendations of the  
48 technical advisory group when making the maps required by this section  
49 available to the public.

50 9. The department shall make available to the public cancer incidence  
51 and environmental facility maps in the manner described in subdivision  
52 four of this section showing cancer clusters by cancer types. Prior to  
53 plotting such data, the department shall use an appropriate statistical  
54 method to detect statistical anomalies for the purpose of identifying  
55 cancer clusters.

56 [(a)] The department shall make such maps available [as follows:



(i) by June thirtieth, two thousand twelve cancer types listed in paragraphs (a) through (e) of subdivision five of this section;

(ii) by December thirty-first, two thousand twelve cancer types listed in paragraphs (f) through (o) of subdivision five of this section; and

(iii) by June thirtieth, two thousand thirteen cancer types listed in paragraphs (p) through (w) of subdivision five of this section.

(b) The department] ON ITS PUBLIC WEBSITE, AND SHALL, in consultation with the department of environmental conservation, [shall] update the maps [periodically.

(c) The department shall post these maps on its public website as soon as practicable following the dates set forth in paragraph (a) of this subdivision] NOT LESS THAN ONCE EVERY FIVE YEARS.

S 5-c. Section 5 of chapter 77 of the laws of 2010 amending the environmental conservation law and the public health law relating to an environmental facility and cancer incidence map, is amended to read as follows:

S 5. This act shall take effect immediately and shall expire and be deemed repealed March 31, [2016] 2020.

S 6. Section 6 of chapter 465 of the laws of 2012, constituting Lauren's law, is amended to read as follows:

S 6. This act shall take effect one year after it shall have become a law; provided that the commissioners of health and motor vehicles may implement sections two, four and five of this act within their respective jurisdictions before that date[; and provided, further, that the provisions of this act shall expire and be deemed repealed three years after such effective date].

S 7. 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, however, that:

(a) the amendments to section 2806-a of the public health law, made by section four-a of this act, shall not affect the expiration and repeal of such section, and shall expire and be deemed repealed therewith; and

(b) the amendments to section 3-0317 of the environmental conservation law, made by section five-a of this act, shall not affect the expiration and repeal of such section, and shall expire and be deemed repealed therewith; and provided, further, that the amendments to section 2401-b of the public health law, made by section five-b of this act, shall not affect the expiration and repeal of such section, and shall expire and be deemed repealed therewith.

#### PART E

Intentionally Omitted

#### PART F

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

S 2825-D. HEALTH CARE FACILITY TRANSFORMATION PROGRAM; STATEWIDE. 1. A STATEWIDE HEALTH CARE FACILITY TRANSFORMATION PROGRAM IS HEREBY ESTABLISHED UNDER THE JOINT ADMINISTRATION OF THE COMMISSIONER AND THE PRESIDENT OF THE DORMITORY AUTHORITY OF THE STATE OF NEW YORK FOR THE PURPOSE OF STRENGTHENING AND PROTECTING CONTINUED ACCESS TO HEALTH CARE SERVICES IN COMMUNITIES. WITHIN AMOUNTS APPROPRIATED THE PROGRAM SHALL PROVIDE FUNDING TO SUPPORT DEBT RETIREMENT, CAPITAL PROJECTS OR NON-CAPITAL PROJECTS THAT FACILITATE HEALTH CARE TRANSFORMATION, INCLUDING MERGERS,

1 CONSOLIDATIONS, ACQUISITIONS, AND RESTRUCTURING ACTIVITIES THAT ARE PART  
2 OF AN OVERALL TRANSFORMATION PLAN INTENDED TO CREATE A FINANCIALLY  
3 SUSTAINABLE SYSTEM OF CARE. A MINIMUM OF TWENTY-FIVE PERCENT OF TOTAL  
4 AWARDED FUNDS SHALL BE MADE TO COMMUNITY BASED PROVIDERS. GRANTS SHALL  
5 NOT BE AVAILABLE TO SUPPORT GENERAL OPERATING EXPENSES. THE ISSUANCE OF  
6 ANY BONDS OR NOTES HEREUNDER SHALL BE SUBJECT TO THE APPROVAL OF THE  
7 DIRECTOR OF THE DIVISION OF THE BUDGET, AND ANY PROJECTS FUNDED THROUGH  
8 THE ISSUANCE OF BONDS OR NOTES HEREUNDER SHALL BE APPROVED BY THE NEW  
9 YORK STATE PUBLIC AUTHORITIES CONTROL BOARD, AS REQUIRED UNDER SECTION  
10 FIFTY-ONE OF THE PUBLIC AUTHORITIES LAW.

11 2. THE COMMISSIONER AND THE PRESIDENT OF THE AUTHORITY SHALL ENTER  
12 INTO AN AGREEMENT, SUBJECT TO APPROVAL BY THE DIRECTOR OF THE BUDGET,  
13 AND SUBJECT TO SECTION SIXTEEN HUNDRED EIGHTY-R OF THE PUBLIC AUTHORI-  
14 TIES LAW, FOR THE PURPOSES OF AWARDING, DISTRIBUTING, AND ADMINISTERING  
15 THE FUNDS MADE AVAILABLE PURSUANT TO THIS SECTION. SUCH FUNDS MAY BE  
16 DISTRIBUTED BY THE COMMISSIONER AND THE PRESIDENT OF THE AUTHORITY FOR  
17 GRANTS TO GENERAL HOSPITALS, RESIDENTIAL HEALTH CARE FACILITIES, DIAG-  
18 NOSTIC AND TREATMENT CENTERS AND CLINICS LICENSED PURSUANT TO THIS CHAP-  
19 TER OR THE MENTAL HYGIENE LAW, PRIMARY CARE PROVIDERS, AND HOME CARE  
20 PROVIDERS CERTIFIED OR LICENSED PURSUANT TO ARTICLE THIRTY-SIX OF THIS  
21 CHAPTER, FOR PROJECTS THAT SUPPORT THE PURPOSES SET FORTH IN THIS  
22 SECTION. A COPY OF SUCH AGREEMENT, AND ANY AMENDMENTS THERETO, SHALL BE  
23 PROVIDED TO THE CHAIR OF THE SENATE FINANCE COMMITTEE, THE CHAIR OF THE  
24 ASSEMBLY WAYS AND MEANS COMMITTEE, AND THE DIRECTOR OF THE DIVISION OF  
25 BUDGET NO LATER THAN THIRTY DAYS PRIOR TO THE RELEASE OF A REQUEST FOR  
26 APPLICATIONS FOR FUNDING UNDER THIS PROGRAM. PRIORITY SHALL BE GIVEN TO  
27 PROJECTS NOT FUNDED, IN WHOLE OR IN PART, UNDER SECTION TWENTY-EIGHT  
28 HUNDRED TWENTY-FIVE, TWENTY-EIGHT HUNDRED TWENTY-FIVE-A, TWENTY-EIGHT  
29 HUNDRED TWENTY-FIVE-B, OR TWENTY-EIGHT HUNDRED TWENTY-FIVE-C OF THIS  
30 ARTICLE. GRANTS UNDER THIS SECTION SHALL BE AWARDED BY DECEMBER THIRTY-  
31 FIRST ANNUALLY. TO THE EXTENT PRACTICABLE, FUNDS SHALL BE AWARDED  
32 REGIONALLY IN PROPORTION TO THE APPLICATIONS RECEIVED.

33 3. NOTWITHSTANDING SECTION ONE HUNDRED SIXTY-THREE OF THE STATE  
34 FINANCE LAW OR ANY INCONSISTENT PROVISION OF LAW TO THE CONTRARY, FUNDS  
35 APPROPRIATED FOR THIS PROGRAM SHALL BE AWARDED WITHOUT A COMPETITIVE BID  
36 OR REQUEST FOR PROPOSAL PROCESS FOR GRANTS TO HEALTH CARE PROVIDERS  
37 (HEREAFTER "APPLICANTS"). ELIGIBLE APPLICANTS SHALL BE THOSE DEEMED BY  
38 THE COMMISSIONER TO BE A PROVIDER THAT FULFILLS OR WILL FULFILL A HEALTH  
39 CARE NEED FOR ACUTE INPATIENT, OUTPATIENT, PRIMARY, HOME CARE OR RESI-  
40 DENTIAL HEALTH CARE SERVICES IN A COMMUNITY.

41 4. IN DETERMINING AWARDS FOR ELIGIBLE APPLICANTS UNDER THIS SECTION,  
42 THE COMMISSIONER AND THE PRESIDENT OF THE AUTHORITY SHALL CONSIDER  
43 CRITERIA INCLUDING, BUT NOT LIMITED TO: (A) THE EXTENT TO WHICH THE  
44 PROPOSED PROJECT WILL CONTRIBUTE TO THE INTEGRATION OF HEALTH CARE  
45 SERVICES AND LONG TERM SUSTAINABILITY OF THE APPLICANT OR PRESERVATION  
46 OF ESSENTIAL HEALTH SERVICES IN THE COMMUNITY OR COMMUNITIES SERVED BY  
47 THE APPLICANT; (B) THE EXTENT TO WHICH THE PROPOSED PROJECT OR PURPOSE  
48 IS ALIGNED WITH DELIVERY SYSTEM REFORM INCENTIVE PAYMENT ("DSRIP")  
49 PROGRAM GOALS AND OBJECTIVES; (C) CONSIDERATION OF GEOGRAPHIC DISTRIB-  
50 UTION OF FUNDS; (D) THE RELATIONSHIP BETWEEN THE PROPOSED PROJECT AND  
51 IDENTIFIED COMMUNITY NEED; (E) THE EXTENT TO WHICH THE APPLICANT HAS  
52 ACCESS TO ALTERNATIVE FINANCING; (F) THE EXTENT THAT THE PROPOSED  
53 PROJECT FURTHERS THE DEVELOPMENT OF PRIMARY CARE AND OTHER OUTPATIENT  
54 SERVICES; (G) THE EXTENT TO WHICH THE PROPOSED PROJECT BENEFITS MEDICAID  
55 ENROLLEES AND UNINSURED INDIVIDUALS; (H) THE EXTENT TO WHICH THE APPLI-  
56 CANT HAS ENGAGED THE COMMUNITY AFFECTED BY THE PROPOSED PROJECT AND THE

1 MANNER IN WHICH COMMUNITY ENGAGEMENT HAS SHAPED SUCH PROJECT; AND (I)  
2 THE EXTENT TO WHICH THE PROPOSED PROJECT ADDRESSES POTENTIAL RISK TO  
3 PATIENT SAFETY AND WELFARE.

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

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

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

22 PART G

23 Section 1. Section 2801-a of the public health law is amended by  
24 adding a new subdivision 17 to read as follows:

25 17. (A) DIAGNOSTIC OR TREATMENT CENTERS ESTABLISHED TO PROVIDE HEALTH  
26 CARE SERVICES WITHIN THE SPACE OF A RETAIL BUSINESS OPERATION, SUCH AS A  
27 PHARMACY OR A STORE OPEN TO THE GENERAL PUBLIC, OR WITHIN SPACE USED BY  
28 AN EMPLOYER FOR PROVIDING HEALTH CARE SERVICES TO ITS EMPLOYEES, MAY BE  
29 OPERATED BY LEGAL ENTITIES FORMED UNDER THE LAWS OF THE STATE OF NEW  
30 YORK:

31 (I) WHOSE STOCKHOLDERS OR MEMBERS, AS APPLICABLE, ARE NOT NATURAL  
32 PERSONS;

33 (II) WHOSE PRINCIPAL STOCKHOLDERS AND MEMBERS, AS APPLICABLE, AND  
34 CONTROLLING PERSONS COMPLY WITH ALL APPLICABLE REQUIREMENTS OF THIS  
35 SECTION; AND

36 (III) THAT DEMONSTRATE, TO THE SATISFACTION OF THE PUBLIC HEALTH AND  
37 HEALTH PLANNING COUNCIL, SUFFICIENT EXPERIENCE AND EXPERTISE IN DELIVER-  
38 ING HIGH QUALITY HEALTH CARE SERVICES, AND FURTHER DEMONSTRATE A COMMIT-  
39 MENT TO OPERATE LIMITED SERVICES CLINICS IN MEDICALLY UNDERSERVED AREAS  
40 OF THE STATE. SUCH DIAGNOSTIC AND TREATMENT CENTERS SHALL BE REFERRED TO  
41 IN THIS SECTION AS "LIMITED SERVICES CLINICS".

42 (B) FOR PURPOSES OF PARAGRAPH (A) OF THIS SUBDIVISION, THE PUBLIC  
43 HEALTH AND HEALTH PLANNING COUNCIL SHALL ADOPT AND AMEND RULES AND REGU-  
44 LATIONS, NOTWITHSTANDING ANY INCONSISTENT PROVISION OF THIS SECTION, TO  
45 ADDRESS ANY MATTER IT DEEMS PERTINENT TO THE ESTABLISHMENT OF LIMITED  
46 SERVICES CLINICS. SUCH RULES AND REGULATIONS SHALL INCLUDE, BUT NOT BE  
47 LIMITED TO, PROVISIONS GOVERNING OR RELATING TO:

48 (I) ANY DIRECT OR INDIRECT CHANGES OR TRANSFERS OF OWNERSHIP INTERESTS  
49 OR VOTING RIGHTS IN SUCH ENTITIES OR THEIR STOCKHOLDERS OR MEMBERS, AS  
50 APPLICABLE;

51 (II) PUBLIC HEALTH AND HEALTH PLANNING COUNCIL APPROVAL OF ANY CHANGE  
52 IN CONTROLLING INTERESTS, PRINCIPAL STOCKHOLDERS, CONTROLLING PERSONS,  
53 PARENT COMPANY OR SPONSORS;

1 (III) OVERSIGHT OF THE OPERATOR AND ITS SHAREHOLDERS OR MEMBERS, AS  
2 APPLICABLE, INCLUDING LOCAL GOVERNANCE OF THE LIMITED SERVICES CLINICS;  
3 AND

4 (IV) THE CHARACTER AND COMPETENCE AND QUALIFICATIONS OF, AND CHANGES  
5 RELATING TO, THE DIRECTORS AND OFFICERS OF THE OPERATOR AND ITS PRINCIPAL  
6 STOCKHOLDERS, CONTROLLING PERSONS, PARENT COMPANY OR SPONSORS.

7 (C) THE FOLLOWING PROVISIONS OF THIS SECTION SHALL NOT APPLY TO LIMITED  
8 SERVICES CLINICS:

9 (I) PARAGRAPH (A) OF SUBDIVISION THREE OF THIS SECTION;

10 (II) PARAGRAPH (B) OF SUBDIVISION THREE OF THIS SECTION, RELATING TO  
11 STOCKHOLDERS AND MEMBERS OTHER THAN PRINCIPAL STOCKHOLDERS AND PRINCIPAL  
12 MEMBERS;

13 (III) PARAGRAPH (C) OF SUBDIVISION FOUR OF THIS SECTION, RELATING TO  
14 THE DISPOSITION OF STOCK OR VOTING RIGHTS; AND

15 (IV) PARAGRAPH (E) OF SUBDIVISION FOUR OF THIS SECTION, RELATING TO  
16 THE OWNERSHIP OF STOCK OR MEMBERSHIP.

17 (D) A LIMITED SERVICES CLINIC SHALL BE DEEMED TO BE A "HEALTH CARE  
18 PROVIDER" FOR THE PURPOSES OF TITLE TWO-D OF ARTICLE TWO OF THIS CHAPTER. A  
19 PRESCRIBER PRACTICING IN A LIMITED SERVICES CLINIC SHALL NOT BE  
20 DEEMED TO BE IN THE EMPLOY OF A PHARMACY OR PRACTICING IN A HOSPITAL FOR  
21 PURPOSES OF SUBDIVISION TWO OF SECTION SIXTY-EIGHT HUNDRED SEVEN OF THE  
22 EDUCATION LAW.

23 (E) THE COMMISSIONER SHALL PROMULGATE REGULATIONS SETTING FORTH OPERATIONAL  
24 AND PHYSICAL PLANT STANDARDS FOR LIMITED SERVICES CLINICS, WHICH  
25 MAY BE DIFFERENT FROM THE REGULATIONS OTHERWISE APPLICABLE TO DIAGNOSTIC  
26 OR TREATMENT CENTERS, INCLUDING, BUT NOT LIMITED TO:

27 (I) REQUIRING THAT LIMITED SERVICES CLINICS ATTAIN AND MAINTAIN  
28 ACCREDITATION AND REQUIRING TIMELY REPORTING TO THE DEPARTMENT IF A  
29 LIMITED SERVICES CLINIC LOSES ITS ACCREDITATION;

30 (II) DESIGNATING OR LIMITING THE TREATMENTS AND SERVICES THAT MAY BE  
31 PROVIDED, INCLUDING:

32 (A) LIMITING THE SCOPE OF SERVICES TO THE FOLLOWING, PROVIDED THAT  
33 SUCH SERVICES SHALL NOT INCLUDE MONITORING OR TREATMENT AND SERVICES  
34 OVER PROLONGED PERIODS:

35 (1) THE PROVISION OF TREATMENT AND SERVICES TO PATIENTS FOR MINOR  
36 ACUTE EPISODIC ILLNESSES OR CONDITIONS;

37 (2) EPISODIC PREVENTIVE AND WELLNESS TREATMENTS AND SERVICES SUCH AS  
38 IMMUNIZATIONS; AND

39 (3) TREATMENT AND SERVICES FOR MINOR TRAUMAS THAT ARE NOT REASONABLY  
40 LIKELY TO BE LIFE THREATENING OR POTENTIALLY DISABLING IF AMBULATORY  
41 CARE WITHIN THE CAPACITY OF THE LIMITED SERVICES CLINIC IS PROVIDED;

42 (B) PROHIBITING THE PROVISION OF SERVICES TO PATIENTS TWENTY-FOUR  
43 MONTHS OF AGE OR YOUNGER;

44 (C) THE PROVISION OF SPECIFIC IMMUNIZATIONS TO PATIENTS YOUNGER THAN  
45 EIGHTEEN YEARS OF AGE;

46 (III) REQUIRING LIMITED SERVICES CLINICS TO ACCEPT WALK-INS AND OFFER  
47 EXTENDED BUSINESS HOURS;

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

52 (V) SETTING FORTH GUIDELINES FOR DISCLOSURE OF OWNERSHIP INTERESTS,  
53 INFORMED CONSENT, RECORD KEEPING, REFERRAL FOR TREATMENT AND CONTINUITY  
54 OF CARE, CASE REPORTING TO THE PATIENT'S PRIMARY CARE OR OTHER HEALTH  
55 CARE PROVIDERS, DESIGN, CONSTRUCTION, FIXTURES, AND EQUIPMENT; AND

(VI) REQUIRING THE OPERATOR TO DIRECTLY EMPLOY A MEDICAL DIRECTOR WHO IS LICENSED AND CURRENTLY REGISTERED TO PRACTICE MEDICINE IN THE STATE OF NEW YORK.

(F) SUCH REGULATIONS ALSO SHALL PROMOTE AND STRENGTHEN PRIMARY CARE BY REQUIRING LIMITED SERVICES CLINICS TO:

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

(II) MAINTAIN AND REGULARLY UPDATE A LIST OF LOCAL PRIMARY CARE PROVIDERS AND PROVIDE SUCH LIST TO EACH PATIENT WHO INDICATES THAT HE OR SHE DOES NOT HAVE A PRIMARY CARE PROVIDER;

(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) EXECUTE PARTICIPATION AGREEMENTS WITH HEALTH INFORMATION ORGANIZATIONS, ALSO KNOWN AS QUALIFIED ENTITIES, PURSUANT TO WHICH LIMITED SERVICES CLINICS AGREE TO PARTICIPATE IN THE STATEWIDE HEALTH INFORMATION NETWORK FOR NEW YORK (SHIN-NY); AND

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

(G) A LIMITED SERVICES CLINIC SHALL PROVIDE TREATMENT WITHOUT DISCRIMINATION AS TO SOURCE OF PAYMENT.

(H) NOTWITHSTANDING THIS SUBDIVISION AND OTHER LAW OR REGULATION TO THE CONTRARY AND SUBJECT TO THE PROVISIONS OF SECTION TWENTY-EIGHT HUNDRED TWO OF THIS ARTICLE, A GENERAL HOSPITAL, A DIAGNOSTIC AND TREATMENT CENTER, COMMUNITY HEALTH CENTER OR FEDERALLY QUALIFIED HEALTH CENTER MAY OPERATE A LIMITED SERVICES CLINIC WHICH MEETS THE REGULATION PROMULGATED PURSUANT TO PARAGRAPH (E) OF THIS SUBDIVISION REGARDING OPERATIONAL PHYSICAL PLANT STANDARDS.

(I) IN DETERMINING WHETHER TO APPROVE ADDITIONAL LIMITED SERVICES CLINIC LOCATIONS, THE DEPARTMENT SHALL CONSIDER WHETHER THE OPERATOR HAS FULFILLED ITS COMMITMENT TO OPERATE LIMITED SERVICES CLINICS IN MEDICALLY UNDERSERVED AREAS OF THE STATE.

S 2. This act shall take effect immediately.

## 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.

1 S 2. The office of mental health shall report on the providers  
2 impacted by section one of this act. This information shall be submitted  
3 to the governor, the temporary president of the senate and the speaker  
4 of the assembly no later than December 31, 2016.

5 S 3. This act shall take effect immediately.

6 PART I

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

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

18 S 21. This act shall take effect immediately, and sections one, two  
19 and four through twenty of this act shall remain in full force and  
20 effect, until July 1, [2016] 2020, at which time the amendments and  
21 additions made by such sections of this act shall be deemed to be  
22 repealed, and any provision of law amended by any of such sections of  
23 this act shall revert to its text as it existed prior to the effective  
24 date of this act.

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

27 PART J

28 Intentionally Omitted

29 PART K

30 Intentionally Omitted

31 PART L

32 Section 1. The mental hygiene law is amended by adding a new section  
33 16.25 to read as follows:

34 S 16.25 TEMPORARY OPERATOR.

35 (A) FOR THE PURPOSES OF THIS SECTION:

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

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

43 (3) "SERIOUS FINANCIAL INSTABILITY" SHALL INCLUDE BUT NOT BE LIMITED  
44 TO DEFAULTING OR VIOLATING MATERIAL COVENANTS OF BOND ISSUES, MISSED  
45 MORTGAGE PAYMENTS, MISSED RENT PAYMENTS, A PATTERN OF UNTIMELY PAYMENT  
46 OF DEBTS, FAILURE TO PAY ITS EMPLOYEES OR VENDORS, INSUFFICIENT FUNDS TO  
47 MEET THE GENERAL OPERATING EXPENSES OF THE PROGRAM, FAILURE TO MAINTAIN  
48 REQUIRED DEBT SERVICE COVERAGE RATIOS AND/OR, AS APPLICABLE, FACTORS

1 THAT HAVE TRIGGERED A WRITTEN EVENT OF DEFAULT NOTICE TO THE OFFICE BY  
2 THE DORMITORY AUTHORITY OF THE STATE OF NEW YORK.

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

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

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

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

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

17 (B) (1) IN THE EVENT THAT: (I) THE ESTABLISHED OPERATOR IS SEEKING  
18 EXTRAORDINARY FINANCIAL ASSISTANCE; (II) OFFICE COLLECTED DATA DEMON-  
19 STRATES THAT THE ESTABLISHED OPERATOR IS EXPERIENCING SERIOUS FINANCIAL  
20 INSTABILITY ISSUES; (III) OFFICE COLLECTED DATA DEMONSTRATES THAT THE  
21 ESTABLISHED OPERATOR'S BOARD OF DIRECTORS OR ADMINISTRATION IS UNABLE OR  
22 UNWILLING TO ENSURE THE PROPER OPERATION OF THE PROGRAM; OR (IV) OFFICE  
23 COLLECTED DATA INDICATES THERE ARE CONDITIONS THAT SERIOUSLY ENDANGER OR  
24 JEOPARDIZE CONTINUED ACCESS TO NECESSARY SERVICES WITHIN THE COMMUNITY,  
25 THE COMMISSIONER SHALL NOTIFY THE ESTABLISHED OPERATOR OF HIS OR HER  
26 INTENTION TO APPOINT A TEMPORARY OPERATOR TO ASSUME SOLE RESPONSIBILITY  
27 FOR THE PROVIDER OF SERVICES' OPERATIONS FOR A LIMITED PERIOD OF TIME.  
28 THE APPOINTMENT OF A TEMPORARY OPERATOR SHALL BE EFFECTUATED PURSUANT TO  
29 THIS SECTION, AND SHALL BE IN ADDITION TO ANY OTHER REMEDIES PROVIDED BY  
30 LAW.

31 (2) THE ESTABLISHED OPERATOR MAY AT ANY TIME REQUEST THE COMMISSIONER  
32 TO APPOINT A TEMPORARY OPERATOR. UPON RECEIVING SUCH A REQUEST, THE  
33 COMMISSIONER MAY, IF HE OR SHE DETERMINES THAT SUCH AN ACTION IS NECES-  
34 SARY, ENTER INTO AN AGREEMENT WITH THE ESTABLISHED OPERATOR FOR THE  
35 APPOINTMENT OF A TEMPORARY OPERATOR TO RESTORE OR MAINTAIN THE PROVISION  
36 OF QUALITY CARE TO THE INDIVIDUALS UNTIL THE ESTABLISHED OPERATOR CAN  
37 RESUME OPERATIONS WITHIN THE DESIGNATED TIME PERIOD OR OTHER ACTION IS  
38 TAKEN AS DESCRIBED IN SECTION 16.17 OF THIS ARTICLE.

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

44 (2) DURING THE TERM OF APPOINTMENT, THE TEMPORARY OPERATOR SHALL HAVE  
45 THE AUTHORITY TO DIRECT THE STAFF OF THE ESTABLISHED OPERATOR AS NECES-  
46 SARY TO APPROPRIATELY PROVIDE SERVICES FOR INDIVIDUALS. THE TEMPORARY  
47 OPERATOR SHALL, DURING THIS PERIOD, PROVIDE SERVICES IN SUCH A MANNER AS  
48 TO PROMOTE SAFETY AND THE QUALITY AND ACCESSIBILITY OF SERVICES IN THE  
49 COMMUNITY SERVED BY THE ESTABLISHED OPERATOR UNTIL EITHER THE ESTAB-  
50 LISHED OPERATOR CAN RESUME OPERATIONS OR UNTIL THE OFFICE REVOKES THE  
51 OPERATING CERTIFICATE FOR THE SERVICES ISSUED UNDER THIS ARTICLE.

52 (3) THE ESTABLISHED OPERATOR SHALL GRANT ACCESS TO THE TEMPORARY OPER-  
53 ATOR TO THE ESTABLISHED OPERATOR'S ACCOUNTS AND RECORDS IN ORDER TO  
54 ADDRESS ANY DEFICIENCIES RELATED TO THE PROGRAM EXPERIENCING SERIOUS  
55 FINANCIAL INSTABILITY OR AN ESTABLISHED OPERATOR REQUESTING FINANCIAL  
56 ASSISTANCE IN ACCORDANCE WITH THIS SECTION. THE TEMPORARY OPERATOR SHALL

1 APPROVE ANY FINANCIAL DECISION RELATED TO AN ESTABLISHED PROVIDER'S DAY  
2 TO DAY OPERATIONS OR THE ESTABLISHED PROVIDER'S ABILITY TO PROVIDE  
3 SERVICES.

4 (4) THE TEMPORARY OPERATOR SHALL NOT BE REQUIRED TO FILE ANY BOND. NO  
5 SECURITY INTEREST IN ANY REAL OR PERSONAL PROPERTY COMPRISING THE ESTAB-  
6 LISHED OPERATOR OR CONTAINED WITHIN THE ESTABLISHED OPERATOR OR IN ANY  
7 FIXTURE OF THE PROGRAM, SHALL BE IMPAIRED OR DIMINISHED IN PRIORITY BY  
8 THE TEMPORARY OPERATOR. NEITHER THE TEMPORARY OPERATOR NOR THE OFFICE  
9 SHALL ENGAGE IN ANY ACTIVITY THAT CONSTITUTES A CONFISCATION OF PROPER-  
10 TY.

11 (D) THE TEMPORARY OPERATOR SHALL BE ENTITLED TO A REASONABLE FEE, AS  
12 DETERMINED BY THE COMMISSIONER AND SUBJECT TO THE APPROVAL OF THE DIREC-  
13 TOR OF THE DIVISION OF THE BUDGET, AND NECESSARY EXPENSES INCURRED WHILE  
14 SERVING AS A TEMPORARY OPERATOR. THE TEMPORARY OPERATOR SHALL BE LIABLE  
15 ONLY IN ITS CAPACITY AS TEMPORARY OPERATOR FOR INJURY TO PERSON AND  
16 PROPERTY BY REASON OF ITS OPERATION OF SUCH PROGRAM; NO LIABILITY SHALL  
17 INCUR IN THE TEMPORARY OPERATOR'S PERSONAL CAPACITY, EXCEPT FOR GROSS  
18 NEGLIGENCE AND INTENTIONAL ACTS.

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

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

32 A. THE ACTIONS TAKEN DURING THE APPOINTMENT TO ADDRESS THE IDENTIFIED  
33 PROGRAM DEFICIENCIES, THE RESUMPTION OF PROGRAM OPERATIONS BY THE ESTAB-  
34 LISHED OPERATOR, OR THE REVOCATION OF AN OPERATING CERTIFICATE ISSUED BY  
35 THE OFFICE;

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

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

40 (3) THE TERM OF THE INITIAL APPOINTMENT AND OF ANY SUBSEQUENT REAP-  
41 POINTMENT MAY BE TERMINATED PRIOR TO THE EXPIRATION OF THE DESIGNATED  
42 TERM, IF THE ESTABLISHED OPERATOR AND THE COMMISSIONER AGREE ON A PLAN  
43 OF CORRECTION AND THE IMPLEMENTATION OF SUCH PLAN.

44 (F) (1) THE COMMISSIONER SHALL, UPON MAKING A DETERMINATION OF AN  
45 INTENTION TO APPOINT A TEMPORARY OPERATOR PURSUANT TO PARAGRAPH ONE OF  
46 SUBDIVISION (B) OF THIS SECTION, CAUSE THE ESTABLISHED OPERATOR TO BE  
47 NOTIFIED OF THE INTENTION BY REGISTERED OR CERTIFIED MAIL ADDRESSED TO  
48 THE PRINCIPAL OFFICE OF THE ESTABLISHED OPERATOR. SUCH NOTIFICATION  
49 SHALL INCLUDE A DETAILED DESCRIPTION OF THE FINDINGS UNDERLYING THE  
50 INTENTION TO APPOINT A TEMPORARY OPERATOR, AND THE DATE AND TIME OF A  
51 REQUIRED MEETING WITH THE COMMISSIONER AND/OR HIS OR HER DESIGNEE WITHIN  
52 TEN BUSINESS DAYS OF THE RECEIPT OF SUCH NOTICE. AT SUCH MEETING, THE  
53 ESTABLISHED OPERATOR SHALL HAVE THE OPPORTUNITY TO REVIEW AND DISCUSS  
54 ALL RELEVANT FINDINGS. AT SUCH MEETING, THE COMMISSIONER AND THE ESTAB-  
55 LISHED OPERATOR SHALL ATTEMPT TO DEVELOP A MUTUALLY SATISFACTORY PLAN OF  
56 CORRECTION AND SCHEDULE FOR IMPLEMENTATION. IN SUCH EVENT, THE COMMIS-



SIONER 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.

(G) NOTWITHSTANDING THE APPOINTMENT OF A TEMPORARY OPERATOR, THE ESTABLISHED OPERATOR SHALL REMAIN OBLIGATED FOR THE CONTINUED PROVISION OF SERVICES. 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.

(H) 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, PRIOR TO THE COMMENCEMENT OF THE APPOINTMENT, CAUSE THE TEMPORARY PRESIDENT OF THE SENATE, THE SPEAKER OF THE ASSEMBLY, AND THE CHAIRS OF THE SENATE COMMITTEE ON MENTAL HEALTH AND DEVELOPMENTAL DISABILITIES AND THE ASSEMBLY COMMITTEE ON MENTAL HEALTH TO BE NOTIFIED OF SUCH APPOINTMENT. SUCH NOTIFICATION SHALL INCLUDE BUT NOT BE LIMITED TO, THE NAME OF THE ESTABLISHED OPERATOR, THE NAMES OF ALL APPOINTED TEMPORARY OPERATORS AND A DETAILED DESCRIPTION OF THE FINDINGS UNDERLYING THE INTENTION TO APPOINT A TEMPORARY OPERATOR.

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

S 31.20 TEMPORARY OPERATOR.

(A) FOR THE PURPOSES OF THIS SECTION:

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

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

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

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

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

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

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

B. HAS A HISTORY OF COMPLIANCE WITH APPLICABLE LAWS, RULES, AND REGULATIONS AND A RECORD OF PROVIDING CARE OF GOOD QUALITY, AS DETERMINED BY THE COMMISSIONER; AND

C. PRIOR TO APPOINTMENT AS TEMPORARY OPERATOR, DEVELOPS A PLAN DETERMINED TO BE SATISFACTORY BY THE COMMISSIONER TO ADDRESS THE PROGRAM'S DEFICIENCIES.

(B) (1) IN THE EVENT THAT: (I) THE ESTABLISHED OPERATOR IS SEEKING EXTRAORDINARY FINANCIAL ASSISTANCE; (II) OFFICE COLLECTED DATA DEMONSTRATES THAT THE ESTABLISHED OPERATOR IS EXPERIENCING SERIOUS FINANCIAL INSTABILITY ISSUES; (III) OFFICE COLLECTED DATA DEMONSTRATES THAT THE ESTABLISHED OPERATOR'S BOARD OF DIRECTORS OR ADMINISTRATION IS UNABLE OR 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 NECES-

SARY 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.

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

18 (2) SHOULD THE COMMISSIONER AND THE ESTABLISHED OPERATOR BE UNABLE TO  
19 ESTABLISH A PLAN OF CORRECTION PURSUANT TO PARAGRAPH ONE OF THIS SUBDI-  
20 VISION, OR SHOULD THE ESTABLISHED OPERATOR FAIL TO RESPOND TO THE  
21 COMMISSIONER'S INITIAL NOTIFICATION, THERE SHALL BE AN ADMINISTRATIVE  
22 HEARING ON THE COMMISSIONER'S DETERMINATION TO APPOINT A TEMPORARY OPER-  
23 ATOR TO BEGIN NO LATER THAN THIRTY DAYS FROM THE DATE OF THE NOTICE TO  
24 THE ESTABLISHED OPERATOR. ANY SUCH HEARING SHALL BE STRICTLY LIMITED TO  
25 THE ISSUE OF WHETHER THE DETERMINATION OF THE COMMISSIONER TO APPOINT A  
26 TEMPORARY OPERATOR IS SUPPORTED BY SUBSTANTIAL EVIDENCE. A COPY OF THE  
27 DECISION SHALL BE SENT TO THE ESTABLISHED OPERATOR.

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

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

47 (H) THE COMMISSIONER SHALL, UPON MAKING A DETERMINATION OF AN INTEN-  
48 TION TO APPOINT A TEMPORARY OPERATOR PURSUANT TO PARAGRAPH ONE OF SUBDI-  
49 VISION (B) OF THIS SECTION, PRIOR TO THE COMMENCEMENT OF THE APPOINT-  
50 MENT, CAUSE THE TEMPORARY PRESIDENT OF THE SENATE, THE SPEAKER OF THE  
51 ASSEMBLY, AND THE CHAIRS OF THE SENATE COMMITTEE ON MENTAL HEALTH AND  
52 DEVELOPMENTAL DISABILITIES AND THE ASSEMBLY COMMITTEE ON MENTAL HEALTH  
53 TO BE NOTIFIED OF SUCH APPOINTMENT. SUCH NOTIFICATION SHALL INCLUDE BUT  
54 NOT BE LIMITED TO, THE NAME OF THE ESTABLISHED OPERATOR, THE NAMES OF  
55 ALL APPOINTED TEMPORARY OPERATORS AND A DETAILED DESCRIPTION OF THE  
56 FINDINGS UNDERLYING THE INTENTION TO APPOINT A TEMPORARY OPERATOR.

1 S 3. Intentionally omitted.

2 S 4. Intentionally omitted.

3 S 5. Intentionally omitted.

4 S 5-a. Section 32.20 of the mental hygiene law is amended by adding a  
5 new subdivision 8 to read as follows:

6 8. THE COMMISSIONER SHALL, UPON MAKING A DETERMINATION OF AN INTENTION  
7 TO APPOINT TEMPORARY OPERATOR PURSUANT TO PARAGRAPH (A) OF SUBDIVISION  
8 TWO OF THIS SECTION, PRIOR TO THE COMMENCEMENT OF THE APPOINTMENT, CAUSE  
9 THE TEMPORARY PRESIDENT OF THE SENATE, THE SPEAKER OF THE ASSEMBLY, AND  
10 THE CHAIRS OF THE SENATE AND ASSEMBLY COMMITTEES ON ALCOHOLISM AND DRUG  
11 ABUSE TO BE NOTIFIED OF SUCH APPOINTMENT. SUCH NOTIFICATION SHALL  
12 INCLUDE BUT NOT BE LIMITED TO, THE NAME OF THE ESTABLISHED OPERATOR, THE  
13 NAMES OF ALL APPOINTED TEMPORARY OPERATORS AND A DETAILED DESCRIPTION OF  
14 THE FINDINGS UNDERLYING THE INTENTION TO APPOINT A TEMPORARY OPERATOR.

15 S 5-b. Subdivisions (d), (e), (f), (g) and (h) of section 122 of part  
16 E of chapter 56 of the laws of 2013 amending the public health law and  
17 other laws relating to the general public work program are relettered  
18 subdivisions (e), (f), (g), (h) and (i), and a new subdivision (d) is  
19 added to read as follows:

20 (D) SECTION FIFTY-ONE OF THIS ACT SHALL TAKE EFFECT IMMEDIATELY AND  
21 SHALL EXPIRE MARCH 31, 2019;

22 S 6. This act shall take effect immediately and shall be deemed to  
23 have been in full force and effect on and after April 1, 2016; provided,  
24 however, that sections one and two of this act shall expire and be  
25 deemed repealed on March 31, 2019; provided, further, that the amendment  
26 to section 32.20 of the mental hygiene law, made by section five-a of  
27 this act shall not affect the expiration of such section and shall be  
28 deemed to expire therewith.

29

## PART M

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

33 (d) Nothing in this section shall prevent the electronic or other  
34 exchange of information concerning patients or clients, including iden-  
35 tification, between and among (i) facilities or others providing  
36 services for such patients or clients pursuant to an approved local  
37 services plan, as defined in article forty-one of this chapter, or  
38 pursuant to agreement with the department, and (ii) the department or  
39 any of its licensed or operated facilities. NEITHER SHALL ANYTHING IN  
40 THIS SECTION PREVENT THE EXCHANGE OF INFORMATION CONCERNING PATIENTS OR  
41 CLIENTS, INCLUDING IDENTIFICATION, BETWEEN FACILITIES AND MANAGED CARE  
42 ORGANIZATIONS, BEHAVIORAL HEALTH ORGANIZATIONS, HEALTH HOMES OR OTHER  
43 ENTITIES AUTHORIZED BY THE DEPARTMENT OR THE DEPARTMENT OF HEALTH TO  
44 PROVIDE, ARRANGE FOR OR COORDINATE HEALTH CARE SERVICES FOR SUCH  
45 PATIENTS OR CLIENTS WHO ARE ENROLLED IN OR RECEIVING SERVICES FROM SUCH  
46 ORGANIZATIONS OR ENTITIES. Furthermore, subject to the prior approval of  
47 the commissioner of mental health, hospital emergency services licensed  
48 pursuant to article twenty-eight of the public health law shall be  
49 authorized to exchange information concerning patients or clients elec-  
50 tronically or otherwise with other hospital emergency services licensed  
51 pursuant to article twenty-eight of the public health law and/or hospi-  
52 tals licensed or operated by the office of mental health; provided that  
53 such exchange of information is consistent with standards, developed by  
54 the commissioner of mental health, which are designed to ensure confi-

1 dentiality of such information. Additionally, information so exchanged  
2 shall be kept confidential and any limitations on the release of such  
3 information imposed on the party giving the information shall apply to  
4 the party receiving the information.

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

8 (d) Nothing in this section shall prevent the exchange of information  
9 concerning patients or clients, including identification, between (i)  
10 facilities or others providing services for such patients or clients  
11 pursuant to an approved local services plan, as defined in article  
12 forty-one, or pursuant to agreement with the department and (ii) the  
13 department or any of its facilities. NEITHER SHALL ANYTHING IN THIS  
14 SECTION PREVENT THE EXCHANGE OF INFORMATION CONCERNING PATIENTS OR  
15 CLIENTS, INCLUDING IDENTIFICATION, BETWEEN FACILITIES AND MANAGED CARE  
16 ORGANIZATIONS, BEHAVIORAL HEALTH ORGANIZATIONS, HEALTH HOMES OR OTHER  
17 ENTITIES AUTHORIZED BY THE DEPARTMENT OR THE DEPARTMENT OF HEALTH TO  
18 PROVIDE, ARRANGE FOR OR COORDINATE HEALTH CARE SERVICES FOR SUCH  
19 PATIENTS OR CLIENTS WHO ARE ENROLLED IN OR RECEIVING SERVICES FOR SUCH  
20 ORGANIZATIONS OR ENTITIES. Information so exchanged shall be kept confi-  
21 dential and any limitations on the release of such information imposed  
22 on the party giving the information shall apply to the party receiving  
23 the information.

24 S 3. This act shall take effect immediately; provided that the amend-  
25 ments to subdivision (d) of section 33.13 of the mental hygiene law made  
26 by section one of this act shall be subject to the expiration and rever-  
27 sion of such subdivision pursuant to section 18 of chapter 408 of the  
28 laws of 1999, as amended, when upon such date the provisions of section  
29 two of this act shall take effect.

## 30 PART N

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

35 10. "Mental hygiene facility" shall mean a building, a unit within a  
36 building, a laboratory, a classroom, a housing unit, a dining hall, an  
37 activities center, a library, real property of any kind or description,  
38 or any structure on or improvement to real property, or an interest in  
39 real property, of any kind or description, owned by or under the juris-  
40 diction of the corporation, including fixtures and equipment which are  
41 an integral part of any such building, unit, structure or improvement, a  
42 walkway, a roadway or a parking lot, and improvements and connections  
43 for water, sewer, gas, electrical, telephone, heating, air conditioning  
44 and other utility services, or a combination of any of the foregoing,  
45 whether for patient care and treatment or staff, staff family or service  
46 use, located at or related to any psychiatric center, any developmental  
47 center, or any state psychiatric or research institute or other facility  
48 now or hereafter established under the department. A mental hygiene  
49 facility shall also mean and include a residential care center for  
50 adults, a "community mental health and retardation facility" and a  
51 treatment facility for use in the conduct of an alcoholism or substance  
52 abuse treatment program as defined in the mental hygiene law unless such  
53 residential care center for adults, community mental health and retarda-  
54 tion facility or alcoholism or substance abuse facility is expressly

1 excepted, or the context clearly requires otherwise, AND SHALL ALSO MEAN  
2 AND INCLUDE ANY TREATMENT FACILITY FOR USE IN THE CONDUCT OF AN ALCOHOL-  
3 ISM OR SUBSTANCE ABUSE TREATMENT PROGRAM THAT IS ALSO OPERATED AS AN  
4 ASSOCIATED HEALTH CARE FACILITY. The definition contained in this subdivi-  
5 sion shall not be construed to exclude therefrom a facility owned or  
6 leased by one or more voluntary agencies that is to be financed, refi-  
7 nanced, designed, constructed, acquired, reconstructed, rehabilitated or  
8 improved under any lease, sublease, loan or other financing agreement  
9 entered into with such voluntary agencies, and shall not be construed to  
10 exclude therefrom a facility to be made available from the corporation  
11 to a voluntary agency at the request of the commissioners of the offices  
12 of the department having jurisdiction thereof. The definition contained  
13 in this subdivision shall not be construed to exclude therefrom a facil-  
14 ity with respect to which a voluntary agency has an ownership interest  
15 in, and proprietary lease from, an organization formed for the purpose  
16 of the cooperative ownership of real estate.

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

20 20. "ASSOCIATED HEALTH CARE FACILITY" SHALL MEAN A FACILITY LICENSED  
21 UNDER AND OPERATED PURSUANT TO ARTICLE 28 OF THE PUBLIC HEALTH LAW OR  
22 ANY HEALTH CARE FACILITY LICENSED UNDER AND OPERATED IN ACCORDANCE WITH  
23 ANY OTHER PROVISIONS OF THE PUBLIC HEALTH LAW OR THE MENTAL HYGIENE LAW  
24 THAT PROVIDES HEALTH CARE SERVICES AND/OR TREATMENT TO ALL PERSONS,  
25 REGARDLESS OF WHETHER SUCH PERSONS ARE PERSONS RECEIVING TREATMENT OR  
26 SERVICES FOR ALCOHOL, SUBSTANCE ABUSE, OR CHEMICAL DEPENDENCY.

27 S 3. This act shall take effect immediately.

28 PART O

29 Section 1. Section 13.17 of the mental hygiene law is amended by  
30 adding two new subdivisions (d) and (e) to read as follows:

31 (D) THE COMMISSIONER SHALL NOT UNDERTAKE ANY ACTION DESIGNED TO CLOSE,  
32 CONSOLIDATE, REDUCE, TRANSFER OR LIMIT THE CENSUS OF STATE OPERATED  
33 INDIVIDUALIZED RESIDENTIAL ALTERNATIVES (IRA) AS PART OF THE TWO THOU-  
34 SAND SIXTEEN-TWO THOUSAND SEVENTEEN FISCAL YEAR PLAN.

35 (E) THE COMMISSIONER SHALL ESTABLISH POLICY AND PROCEDURES TO ADDRESS  
36 THE INDIVIDUALS AWAITING SERVICES AND EXPAND STATE OPERATED SERVICES  
37 THAT ARE COMPATIBLE WITH THE HEALTH, SAFETY AND PROGRAMMATIC NEEDS OF  
38 PERSONS REQUESTING SERVICES ON SUCH WAITLIST WITHIN EACH DEVELOPMENTAL  
39 DISABILITY SERVICES OFFICE'S GEOGRAPHIC AREA INCLUDING RESIDENTIAL  
40 PLACEMENT, RESPITE AND OTHER REQUESTED SERVICES.

41 S 2. This act shall take effect immediately.

42 PART P

43 Section 1. Paragraph (f) of subdivision 1 of section 209 of the elder  
44 law, as amended by section 41 of part A of chapter 58 of the laws of  
45 2010, is amended to read as follows:

46 (f) "Naturally occurring retirement community" shall mean an apartment  
47 building or housing complex which:

48 (1) was constructed with government assistance;

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

50 (3) does not restrict admissions solely to older adults;

1 (4) at least fifty percent of the units have an occupant who is an  
2 older adult or in which at least twenty-five hundred of the residents  
3 are older adults; and

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

7 PROGRAMS ESTABLISHED AND PROVIDING SERVICES ON MARCH FIRST, TWO THOU-  
8 SAND SIXTEEN SHALL NOT BE SUBJECT TO THE PROVISIONS OF SUBPARAGRAPH FOUR  
9 OF THIS PARAGRAPH REQUIRING THAT AT LEAST FIFTY PERCENT OF THE UNITS  
10 HAVE AN OCCUPANT WHO IS AN OLDER ADULT OR AT LEAST TWENTY-FIVE HUNDRED  
11 OF THE RESIDENTS WHO ARE OLDER ADULTS, UNTIL JUNE THIRTIETH, TWO THOU-  
12 SAND SEVENTEEN.

13 S 2. Paragraph (a) of subdivision 5-a of section 209 of the elder law,  
14 as amended by section 41 of part A of chapter 58 of the laws of 2010, is  
15 amended to read as follows:

16 (a) the term Neighborhood NORC as used in this subdivision shall mean  
17 and refer to a residential dwelling or group of residential dwellings in  
18 a geographically defined neighborhood of a municipality containing not  
19 more than two thousand persons who are older adults reside in at least  
20 forty percent of the units and which is made up of low-rise buildings  
21 six stories or less in height and/or single and multi-family homes and  
22 which area was not originally developed for older adults, and which does  
23 not restrict admission strictly to older adults. HOWEVER, PROGRAMS  
24 ESTABLISHED AND PROVIDING SERVICES ON MARCH FIRST, TWO THOUSAND SIXTEEN  
25 SHALL NOT BE SUBJECT TO THE REQUIREMENT THAT NOT MORE THAN TWO THOUSAND  
26 PERSONS WHO ARE OLDER ADULTS RESIDE IN AT LEAST FORTY PERCENT OF THE  
27 UNITS, UNTIL JUNE THIRTIETH, TWO THOUSAND SEVENTEEN;

28 S 3. Section 209 of the elder law is amended by adding two new subdi-  
29 visions 9 and 10 to read as follows:

30 9. ON OR BEFORE JANUARY FIRST, TWO THOUSAND SEVENTEEN, THE DIRECTOR,  
31 AFTER CONSULTATION WITH APPROPRIATE STAKEHOLDERS, SHALL REPORT TO THE  
32 GOVERNOR, THE TEMPORARY PRESIDENT OF THE SENATE, THE SPEAKER OF THE  
33 ASSEMBLY, THE FINANCE COMMITTEE OF THE SENATE AND THE WAYS AND MEANS  
34 COMMITTEE OF THE ASSEMBLY CONCERNING THE OVERALL EFFECTIVENESS OF THE  
35 NATURALLY OCCURRING RETIREMENT COMMUNITY SUPPORTIVE SERVICES PROGRAM,  
36 AND THE NEIGHBORHOOD NORCS IN ACHIEVING THE OBJECTIVES SET FORTH BY THIS  
37 SECTION, WHICH INCLUDE: HELPING TO ADDRESS THE NEEDS OF RESIDENTS IN  
38 SUCH NATURALLY OCCURRING RETIREMENT COMMUNITIES AND NEIGHBORHOOD  
39 NATURALLY OCCURRING RETIREMENT COMMUNITIES; ASSURING ACCESS TO A CONTIN-  
40 UUM OF NECESSARY SERVICES; INCREASING PRIVATE, PHILANTHROPIC AND OTHER  
41 PUBLIC FUNDING FOR PROGRAMS; AND PREVENTING UNNECESSARY HOSPITAL AND  
42 NURSING HOME STAYS.

43 THE REPORT SHALL INCLUDE AN EVALUATION AND RECOMMENDATIONS CONCERNING  
44 THE CONTINUATION, ELIMINATION OR MODIFICATION OF SUCH PROGRAMS. AREAS OF  
45 EVALUATION SHALL INCLUDE, BUT NOT BE LIMITED TO, THE FOLLOWING:

46 (A) THE NUMBER, SIZE, TYPE AND LOCATION OF THE PROJECTS DEVELOPED AND  
47 FUNDED, INCLUDING THE NUMBER, KINDS AND FUNCTIONS OF STAFF IN EACH  
48 PROGRAM;

49 (B) INFORMATION REGARDING THE SOURCES AND ADEQUACY OF FUNDING FOR EACH  
50 PROGRAM;

51 (C) THE AGE, SEX, INCOME AND OTHER APPROPRIATE DEMOGRAPHIC INFORMATION  
52 CONCERNING THE RESIDENTS SERVED;

53 (D) THE SERVICES PROVIDED TO RESIDENTS, REPORTED IN SUCH A MANNER AS  
54 TO ALLOW COMPARISON OF SERVICES BY DEMOGRAPHIC GROUP AND REGION;

55 (E) A LISTING OF THE SERVICES PROVIDED BY ELIGIBLE APPLICANTS, INCLUD-  
56 ING THE NUMBER, KIND AND INTENSITY OF SUCH SERVICES;



(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;

(G) A DESCRIPTION OF THE DEVELOPMENT OF EACH OF THE PROGRAMS OVER THE PREVIOUS FIVE YEARS;

(H) A DESCRIPTION OF THE COORDINATION OF SERVICES WITH THE LOCAL AREA AGENCY ON AGING; AND

(I) ANY IDENTIFIED AREAS OF CONCERN RELATED TO SUCH PROGRAMS.

10. IN ORDER TO PREVENT THE DESTABILIZATION OF THE NORC AND NEIGHBORHOOD NORC PROGRAMS AND TO PREVENT SENIORS FROM LOSING ESSENTIAL SERVICES, ALL PROGRAMS THAT ARE PROVIDING SERVICES AS OF MARCH FIRST, TWO THOUSAND SIXTEEN SHALL HAVE THEIR CONTRACTS EXTENDED UNTIL JUNE THIRTIETH, TWO THOUSAND SEVENTEEN, UNLESS GOOD CAUSE CAN BE SHOWN AS TO WHY SUCH CONTRACTS SHOULD NOT BE EXTENDED.

S 4. Paragraph (b) of subdivision 14 and subdivision 15 of section 202 of the elder law, paragraph (b) of subdivision 14 as amended and subdivision 15 as added by chapter 263 of the laws of 2011, are amended and a new subdivision 16 is added to read as follows:

(b) make recommendations, in consultation with the division of housing and community renewal, to the governor and legislature for assisting mixed-use age-integrated housing development or redevelopment demonstration projects in urban, suburban and rural areas of the state. The director of the office for the aging and secretary of state shall establish an advisory committee for purposes of this subdivision. Such committee shall include, but not be limited to, top representatives of local government, senior citizen organizations, developers, senior service providers and planners; [and]

15. to periodically, in consultation with the state director of [veteran's] VETERANS' affairs, review the programs operated by the office to ensure that the needs of the state's aging veteran population are being met and to develop improvements to programs to meet such needs[.]; AND

16. TO THE EXTENT APPROPRIATIONS ARE AVAILABLE, AND IN CONSULTATION WITH THE OFFICE OF CHILDREN AND FAMILY SERVICES, CONDUCT A PUBLIC EDUCATION CAMPAIGN THAT EMPHASIZES ZERO-TOLERANCE FOR ELDER ABUSE. SUCH CAMPAIGN SHALL INCLUDE INFORMATION ABOUT THE SIGNS AND SYMPTOMS OF ELDER ABUSE, IDENTIFICATION OF POTENTIAL CAUSES OF ELDER ABUSE, RESOURCES AVAILABLE TO ASSIST IN THE PREVENTION OF ELDER ABUSE, WHERE SUSPECTED ELDER ABUSE CAN BE REPORTED, CONTACT INFORMATION FOR PROGRAMS OFFERING SERVICES TO VICTIMS OF ELDER ABUSE SUCH AS COUNSELING, AND ASSISTANCE WITH ARRANGING PERSONAL CARE AND SHELTER. SUCH CAMPAIGN MAY INCLUDE, BUT NOT BE LIMITED TO: PRINTED EDUCATIONAL AND INFORMATIONAL MATERIALS; AUDIO, VIDEO, ELECTRONIC, OTHER MEDIA; AND PUBLIC SERVICE ANNOUNCEMENTS OR ADVERTISEMENTS.

S 5. The public health law is amended by adding a new article 19 to read as follows:

#### ARTICLE 19

#### ELDER ABUSE AND MALTREATMENT SCREENING

SECTION 1900. LEGISLATIVE PURPOSE.

1901. ELDER ABUSE AND MALTREATMENT SCREENING.

S 1900. LEGISLATIVE PURPOSE. THE CORRELATION BETWEEN ELDER ABUSE AND MALTREATMENT WITH INCREASED HOSPITALIZATIONS, ADMISSIONS AND MORTALITY HIGHLIGHTS THE NEED FOR INCREASED MEDICAL INTERVENTIONS, PARTICULARLY AS NEW YORK CONTINUES TO IMPLEMENT NATIONAL HEALTHCARE REFORM INITIATIVES. A SCREENING TOOL, TO BE UTILIZED BY MEDICAL PROFESSIONALS AT IMPORTANT

JUNCTURES IN THE LIVES OF THOSE SIXTY YEARS OF AGE AND OLDER, PRESENTS A SIGNIFICANT OPPORTUNITY FOR TRUSTED MEDICAL PROVIDERS TO HELP IDENTIFY HIGH RISK PATIENTS AND HELP TO ENSURE THEIR CONTINUED HEALTH AND SAFETY.

S 1901. ELDER ABUSE AND MALTREATMENT SCREENING. 1. THE COMMISSIONER SHALL ESTABLISH A SCREENING TOOL TO IDENTIFY ABUSE IN ELDERLY INDIVIDUALS. PHYSICIANS, PHYSICIAN ASSISTANTS AND NURSE PRACTITIONERS MAY USE THE TOOL TO ASSIST IN IDENTIFYING ABUSE OR MALTREATMENT IN THEIR ELDERLY PATIENTS DURING THE COURSE OF TREATMENT INCLUDING, BUT NOT LIMITED TO, ANNUAL PHYSICAL EXAMS OR AS PART OF PATIENT SCREENING UNDER THE UNIFORM ASSESSMENT SYSTEM FOR LONG TERM CARE AS ESTABLISHED BY THE DEPARTMENT.

2. THE SCREENING TOOL SHALL INCLUDE, BUT NOT BE LIMITED TO:

A. A UNIFORM INTERVENTION QUESTIONNAIRE WITH A COMMON SCALE THAT CAN BE USED ACROSS HEALTH CARE ENVIRONMENTS AND POPULATIONS TO ASSIST IN THE IDENTIFICATION OF HIGH RISK PATIENTS;

B. QUESTIONS THAT CAN BE USED FOR BOTH COGNITIVELY INTACT AS WELL AS COGNITIVELY IMPAIRED INDIVIDUALS;

C. STANDARDIZED INTERVENTION PROTOCOLS INCLUDING SPECIFIC LANGUAGE AND UNIFORM DEFINITIONS OF PHYSICAL, SEXUAL, EMOTIONAL, AND PSYCHOLOGICAL ABUSE, IN ADDITION TO, NEGLECT, ABANDONMENT, FINANCIAL OR MATERIAL EXPLOITATION, SELF-NEGLECT AND UNWARRANTED CONTROL;

D. A LIST OF RESOURCES TO ADDRESS THE NEEDS OF PATIENTS IDENTIFIED AS BEING VICTIMS OF ABUSE; AND

E. DOCUMENTATION IN A REPORTABLE FORMAT THAT MAY BE USED BY THE PRACTITIONER TO REPORT SUSPECTED ELDER ABUSE AND MALTREATMENT CASES TO THE DEPARTMENT FOR THE PURPOSES OF TRACKING PREVALENCE.

3. THE SCREENING TOOL SHALL BE CULTURALLY AND LINGUISTICALLY APPROPRIATE IN ACCORDANCE WITH RULES AND REGULATIONS PROMULGATED BY THE COMMISSIONER.

4. PATIENTS SHALL NOT BE REQUIRED TO BE SUBJECT TO SCREENING IF THEY REFUSE TO PARTICIPATE OR ARE IN AN URGENT OR EMERGENT SITUATION.

5. THIS SECTION SHALL NOT AFFECT THE SCOPE OF PRACTICE OF ANY HEALTH CARE PRACTITIONER OR DIMINISH ANY AUTHORITY OR LEGAL OR PROFESSIONAL OBLIGATIONS OF ANY HEALTH CARE PRACTITIONER.

6. THE COMMISSIONER SHALL PROMULGATE ANY RULES AND REGULATIONS NECESSARY TO IMPLEMENT THE PROVISIONS OF THIS SECTION.

S 6. Subdivision 1 of section 473 of the social services law, as amended by chapter 395 of the laws of 1995, is amended to read as follows:

1. In addition to services provided by social services officials pursuant to other provisions of this chapter, such officials shall provide protective services in accordance with federal and state regulations to or for individuals without regard to income who[, because of mental or physical impairments,] are unable to manage their own resources, carry out the activities of daily living, or protect themselves from physical abuse, sexual abuse, emotional abuse, active, passive or self neglect, financial exploitation or other hazardous situations without assistance from others and have no one available who is willing and able to assist them responsibly. Such services shall include:

(a) receiving and investigating reports of seriously impaired individuals who may be in need of protection;

(b) arranging for medical and psychiatric services to evaluate and whenever possible to safeguard and improve the circumstances of those with serious impairments;

(c) arranging, when necessary, for commitment, guardianship, or other protective placement of such individuals either directly or through

1 referral to another appropriate agency, provided, however, that where  
2 possible, the least restrictive of these measures shall be employed  
3 before more restrictive controls are imposed;

4 (d) providing services to assist such individuals to move from situ-  
5 ations which are, or are likely to become, hazardous to their health and  
6 well-being;

7 (e) cooperating and planning with the courts as necessary on behalf of  
8 individuals with serious mental impairments; and

9 (f) other protective services for adults included in the regulations  
10 of the department.

11 S 7. Section 473 of the social services law is amended by adding a new  
12 subdivision 9 to read as follows:

13 9. (A) WITHIN AMOUNTS APPROPRIATED THEREFOR, THE OFFICE OF CHILDREN  
14 AND FAMILY SERVICES, IN CONJUNCTION WITH THE OFFICE FOR THE AGING, THE  
15 DEPARTMENT OF LAW, THE OFFICE FOR THE PREVENTION OF DOMESTIC VIOLENCE,  
16 THE DIVISION OF CRIMINAL JUSTICE SERVICES, AND THE NEW YORK STATE  
17 DEPARTMENT OF HEALTH, SHALL CREATE AND ESTABLISH AN INTERAGENCY CLEAR-  
18 INGHOUSE FOR THE REPORTING OF CASES INVOLVING PHYSICAL ABUSE, SEXUAL  
19 ABUSE, EMOTIONAL ABUSE, ACTIVE, PASSIVE OR SELF NEGLECT, FINANCIAL  
20 EXPLOITATION AS DEFINED IN SUBDIVISION SIX OF THIS SECTION, OR OTHER  
21 HAZARDOUS SITUATIONS THAT CAN REASONABLY BE EXPECTED TO JEOPARDIZE THE  
22 HEALTH AND WELFARE OF AN INDIVIDUAL. THE INTERAGENCY CLEARINGHOUSE SHALL  
23 OPERATE AND MAINTAIN A CENTRAL DATABASE TO RECEIVE REPORTS OF ALLEGA-  
24 TIONS OF REPORTABLE INCIDENTS TWENTY-FOUR HOURS PER DAY, SEVEN DAYS A  
25 WEEK. REPORTS OF ALLEGATIONS OF REPORTABLE INCIDENTS SHALL BE SUBMITTED,  
26 BY A STATEWIDE, TOLL-FREE TELEPHONE NUMBER (A "HOTLINE") OR BY ELECTRON-  
27 IC TRANSMISSION, IN A MANNER AND ON FORMS PRESCRIBED BY THE COMMISSIONER  
28 FOR THE OFFICE OF CHILDREN AND FAMILY SERVICES. THE HOTLINE SHALL ACCEPT  
29 ANONYMOUS CALLS.

30 (B) WHEN ANY ALLEGATION THAT COULD REASONABLY CONSTITUTE A REPORTABLE  
31 INCIDENT IS RECEIVED BY THE CLEARINGHOUSE, THE CLEARINGHOUSE SHALL  
32 ACCEPT AND IMMEDIATELY TRANSMIT NOTICE OF THE REPORT ORALLY AND ELEC-  
33 TRONICALLY TO ANY APPROPRIATE STATE AGENCIES OR LOCAL SOCIAL SERVICES  
34 OFFICES. WHENEVER A TELEPHONE CALL OR ELECTRONIC TRANSMISSION TO THE  
35 CLEARINGHOUSE ALLEGES AN ACT OR CIRCUMSTANCES THAT MAY CONSTITUTE A  
36 CRIMINAL OFFENSE OR AN IMMEDIATE THREAT TO AN INDIVIDUAL'S HEALTH, SAFE-  
37 TY OR WELFARE, THE CLEARINGHOUSE SHALL CONVEY, BY THE MOST EXPEDIENT  
38 MEANS AVAILABLE, THE INFORMATION CONTAINED IN SUCH CALL OR TRANSMISSION  
39 TO THE APPROPRIATE LAW ENFORCEMENT AGENCY OR DISTRICT ATTORNEY AND, TO  
40 THE EXTENT NECESSARY, THE APPROPRIATE EMERGENCY RESPONDER, AND THE RELE-  
41 VANT STATE AGENCY OR LOCAL SOCIAL SERVICES OFFICE.

42 (C) THE CLEARINGHOUSE SHALL:

43 (1) UPON ACCEPTANCE OF A REPORT PROMPTLY FORWARD THE COMPLAINT TO THE  
44 APPROPRIATE SOCIAL SERVICES AGENCY OR LAW ENFORCEMENT ENTITY;

45 (2) TAKE ALL APPROPRIATE MEASURES TO PROTECT THE LIFE AND HEALTH OF  
46 THE PERSON WHO IS THE ALLEGED VICTIM OF A REPORTABLE INCIDENT, WHICH MAY  
47 INCLUDE WORKING WITH OTHER STATE AGENCIES, OR IF THERE IS REASONABLE  
48 CAUSE TO BELIEVE THAT THERE IS AN IMMINENT DANGER TO THE ALLEGED VICTIM  
49 PROMPTLY FORWARD THE COMPLAINT TO THE DISTRICT ATTORNEY OR LAW ENFORCE-  
50 MENT;

51 (3) IF A REPORT OF A REPORTABLE INCIDENT TO THE REGISTRY INVOLVES THE  
52 DEATH OF A PERSON, THE CLEARINGHOUSE SHALL GIVE TELEPHONE NOTICE AND  
53 IMMEDIATELY SEND A COPY OF THE REPORT TO THE APPROPRIATE DISTRICT ATTOR-  
54 NEY AND TO THE MEDICAL EXAMINER OR CORONER;

55 (4) MAINTAIN AND KEEP UP TO DATE RECORDS OF ALL INCIDENTS REPORTED TO  
56 THE CLEARINGHOUSE WITH DOCUMENTED MEASURES TAKEN TO FORWARD TO THE

1 APPROPRIATE AUTHORITIES GIVEN THE CIRCUMSTANCES OF THE ALLEGED CASE.  
2 LOCAL SOCIAL SERVICES ENTITIES SHALL BE REQUIRED TO SUBMIT DOCUMENTATION  
3 TO THE CLEARINGHOUSE UPON COMPLETION OF AN INVESTIGATION INDICATING  
4 OFFICIAL FINDINGS, MEASURES TAKEN, AND OFFICIAL DISPOSITION OF THE  
5 REPORT; AND

6 (5) WHENEVER A TELEPHONE CALL OR ELECTRONIC TRANSMISSION TO THE CLEAR-  
7 INGHOUSE CANNOT BE ACCEPTED AS A REPORT, BUT THE INFORMATION PROVIDED  
8 ALLEGES OTHER POTENTIAL WRONGDOING, THE CLEARINGHOUSE SHALL FORWARD THE  
9 REPORT TO THE APPLICABLE STATE OVERSIGHT AGENCY FOR INVESTIGATION AND  
10 PROTECTIVE ACTIONS.

11 (D) THE REGISTRY SHALL MAINTAIN AN ELECTRONIC DATABASE OF ALL ACCEPTED  
12 REPORTS. WHILE LOCAL AGENCIES SHALL RETAIN THE PRIMARY RESPONSIBILITY  
13 FOR INVESTIGATION AND THE PROVISION OF SERVICES, THE CLEARINGHOUSE SHALL  
14 MAINTAIN RECORDS DOCUMENTING INITIAL COMPLAINTS AS WELL AS DOCUMENTATION  
15 SUBMITTED BY THE LOCAL SOCIAL SERVICE ENTITIES INDICATING OFFICIAL FIND-  
16 INGS, MEASURES TAKEN, AND THE OFFICIAL DISPOSITION OF THE REPORT.

17 (E) THE CLEARINGHOUSE SHALL TAKE REASONABLE STEPS TO MAINTAIN CONFI-  
18 DENTIALITY OF ALL REPORTS INCLUDING, BUT NOT LIMITED TO THE USE OF A  
19 UNIQUE IDENTIFIER ASSIGNED TO EACH REPORT BY THE CLEARINGHOUSE.

20 S 8. Article 9-B of the social services law is amended by adding a new  
21 title 4 to read as follows:

22 TITLE 4  
23 ELDER ABUSE

24 SECTION 473-M. ELDER ABUSE REPORTING.

25 S 473-M. ELDER ABUSE REPORTING. 1. WITHIN AMOUNTS APPROPRIATED THERE-  
26 FOR, THE COMMISSIONER SHALL ESTABLISH A PROGRAM FOR THE DEVELOPMENT OF A  
27 MULTIDISCIPLINARY INVESTIGATIVE TEAM OR TEAMS FOR THE PURPOSE OF INVE-  
28 TIGATING REPORTS OF SUSPECTED ELDER ABUSE OR MALTREATMENT.

29 (A) THE PROGRAM SHALL PROVIDE THAT THE SOCIAL SERVICES DISTRICT SHALL  
30 HAVE DISCRETION WITH REGARD TO THE CATEGORY OR CATEGORIES OF SUSPECTED  
31 ELDER ABUSE OR MALTREATMENT SUCH TEAM OR TEAMS MAY INVESTIGATE,  
32 PROVIDED, HOWEVER, THAT THE SOCIAL SERVICES DISTRICT SHALL PLACE PARTIC-  
33 ULAR EMPHASIS ON CASES INVOLVING PHYSICAL ABUSE, SEXUAL ABUSE, EMOTIONAL  
34 ABUSE, ACTIVE, PASSIVE OR SELF NEGLECT, AND FINANCIAL EXPLOITATION AS  
35 DEFINED IN SUBDIVISION SIX OF SECTION FOUR HUNDRED SEVENTY-THREE OF THE  
36 SOCIAL SERVICES LAW.

37 (B) MEMBERS OF MULTIDISCIPLINARY TEAMS SHALL INCLUDE BUT NOT BE LIMIT-  
38 ED TO REPRESENTATIVES FROM THE FOLLOWING AGENCIES: ADULT PROTECTIVE  
39 SERVICES, LAW ENFORCEMENT, THE DISTRICT ATTORNEY'S OFFICE, BANKS AND  
40 FINANCIAL INSTITUTIONS, AS WELL AS FORENSIC ACCOUNTANTS, PHYSICIAN OR  
41 MEDICAL PROVIDERS TRAINED IN ELDER ABUSE AND MALTREATMENT, MENTAL HEALTH  
42 PROFESSIONALS, AND VICTIM ADVOCACY PERSONNEL. MEMBERS OF THE MULTIDISCI-  
43 PLINARY TEAM PRIMARILY RESPONSIBLE FOR THE INVESTIGATION OF ELDER ABUSE  
44 AND MALTREATMENT REPORTS, INCLUDING THOSE REPRESENTATIVES FROM ADULT  
45 PROTECTIVE SERVICES, LAW ENFORCEMENT, AND THE DISTRICT ATTORNEY'S  
46 OFFICE, SHALL PARTICIPATE IN JOINT INTERVIEWS AND CONDUCT INVESTIGATIVE  
47 FUNCTIONS CONSISTENT WITH THE MISSION OF THE PARTICULAR AGENCY MEMBER  
48 INVOLVED. IT SHALL NOT BE REQUIRED THAT MEMBERS OF A MULTIDISCIPLINARY  
49 TEAM NOT RESPONSIBLE FOR THE INVESTIGATION OF REPORTS PARTICIPATE IN  
50 EVERY INVESTIGATION. SUCH OTHER MEMBERS SHALL PROVIDE VICTIM ADVOCACY,  
51 EMOTIONAL SUPPORT, AND ACCESS TO MEDICAL AND MENTAL HEALTH CARE, WHERE  
52 APPLICABLE.

53 (C) ALL MEMBERS, CONSISTENT WITH THEIR RESPECTIVE AGENCY MISSIONS AND  
54 PROFESSIONS, SHALL FACILITATE EFFICIENT DELIVERY OF SERVICES TO VICTIMS  
55 AND APPROPRIATE DISPOSITION OF CASES THROUGH THE CRIMINAL JUSTICE SYSTEM  
56 IN A COLLABORATIVE MANNER. HOWEVER, NON-INVESTIGATIVE TEAM MEMBERS

1 SHALL NOTE THEIR SPECIFIC ROLE IN THE TEAM FOR REPORTS COVERED BY THIS  
2 SECTION.

3 (D) NOTWITHSTANDING ANY OTHER PROVISION OF LAW TO THE CONTRARY,  
4 MEMBERS OF A MULTIDISCIPLINARY INVESTIGATIVE TEAM MAY SHARE WITH OTHER  
5 TEAM MEMBERS CLIENT-IDENTIFIABLE INFORMATION CONCERNING THE VICTIM OR  
6 THE VICTIM'S FAMILY TO FACILITATE THE INVESTIGATION OF SUSPECTED ELDER  
7 ABUSE OR MALTREATMENT. NOTHING IN THIS SUBDIVISION SHALL PRECLUDE THE  
8 CREATION OF MULTIDISCIPLINARY TEAMS WHICH INCLUDE MORE THAN ONE SOCIAL  
9 SERVICES DISTRICT. EACH TEAM SHALL DEVELOP A WRITTEN PROTOCOL FOR INVES-  
10 TIGATION OF ELDER ABUSE AND MALTREATMENT CASES AND FOR INTERVIEWING  
11 ELDER ABUSE AND MALTREATMENT VICTIMS.

12 2. APPROVED PROJECTS SHALL SUBMIT A REPORT TO THE DIRECTOR OF THE  
13 STATE OFFICE FOR THE AGING, WHO SHALL MAKE SUCH REPORTS AVAILABLE TO THE  
14 MAJORITY LEADER OF THE SENATE, THE SPEAKER OF THE ASSEMBLY, AND THE  
15 CHAIRS OF THE AGING COMMITTEES OF THE SENATE AND ASSEMBLY, BY NOVEMBER  
16 FIRST, TWO THOUSAND SIXTEEN, DOCUMENTING INITIAL FINDINGS OF THE MULTI-  
17 DISCIPLINARY TEAM INVESTIGATIONS, INCLUDING, BUT NOT LIMITED TO:

18 (A) FINAL DISPOSITIONS OF CRIMINAL CASES THAT WERE INVESTIGATED AND  
19 ASSISTED BY THE MULTIDISCIPLINARY TEAM, WITH APPROPRIATE CONFIDENTIALITY  
20 MEASURES TAKEN TO PROTECT THE IDENTITIES OF VICTIMS AND THE ACCUSED;

21 (B) PHYSICAL AND MENTAL HEALTH OUTCOMES OF VICTIMS WHO WERE THE  
22 SUBJECTS OF ELDER ABUSE AND MALTREATMENT CASES;

23 (C) FINANCIAL JUDGMENTS AND REPAYMENTS MADE AS A RESULT OF THE INVES-  
24 TIGATION AND INTERVENTION OF THE MULTIDISCIPLINARY TEAM;

25 (D) NECESSARY MEASURES TAKEN TO ENSURE CROSS-COLLABORATION ACROSS  
26 AGENCIES AND PROVIDERS; AND

27 (E) NECESSARY TRAINING THAT EACH SOCIAL SERVICES DISTRICT TOOK TO  
28 TRAIN MEMBERS INCLUDING APPROPRIATE WAYS TO ASSESS RISK, IDENTIFY INDI-  
29 CATORS OF ELDER ABUSE AND MALTREATMENT, AND CONDUCT APPROPRIATE INTER-  
30 VIEWS.

31 S 9. Section 473 of the social services law is amended by adding a new  
32 subdivision 9 to read as follows:

33 9. (A) AS USED IN THIS SUBDIVISION:

34 (I) "BANKING INSTITUTION" MEANS ANY STATE OR FEDERALLY CHARTERED BANK,  
35 TRUST COMPANY, SAVINGS BANK, SAVINGS AND LOAN ASSOCIATION OR, CREDIT  
36 UNION.

37 (II) "VULNERABLE ADULT" MEANS AN INDIVIDUAL WHO BECAUSE OF MENTAL  
38 AND/OR PHYSICAL IMPAIRMENT, IS UNABLE TO MANAGE HIS OR HER OWN  
39 RESOURCES, OR PROTECT HIMSELF OR HERSELF FROM FINANCIAL EXPLOITATION.

40 (B) IF A BANKING INSTITUTION, SOCIAL SERVICES OFFICIAL OR LAW ENFORCE-  
41 MENT AGENCY REASONABLY BELIEVES THAT FINANCIAL EXPLOITATION OF A VULNER-  
42 ABLE ADULT HAS OCCURRED OR MAY OCCUR, THE BANKING INSTITUTION MAY, BUT  
43 SHALL NOT BE REQUIRED TO, REFUSE ANY TRANSACTION REQUIRING THE DISBURSAL  
44 OF MONEYS IN THE ACCOUNT OF:

45 (I) A VULNERABLE ADULT;

46 (II) WHICH A VULNERABLE ADULT IS A BENEFICIARY, INCLUDING TRUST AND  
47 GUARDIANSHIP ACCOUNTS; AND

48 (III) A PERSON WHO IS SUSPECTED OF ENGAGING IN THE FINANCIAL EXPLOITA-  
49 TION OF A VULNERABLE ADULT.

50 (C) A BANKING INSTITUTION MAY ALSO REFUSE TO DISBURSE MONEYS PURSUANT  
51 TO THIS SUBDIVISION IF A SOCIAL SERVICES OFFICIAL OR LAW ENFORCEMENT  
52 AGENCY PROVIDES INFORMATION TO SUCH INSTITUTION DEMONSTRATING THAT IT IS  
53 REASONABLE TO BELIEVE THAT FINANCIAL EXPLOITATION OF A VULNERABLE ADULT  
54 HAS OCCURRED OR MAY OCCUR.

55 (D) A BANKING INSTITUTION SHALL NOT BE REQUIRED TO REFUSE TO DISBURSE  
56 FUNDS PURSUANT TO THIS SECTION. SUCH A REFUSAL SHALL BE IN THE BANKING

1 INSTITUTION'S DISCRETION, BASED ON THE INFORMATION AVAILABLE TO SUCH  
2 INSTITUTION.

3 (E) ANY BANKING INSTITUTION WHICH REFUSES TO DISBURSE MONEYS PURSUANT  
4 TO THIS SUBDIVISION SHALL:

5 (I) MAKE A REASONABLE EFFORT TO PROVIDE NOTICE, ORALLY OR IN WRITING,  
6 TO ALL PARTIES AUTHORIZED TO TRANSACT BUSINESS ON THE ACCOUNT FROM WHICH  
7 DISBURSEMENT WAS REFUSED; AND

8 (II) REPORT THE INCIDENT TO THE SOCIAL SERVICES OFFICIAL RESPONSIBLE  
9 FOR ADMINISTERING ADULT PROTECTIVE SERVICES PURSUANT TO THIS ARTICLE FOR  
10 THE AFFECTED VULNERABLE ADULT.

11 (F) THE REFUSAL TO DISBURSE MONEYS PURSUANT TO THIS SUBDIVISION SHALL  
12 TERMINATE UPON THE EARLIER OF:

13 (I) THE TIME AT WHICH THE BANKING INSTITUTION IS SATISFIED THAT THE  
14 DISBURSEMENT WILL NOT RESULT IN THE FINANCIAL EXPLOITATION OF A VULNER-  
15 ABLE ADULT; OR

16 (II) THE ISSUANCE OF AN ORDER BY A COURT OF COMPETENT JURISDICTION,  
17 DIRECTING THE DISBURSAL OF THE MONEYS.

18 (G) A BANKING INSTITUTION MAY PROVIDE ACCESS TO OR COPIES OF RECORDS  
19 RELEVANT TO SUSPECTED FINANCIAL EXPLOITATION OF A VULNERABLE ADULT TO  
20 LAW ENFORCEMENT AGENCIES AND SOCIAL SERVICES OFFICIALS RESPONSIBLE FOR  
21 ADMINISTERING THE PROVISIONS OF THIS ARTICLE. SUCH RECORDS MAY INCLUDE  
22 RELEVANT HISTORICAL RECORDS AND RECENT TRANSACTIONS RELATING TO  
23 SUSPECTED FINANCIAL EXPLOITATION.

24 (H) A BANKING INSTITUTION OR AN EMPLOYEE OF SUCH AN INSTITUTION SHALL  
25 BE IMMUNE FROM CRIMINAL, CIVIL OR ADMINISTRATIVE LIABILITY FOR REFUSING  
26 TO DISBURSE MONEYS OR DISBURSING MONEYS PURSUANT TO THIS SUBDIVISION,  
27 AND FOR ACTIONS TAKEN IN FURTHERANCE OF THAT DETERMINATION, INCLUDING  
28 THE MAKING OF A REPORT OR THE PROVIDING OF ACCESS TO OR COPIES OF RELE-  
29 VANT RECORDS TO A SOCIAL SERVICES OFFICIAL OR LAW ENFORCEMENT AGENCY, IF  
30 SUCH DETERMINATIONS AND ACTIONS WERE MADE IN GOOD FAITH AND IN ACCORD-  
31 ANCE WITH THE PROVISIONS OF THIS SUBDIVISION.

32 S 10. Section 4 of the banking law is amended by adding a new subdivi-  
33 sion 4 to read as follows:

34 4. A BANKING INSTITUTION OR AN EMPLOYEE OF SUCH AN INSTITUTION SHALL  
35 BE IMMUNE FROM CRIMINAL, CIVIL OR ADMINISTRATIVE LIABILITY FOR REFUSING  
36 TO DISBURSE MONEYS OR DISBURSING MONEYS PURSUANT TO SUBDIVISION NINE OF  
37 SECTION FOUR HUNDRED SEVENTY-THREE OF THE SOCIAL SERVICES LAW, AND FOR  
38 ACTIONS TAKEN IN FURTHERANCE OF THAT DETERMINATION, INCLUDING THE MAKING  
39 OF A REPORT OR THE PROVIDING OF ACCESS TO OR COPIES OF RELEVANT RECORDS  
40 TO A SOCIAL SERVICES OFFICIAL OR LAW ENFORCEMENT AGENCY, IF SUCH DETER-  
41 MINATIONS AND ACTIONS WERE MADE IN GOOD FAITH AND IN ACCORDANCE WITH  
42 SUBDIVISION NINE OF SECTION FOUR HUNDRED SEVENTY-THREE OF THE SOCIAL  
43 SERVICES LAW. FOR PURPOSES OF THIS SUBDIVISION, THE TERM "BANKING INSTI-  
44 TUTION" SHALL MEAN ANY STATE OR FEDERALLY CHARTERED BANK, TRUST COMPANY,  
45 SAVINGS BANK, SAVINGS AND LOAN ASSOCIATION OR, CREDIT UNION.

46 S 11. This act shall take effect immediately; provided, however, that  
47 sections six and seven of this act shall take effect on the ninetieth  
48 day after this act shall have become a law; and provided, further that  
49 sections nine and ten of this act shall take effect on the one hundred  
50 eightieth day after this act shall have become a law.

51 PART Q

52 Section 1. Legislative intent. The legislature hereby supports  
53 increasing access to integrated employment settings for individuals with  
54 developmental disabilities. The legislature additionally finds, however,

1 that there is no one-size fits all solution, and people who cannot or  
2 choose not to participate in community employment should have access to  
3 services and other activities that will offer each individual the chance  
4 to be engaged in his or her community.

5 S 2. Section 13.41 of the mental hygiene law, as added by section 1 of  
6 part E of chapter 60 of the laws of 2014, is amended by adding 5 new  
7 subdivisions (d), (e), (f), (g) and (h) to read as follows:

8 (D) NO LATER THAN DECEMBER THIRTY-FIRST, TWO THOUSAND SEVENTEEN AND  
9 ANNUALLY THEREAFTER THE OFFICE SHALL REPORT ON THE OVERALL TRANSITION OF  
10 SHELTERED WORKSHOPS TO INTEGRATED EMPLOYMENT SETTINGS, ITS IMPACT ON  
11 WORKSHOP PROVIDERS, INDIVIDUALS WITH DEVELOPMENTAL DISABILITIES THAT ARE  
12 EMPLOYED IN SUCH WORKSHOPS, THEIR FAMILIES AND THE IMPACT INTEGRATED  
13 EMPLOYMENT WILL HAVE ON GOVERNMENT BENEFITS FOR INDIVIDUALS WITH DEVEL-  
14 OPMENTAL DISABILITIES.

15 (E) INDIVIDUALS WITH DEVELOPMENTAL DISABILITIES THAT WERE EMPLOYED IN  
16 SHELTERED WORKSHOPS ON OR AFTER JULY FIRST, TWO THOUSAND THIRTEEN WHO  
17 ARE UNABLE OR NOT INTERESTED IN WORKING IN AN INTEGRATED PROVIDER-OWNED  
18 BUSINESS, FORMERLY KNOWN AS A SHELTERED WORKSHOP, OR A PRIVATE BUSINESS  
19 IN THE COMMUNITY, SHALL BE AFFORDED THE OPTION OF RECEIVING OTHER OFFICE  
20 SERVICES, INCLUDING, BUT NOT LIMITED TO PATHWAY TO EMPLOYMENT AND COMMU-  
21 NITY PREVOCATIONAL SERVICES THAT FOCUS ON:

22 (1) ASSESSMENT OF THE INDIVIDUAL'S SKILLS, INCLUDING BUT NOT LIMITED  
23 TO HIS OR HER SOCIAL BEHAVIOR, ABILITY TO HANDLE STRESS, WILLINGNESS TO  
24 WORK WITH OTHERS, ETC.; JOB PERFORMANCE AS JUDGED BY ATTENDANCE, PUNCTU-  
25 ALITY, HYGIENE AND GROOMING, ETC.; COMMUNICATION SKILLS; WORK ETHIC,  
26 TAKING INTO ACCOUNT SUCH FACTORS AS, MOTIVATION, INITIATIVE, FOCUS,  
27 ETC.; INTERESTS, LIKES, DISLIKES, WANTS, DREAMS, AND OTHER FACTORS;

28 (2) ASSESSMENT OF THE INDIVIDUAL'S SITUATION: INCLUDING BUT NOT LIMIT-  
29 ED TO TRANSPORTATION NEEDS, FAMILY SUPPORTS, PHYSICAL AND MENTAL HEALTH,  
30 SAFETY, ETC.; AND

31 (3) CREATION OF OPPORTUNITIES TO EXPLORE DIFFERENT COMMUNITY AND  
32 VOLUNTEER EXPERIENCES TO OBTAIN INFORMATION THAT WILL BE USED TO CREATE  
33 A PERSON-CENTERED TRANSITION PLAN.

34 (F) DAY HABILITATION, COMMUNITY HABILITATION AND SELF-DIRECTION SHALL  
35 BE AVAILABLE TO ASSIST INDIVIDUALS INTERESTED IN PARTICIPATING IN VOLUN-  
36 TEER, RETIREMENT AND OTHER MEANINGFUL COMMUNITY ACTIVITIES.

37 (G) FOR PEOPLE WHO ARE OLDER AND INTERESTED IN RETIREMENT, CURRENT  
38 RESOURCES SHALL BE USED TO CONNECT THEM TO RETIREMENT RELATED ACTIV-  
39 ITIES. PROVIDERS OF SERVICES SHALL HAVE THE OPTION OF USING DAY HABI-  
40 LITATION OR COMMUNITY HABILITATION FUNDING TO SUPPORT INDIVIDUALS WHO ARE  
41 INTERESTED IN PARTICIPATING IN SENIOR CENTERS, COMMUNITY CENTERS AND  
42 OTHER LOCAL ACTIVITIES FOR RETIREES.

43 (H) THE OFFICE SHALL ANNUALLY REQUIRE THE SERVICE PROVIDER IN CONJUNC-  
44 TION WITH THE INDIVIDUAL AND THEIR PLANNING TEAM TO REVIEW EACH INDIVID-  
45 UAL'S WORKSHOP TRANSITION PLAN TO ASSESS WHETHER HE OR SHE IS RECEIVING  
46 THE APPROPRIATE SERVICES TO SUPPORT HIS OR HER EMPLOYMENT AND MEANINGFUL  
47 ACTIVITY GOALS AS PART OF THE PERSON-CENTERED PLANNING PROCESS AND INDI-  
48 VIDUALIZED SERVICE PLAN. ANY NECESSARY CHANGES IN SERVICE AUTHORIZATION  
49 SHALL BE REVIEWED BY THE REGIONAL OFFICE AND APPROVED AS APPROPRIATE.

50 S 3. This act shall take effect immediately, provided that subdivision  
51 (d) of section 13.41 of the mental hygiene law as added by section two  
52 of this act shall expire and be deemed repealed on January 1, 2020.

1 Section 1. Subdivision 1 of section 206 of the public health law is  
2 amended by adding a new paragraph (v) to read as follows:

3 (V) ESTABLISH AN OFFICE OF ACCOUNTABILITY WITHIN THE DEPARTMENT. THE  
4 OFFICE OF ACCOUNTABILITY SHALL BE RESPONSIBLE FOR ENSURING ALL WORK-  
5 GROUPS REQUIRED UNDER THIS CHAPTER ARE TIMELY CONVENED AND ALL REPORTS  
6 REQUIRED UNDER THIS CHAPTER ARE TIMELY DISTRIBUTED. THE OFFICE SHALL  
7 REVIEW AND REPORT TO THE LEGISLATURE BY JANUARY FIRST, TWO THOUSAND  
8 SEVENTEEN, AND ANNUALLY THEREAFTER, ON THE FOLLOWING:

9 (1) THE DATE EACH STATUTORILY REQUIRED REPORT WAS DISTRIBUTED, AND TO  
10 WHOM IT WAS DISTRIBUTED;

11 (2) ANY REPORTS THAT WERE REQUIRED BY LAW AND NOT PROVIDED, WITH AN  
12 EXPLANATION OF WHY SUCH REPORT WAS NOT PROVIDED;

13 (3) RECOMMENDATIONS FOR STREAMLINING REPORTING REQUIREMENTS WHICH MAY  
14 INCLUDE RECOMMENDED STATUTORY AMENDMENTS TO MAKE REPORT DEADLINES AND  
15 RECIPIENTS MORE CONSISTENT, TO PROVIDE THE REPORTS IN ELECTRONIC FORMAT,  
16 TO CONSOLIDATE ANY RELATED REPORTING REQUIREMENTS, OR TO REPEAL REPORT-  
17 ING REQUIREMENTS NO LONGER DEEMED NECESSARY;

18 (4) ALL CURRENTLY ACTIVE WORKGROUPS, AD HOC WORKGROUPS, ADVISORY  
19 COMMITTEES OR TASKFORCES THE DEPARTMENT IS RUNNING OR ENGAGED IN EITHER  
20 DIRECTLY OR IN COMBINATION WITH OTHER AGENCIES OR DEPARTMENTS AND THE  
21 STATUS OF EACH SUCH GROUP; AND

22 (5) ANY STATUTORILY REQUIRED WORKGROUP THAT HAS NOT MET WITHIN THE  
23 LAST YEAR, WITH AN EXPLANATION OF WHY THIS GROUP IS INACTIVE, WHICH MAY  
24 INCLUDE A RECOMMENDATION TO REPEAL THE WORKGROUP IF THE PURPOSE OF THE  
25 GROUP HAVE BEEN FULFILLED.

26 THIS REPORT MAY BE PROVIDED ELECTRONICALLY AND SHALL BE PROVIDED TO THE  
27 TEMPORARY PRESIDENT OF THE SENATE, SPEAKER OF THE ASSEMBLY, CHAIR OF THE  
28 SENATE STANDING COMMITTEE ON HEALTH, AND THE CHAIR OF THE ASSEMBLY  
29 HEALTH COMMITTEE.

30 S 2. The opening paragraph of subdivision 2-b of section 97-yy of the  
31 state finance law, as amended by chapter 453 of the laws of 2015, is  
32 amended to read as follows:

33 [On or before the first day of February each year, the] THE commis-  
34 sioner of health shall provide a written report to the temporary presi-  
35 dent of the senate, speaker of the assembly, chair of the senate finance  
36 committee, chair of the assembly ways and means committee, chair of the  
37 senate committee on health, chair of the assembly health committee, the  
38 state comptroller and the public, PERTAINING TO THE PRIOR YEAR ON OR  
39 BEFORE OCTOBER FIRST ANNUALLY. Such report shall include how the monies  
40 of the fund were utilized during the preceding calendar year, and shall  
41 include:

42 S 3. The opening paragraph of paragraph (b) of subdivision 4 of  
43 section 95-e of the state finance law, as amended by chapter 453 of the  
44 laws of 2015, is amended to read as follows:

45 [On or before the first day of February each year, the] THE commis-  
46 sioner of health shall provide a written report to the temporary presi-  
47 dent of the senate, speaker of the assembly, chair of the senate finance  
48 committee, chair of the assembly ways and means committee, chair of the  
49 senate committee on health, chair of the assembly health committee, the  
50 state comptroller and the public, PERTAINING TO THE PRIOR YEAR ON OR  
51 BEFORE OCTOBER FIRST ANNUALLY. Such report shall include how monies of  
52 the fund were utilized during the preceding calendar year and shall  
53 include:

54 S 4. The opening paragraph of subdivision 2-b of section 89-e of the  
55 state finance law, as amended by chapter 453 of the laws of 2015, is  
56 amended to read as follows:



[On or before the first day of February each year, the] THE commissioner of health shall provide a written report to the temporary president of the senate, speaker of the assembly, chair of the senate finance committee, chair of the assembly ways and means committee, chair of the senate committee on health, chair of the assembly health committee, the state comptroller and the public, PERTAINING TO THE PRIOR YEAR ON OR BEFORE OCTOBER FIRST ANNUALLY. Such report shall include how the monies of the fund were utilized during the preceding calendar year and shall include:

S 5. Subdivision 5 of section 2815 of the public health law, as amended by section 11 of part A of chapter 60 of the laws of 2014, is amended to read as follows:

5. Loans from the restructuring pool shall be made pursuant to an agreement with the participating borrower specifying the terms thereof, including repayment terms. The authority shall record and account for all such repayments, which shall be deposited in the restructuring pool. The authority shall notify the chair of the senate finance committee, the director of the division of budget, the chair of the assembly ways and means committee, the chair of the senate committee on health, and the chair of the assembly health committee, five days prior to the making of a loan from the restructuring pool. The authority shall also report [quarterly] ON OR BEFORE OCTOBER FIRST ANNUALLY to such chairpersons on the transactions in the pool, including but not limited to receipts or deposits to the pool, disbursements or loans made from the pool, investment income, and the balance on hand as of the end of the month for each such quarter.

S 6. Subdivision 9 of section 4310 of the public health law, as added by section 27 of part A of chapter 60 of the laws of 2014, is amended to read as follows:

9. An interagency work group, composed of the commissioner, the commissioner of the department of motor vehicles, a chair of the board of elections, or their designees, and such other individuals as may be designated by the commissioner, shall be established to meet with the contractor annually and as needed to review the status of the donate life registry, to examine the steps that might be taken by state agencies to enhance its performance and to make recommendations to the contractor AND REPORT SUCH RECOMMENDATIONS TO THE TEMPORARY PRESIDENT OF THE SENATE, SPEAKER OF THE ASSEMBLY, CHAIR OF THE SENATE STANDING COMMITTEE ON HEALTH, AND CHAIR OF THE ASSEMBLY HEALTH COMMITTEE BY OCTOBER FIRST ANNUALLY.

S 7. Section 45-c of part A of chapter 56 of the laws of 2013, relating to the report on the transition of behavioral health services as a managed care benefit in the medical assistance program, as amended by section 16-a of part C of chapter 60 of the laws of 2014, is amended to read as follows:

S 45-c. The commissioner of health in consultation with the commissioners of the office of mental health and the office of alcoholism and substance abuse services shall prepare a report on the transition of behavioral health services as a managed care benefit in the medical assistance program. Such report shall examine (i) the adequacy of rates; (ii) the ability of managed care plans to arrange and manage covered services for eligible enrollees; (iii) the ability of managed care plans to provide an adequate network of providers to meet the needs of enrollees; (iv) the use of evidence based tools or guidelines by managed care plans when determining the appropriate level of care or coverage for enrollees; (v) the ability of managed care plans to provide

1 eligible enrollees with both the appropriate amount and type of  
2 services; (vi) the quality assurance mechanisms used by managed care  
3 plans, including processes to ensure enrollee satisfaction; (vii) the  
4 manner in which managed care plans address the cultural and linguistic  
5 needs of enrollees; (viii) any other quality of care criteria deemed  
6 appropriate by the commissioners to ensure the adequacy of rates, conti-  
7 nuity of care and the quality of life, health, and safety of enrollees  
8 during the transition of the behavioral health benefit; (ix) details  
9 regarding the implementation of reinvestment allocation plans pursuant  
10 to reductions of inpatient behavioral health services including, but not  
11 limited, to the location and scope of service reductions resulting from  
12 the reduction or closure of programs licensed pursuant to article 31 or  
13 32 of the mental hygiene law and a description of services to be funded  
14 pursuant to allocation plans; (x) detailed descriptions of the methodol-  
15 ogy used to calculate the amount of savings resulting from the transi-  
16 tion of individuals into managed care realized under subdivision 5 of  
17 section 365-m of the social services law, and the manner in which the  
18 reinvestment will address the service needs; (xi) details regarding the  
19 implementation of the collaborative care clinical delivery model; (xii)  
20 a description of, and rationale for, any waiver of existing regulations  
21 or any promulgation of emergency regulations pursuant to the behavioral  
22 health services transition authorized by sections 10 through 17 of part  
23 C of [a] chapter 60 of the laws of 2014 [which amended this section],  
24 relating to the implementation of the health and mental hygiene budget;  
25 (xiii) implementation of infrastructure and organizational modifications  
26 and investments in health information technology and training and tech-  
27 nical assistance; and (xiv) details regarding the implementation of the  
28 plan to transition adult and children's behavioral health providers and  
29 services into managed care. The report shall be submitted on [an annual  
30 basis] OR BEFORE OCTOBER FIRST ANNUALLY to the governor, the temporary  
31 president of the senate, the speaker of the assembly, the minority lead-  
32 er of the senate, the minority leader of the assembly, and the behav-  
33 ioral health subcommittee of the Medicaid redesign team[, no later than  
34 January first of each year].

35 S 8. Subdivision 14 of section 6831 of the education law, as added by  
36 section 12 of part D of chapter 60 of the laws of 2014, is amended to  
37 read as follows:

38 14. Reports. The commissioner, in consultation with the commissioner  
39 of health, shall prepare and submit a report to the governor and the  
40 legislature, due [eighteen months from the effective date of this  
41 section,] ON OR BEFORE OCTOBER FIRST, TWO THOUSAND SIXTEEN evaluating  
42 the effectiveness of the registration and oversight of outsourcing  
43 facilities related to compounding.

44 S 9. Subdivision 4 of section 28 of part H of chapter 60 of the laws  
45 of 2014, amending the insurance law, the public health law and the  
46 financial services law relating to establishing protections to prevent  
47 surprise medical bills including network adequacy requirements, claim  
48 submission requirements, access to out-of-network care and prohibition  
49 of excessive emergency charges, is amended to read as follows:

50 4. The workgroup shall report its findings and make recommendations  
51 for legislation and regulations to the governor, the speaker of the  
52 assembly, the senate majority leader, the chairs of the insurance and  
53 health committees in both the assembly and the senate, and the super-  
54 intendent of the department of financial services no later than [Janu-  
55 ary] OCTOBER 1, 2016.

1 S 10. The opening paragraph of subparagraph (i) of paragraph (b) of  
2 subdivision 18-a of section 206 of the public health law, as amended by  
3 section 8 of part A of chapter 57 of the laws of 2015, is amended to  
4 read as follows:

5 post on its website by September first, two thousand [fifteen] SIXTEEN  
6 and quarterly thereafter, information on the uses of funding in support  
7 of the Statewide Health Information Network of New York (SHIN-NY),  
8 including how such funds may be used to:

9 S 11. Subparagraph (iii) of paragraph (e) of subdivision 7 of section  
10 367-a of the social services law, as added by section 1 of part B of  
11 chapter 57 of the laws of 2015, is amended to read as follows:

12 (iii) The commissioner shall submit a report to the temporary presi-  
13 dent of the senate and the speaker of the assembly annually [by December  
14 thirty-first] ON OR BEFORE OCTOBER FIRST. The report shall analyze the  
15 adequacy of rates to managed care providers for drug expenditures  
16 related to the classes under this paragraph.

17 S 12. Subdivisions 2 and 9 of section 369-gg of the social services  
18 law, subdivision 2 as amended and subdivision 9 as added by section 28-a  
19 of part B of chapter 57 of the laws of 2015, is amended to read as  
20 follows:

21 2. Authorization. If it is in the financial interest of the state to  
22 do so, the commissioner of health is authorized, with the approval of  
23 the director of the budget, to establish a basic health program. The  
24 commissioner's authority pursuant to this section is contingent upon  
25 obtaining and maintaining all necessary approvals from the secretary of  
26 health and human services to offer a basic health program in accordance  
27 with 42 U.S.C. 18051. The commissioner may take any and all actions  
28 necessary to obtain such approvals. Notwithstanding the foregoing,  
29 [within ninety days of the effective date of the chapter of the laws of  
30 two thousand fifteen which amended this subdivision] ON OR BEFORE JUNE  
31 FIRST, TWO THOUSAND SIXTEEN, the commissioner shall submit a report to  
32 the temporary president of the senate and the speaker of the assembly  
33 detailing a contingency plan in the event eligibility rules or regu-  
34 lations are modified or repealed; or in the event federal payment is  
35 reduced from ninety five percent of the premium tax credits and cost-  
36 sharing reductions pursuant to the patient protection and affordable  
37 care act (P.L. 111-148). The contingency plan shall be implemented with-  
38 in ninety days of the above stated events or the time period specified  
39 in federal law.

40 9. Reporting. The commissioner shall submit a report to the temporary  
41 president of the senate and the speaker of the assembly annually [by  
42 December thirty-first] ON OR BEFORE OCTOBER FIRST. The report shall  
43 include, at a minimum, an analysis of the basic health program and its  
44 impact on the financial interest of the state; its impact on the health  
45 benefit exchange including enrollment and premiums; its impact on the  
46 number of uninsured individuals in the state; its impact on the Medicaid  
47 global cap; and the demographics of basic health program enrollees  
48 including age and immigration status.

49 S 13. Section 2 of part W of chapter 57 of the laws of 2015, requiring  
50 the commissioner of health to convene a task force to evaluate and make  
51 recommendations related to increasing the transparency and accountabil-  
52 ity of the health care reform act resources fund, is amended to read as  
53 follows:

54 S 2. HCRA modernization task force: the commissioner of health shall  
55 convene a task force to evaluate and make recommendations regarding the  
56 efficacy and transparency of the Health Care Reform Act resources fund

1 (HCRA fund) and to evaluate and modernize the provisions of law related  
2 to the Health Care Reform Acts of 1996 and 2000 (HCRA). The task force  
3 shall consist of the commissioner of health, or his or her designee,  
4 employees of the department of health with expertise in health care  
5 financing, the director of the division of budget, or his or her designee,  
6 an individual to be appointed by the temporary president of the  
7 senate, an individual to be appointed by the speaker of the assembly,  
8 and stakeholders impacted by charges and disbursements of HCRA and the  
9 HCRA fund, including, but not limited to: representatives of health  
10 plans, consumers, managed care plans, hospitals, health care practitioners,  
11 and other health care providers. The commissioner of health, or his  
12 or her designee, shall chair the task force. The HCRA pool administrator  
13 shall provide material support to the task force and submit documentation  
14 and analysis necessary for deliberations by such task force,  
15 including, but not limited to, an accounting of revenues collected and  
16 disbursements made through HCRA and the HCRA fund. The task force shall  
17 consider and evaluate: the purposes for which the HCRA fund was established  
18 and whether such purposes may be continually served by such fund;  
19 the impact that any reduction or recalculation of indigent care and  
20 disproportionate share payments pursuant to federal law may have on the  
21 HCRA fund, and the cost that such reductions or recalculations will have  
22 to the state; the extent to which provisions of law in the HCRA statutes  
23 have become obsolete; the extent to which the Balanced Budget Act of  
24 1997, Public Health Law 105-33, mandates a particular form of charges or  
25 assessments under HCRA and the impact any proposed change would have on  
26 the protections by such law; and any other purpose that would contribute  
27 to the streamlining and modernization of HCRA and the HCRA fund. The  
28 task force shall convene no later than June 30, 2015. The task force  
29 shall report to the governor, the temporary president of the senate and  
30 the speaker of the assembly its considerations, evaluations, and findings  
31 and make recommendations of changes to any rule, regulation, law or  
32 practice necessary to effectuate its conclusions. Such report shall be  
33 submitted no later than [December 31, 2015] OCTOBER 1, 2016, at which  
34 time such task force shall be disbanded and its work completed.

35 S 14. Section 47 of part B of chapter 57 of the laws of 2015, amending  
36 the public health law relating to physician profiles, is amended to read  
37 as follows:

38 S 47. Young adult special populations demonstration programs. The  
39 commissioner of health shall establish up to three young adult special  
40 populations demonstration programs to provide cost effective, necessary  
41 services and enhanced quality of care for targeted populations in order  
42 to demonstrate the effectiveness of the programs. Eligible individuals  
43 shall have severe and chronic medical or health problems, or multiple  
44 disabling conditions which may be combined with developmental disabilities.  
45 The programs shall provide more appropriate settings and services  
46 for these individuals, help prevent out of state placements and allow  
47 repatriation back to their home communities. Eligible operator applicants  
48 shall have demonstrated expertise in caring for the targeted population  
49 including persons with severe and chronic medical or health problems  
50 or multiple disabling conditions and a record of providing quality  
51 care.

52 Funds may include, but not be limited to, start up funds, capital  
53 investments and enhanced rates.

54 Of the demonstrations:

1 (a) at least one shall be designed to serve persons aged twenty-one to  
2 thirty-five years of age who are aging out of pediatric acute care  
3 hospitals or pediatric nursing homes; and

4 (b) at least one shall be designed to serve persons aged twenty-one to  
5 thirty-five years of age who have a developmental disability in addition  
6 to their severe and chronic medical or health problems and are aging out  
7 of pediatric acute care hospitals, pediatric nursing homes or children's  
8 residential homes operated under the jurisdiction of the office for  
9 persons with developmental disabilities.

10 The department of health shall be responsible for monitoring the qual-  
11 ity and appropriateness and effectiveness of the demonstration programs,  
12 and shall report to the legislature no later than [December 31, 2015]  
13 OCTOBER 1, 2016 on what efforts it has undertaken toward the establish-  
14 ment of these demonstration programs and shall report to the legislature  
15 two years following the establishment of a demonstration program pursu-  
16 ant to this section.

17 S 15. Paragraph (d) of subdivision 13 of section 2995-a of the public  
18 health law, as amended by section 4 of part A of chapter 57 of the laws  
19 of 2015, is amended to read as follows:

20 (d) Report. The department shall provide a report of its determi-  
21 nations and recommendations under this subdivision to the governor and  
22 legislature, and make such report publicly available, on or before  
23 [January] OCTOBER first, two thousand sixteen. The department shall  
24 report annually thereafter to the legislature on the status of the  
25 physician profiles and any recommendations for additions, consolidations  
26 or other changes deemed appropriate.

27 S 16. Subdivision 27 of section 2808 of the public health law, as  
28 added by section 38 of part B of chapter 57 of the laws of 2015, is  
29 amended to read as follows:

30 27. The commissioner is authorized to conduct an energy audit and/or  
31 disaster preparedness review of residential health care facilities. Such  
32 audit or review shall explore the energy efficiency and/or disaster  
33 preparedness of the real property capital aspects of each facility and  
34 develop a cost/benefit analysis of potential modifications for each  
35 facility. Such audit or review shall serve as the basis for an energy  
36 efficiency and/or disaster preparedness program to be developed by the  
37 department in regulations. Participation in such audit or review shall  
38 be a condition to participation in any such program developed as a  
39 result thereof, and shall also be a condition to receipt of any funding  
40 available under such program. Such program shall only be implemented if  
41 it is in the best financial interests of the state, as determined by the  
42 commissioner. At least [forty-five] THIRTY days prior to implementing  
43 such program, the department shall report to the senate and assembly  
44 health committees, the assembly ways and means committee and the senate  
45 finance committee the results of the energy audit authorized herein and  
46 the proposed eligibility criteria, funding sources, the manner in which  
47 savings may be shared between the state and facilities and any other  
48 information requested by such committees about such program prior to the  
49 transmittal of the report.

50 S 17. Paragraph (d) of subdivision 18 of section 364-j of the social  
51 services law, as added by section 55 of part B of chapter 57 of the laws  
52 of 2015, is amended to read as follows:

53 (d) The department of health shall, ON OR BEFORE OCTOBER FIRST annual-  
54 ly, provide to the temporary president of the senate and the speaker of  
55 the assembly the annual Medicaid managed care operating reports submit-

ted to the department from managed care plans that contract with the state to manage services provided under the Medicaid program.

S 18. The opening paragraph of subdivision 5 of section 3309 of the public health law, as amended by chapter 42 of the laws of 2014, is amended to read as follows:

The commissioner shall publish findings on statewide opioid overdose data that reviews overdose death rates and other information to ascertain changes in the cause and rates of fatal opioid overdoses. The report [may be part of existing state mortality reports issued by the department, and] shall be submitted ON OR BEFORE OCTOBER FIRST annually to the governor, the temporary president of the senate, the speaker of the assembly, and the chairs of the senate and assembly health committees. The report shall include, at a minimum, the following information:

S 19. Clause (E) of subparagraph (iv) of paragraph (e-2) of subdivision 4 of section 2807-c of the public health law, as added by section 47 of part C of chapter 60 of the laws of 2014, is amended to read as follows:

(E) For facilities subject to the provisions of this subparagraph, the department shall examine the feasibility of reimbursing such facilities for services provided to children eligible for medical assistance on a non-fee-for-service basis. For purposes of this clause, "non-fee-for-service" shall be defined as an alternative payment method to bundle certain services rendered by such facility, including inpatient, outpatient, specialty outpatient and physician services, in amounts determined by the commissioner. The department shall examine:

(a) what services could be provided pursuant to the non-fee-for-service basis;

(b) how to ensure, for children enrolled in Medicaid managed care, that their health plans can continue to assist in the coordination of their care, particularly upon discharge from inpatient, outpatient or specialty outpatient services; and

(c) whether incentives should be incorporated for meeting quality benchmarks or achieving efficiencies in the delivery and coordination of care or whether other means should be considered to achieve these objectives.

The department shall provide a report of its findings and recommendations to the governor and legislature no later than [March first, two thousand fifteen] OCTOBER 1, 2016.

S 20. This act shall take effect immediately; provided, however, that:

(a) section nine of this act shall take effect on the same date and in the same manner as part H of chapter 60 of the laws of 2014, takes effect;

(b) the amendments to section 45-c of part A of chapter 56 of the laws of 2013 made by section seven of this act shall not affect the repeal of such section and shall be deemed repealed therewith;

(c) the amendments to paragraph (b) of subdivision 18-a of section 206 of the public health law made by section ten of this act shall not affect the expiration and reversion of such paragraph and shall be deemed to expire therewith;

(d) the amendments to paragraph (e) of subdivision 7 of section 367-a of the social services law made by section eleven of this act shall not affect the repeal of such paragraph and shall be deemed repealed therewith;

(e) the amendments to subdivision 27 of section 2808 of the public health law made by section sixteen of this act shall not affect the repeal of such subdivision and shall be deemed repealed therewith; and

(f) the amendments to section 364-j of the social services law made by section seventeen of this act shall not affect the repeal of such section and shall be deemed repealed therewith.

PART S

Section 1. Section 48-a of part A of chapter 56 of the laws of 2013 amending chapter 59 of the laws of 2011 amending the public health law and other laws relating to general hospital reimbursement for annual rates relating to the cap on local Medicaid expenditures, as amended by section 1 of part C of chapter 57 of the laws of 2015, is amended to read as follows:

S 48-a. 1. Notwithstanding any contrary provision of law, the commissioners of the office of alcoholism and substance abuse services and the office of mental health are authorized, subject to the approval of the director of the budget, to transfer to the commissioner of health state funds to be utilized as the state share for the purpose of increasing payments under the medicaid program to managed care organizations licensed under article 44 of the public health law or under article 43 of the insurance law. Such managed care organizations shall utilize such funds for the purpose of reimbursing providers licensed pursuant to article 28 of the public health law or article 31 or 32 of the mental hygiene law for ambulatory behavioral health services, as determined by the commissioner of health, in consultation with the commissioner of alcoholism and substance abuse services and the commissioner of the office of mental health, provided to medicaid eligible outpatients. Such reimbursement shall be in the form of fees for such services which are equivalent to the payments established for such services under the ambulatory patient group (APG) rate-setting methodology as utilized by the department of health, the office of alcoholism and substance abuse services, or the office of mental health for rate-setting purposes; provided, however, that the increase to such fees that shall result from the provisions of this section shall not, in the aggregate and as determined by the commissioner of health, in consultation with the commissioner of alcoholism and substance abuse services and the commissioner of the office of mental health, be greater than the increased funds made available pursuant to this section. The increase of such ambulatory behavioral health fees to providers available under this section shall be for all rate periods on and after the effective date of section [13] 1 of part C of chapter [60] 57 of the laws of [2014] 2015 through [June 30, 2017] SEPTEMBER 30, 2021 for patients in the city of New York, for all rate periods on and after the effective date of section [13] 1 of part C of chapter [60] 57 of the laws of [2014] 2015 through December 31, [2017] 2021 for patients outside the city of New York, and for all rate periods on and after the effective date of such chapter through December 31, [2017] 2021 for all services provided to persons under the age of twenty-one; provided, however, that managed care organizations and providers may negotiate different rates and methods of payment during such periods described above, subject to the approval of the department of health. The department of health shall consult with the office of alcoholism and substance abuse services and the office of mental health in determining whether such alternative rates shall be approved. The commissioner of health may, in consultation with the commissioner of alcoholism and substance abuse services and the commissioner of the office of mental health, promulgate regulations, including emergency regulations promulgated prior to October 1, 2015 to establish

1 rates for ambulatory behavioral health services, as are necessary to  
2 implement the provisions of this section. Rates promulgated under this  
3 section shall be included in the report required under section 45-c of  
4 part A of this chapter.

5 2. Notwithstanding any contrary provision of law, the fees paid by  
6 managed care organizations licensed under article 44 of the public  
7 health law or under article 43 of the insurance law, to providers  
8 licensed pursuant to article 28 of the public health law or article 31  
9 or 32 of the mental hygiene law, for ambulatory behavioral health  
10 services provided to patients enrolled in the child health insurance  
11 program pursuant to title one-A of article 25 of the public health law,  
12 shall be in the form of fees for such services which are equivalent to  
13 the payments established for such services under the ambulatory patient  
14 group (APG) rate-setting methodology. The commissioner of health shall  
15 consult with the commissioner of alcoholism and substance abuse services  
16 and the commissioner of the office of mental health in determining such  
17 services and establishing such fees. Such ambulatory behavioral health  
18 fees to providers available under this section shall be for all rate  
19 periods on and after the effective date of this chapter through December  
20 31, 2017, provided, however, that managed care organizations and provid-  
21 ers may negotiate different rates and methods of payment during such  
22 periods described above, subject to the approval of the department of  
23 health. The department of health shall consult with the office of alco-  
24 holism and substance abuse services and the office of mental health in  
25 determining whether such alternative rates shall be approved. The  
26 report required under section 16-a of part C of chapter 60 of the laws  
27 of 2014 shall also include the population of patients enrolled in the  
28 child health insurance program pursuant to title one-A of article 25 of  
29 the public health law in its examination on the transition of behavioral  
30 health services into managed care.

31 S 2. Section 1 of part H of chapter 111 of the laws of 2010 relating  
32 to increasing Medicaid payments to providers through managed care organ-  
33 izations and providing equivalent fees through an ambulatory patient  
34 group methodology, as amended by section 2 of part C of chapter 57 of  
35 the laws of 2015, is amended to read as follows:

36 Section 1. a. Notwithstanding any contrary provision of law, the  
37 commissioners of mental health and alcoholism and substance abuse  
38 services are authorized, subject to the approval of the director of the  
39 budget, to transfer to the commissioner of health state funds to be  
40 utilized as the state share for the purpose of increasing payments under  
41 the medicaid program to managed care organizations licensed under arti-  
42 cle 44 of the public health law or under article 43 of the insurance  
43 law. Such managed care organizations shall utilize such funds for the  
44 purpose of reimbursing providers licensed pursuant to article 28 of the  
45 public health law, or pursuant to article 31 or article 32 of the mental  
46 hygiene law for ambulatory behavioral health services, as determined by  
47 the commissioner of health in consultation with the commissioner of  
48 mental health and commissioner of alcoholism and substance abuse  
49 services, provided to medicaid eligible outpatients. Such reimbursement  
50 shall be in the form of fees for such services which are equivalent to  
51 the payments established for such services under the ambulatory patient  
52 group (APG) rate-setting methodology as utilized by the department of  
53 health or by the office of mental health or office of alcoholism and  
54 substance abuse services for rate-setting purposes; provided, however,  
55 that the increase to such fees that shall result from the provisions of  
56 this section shall not, in the aggregate and as determined by the



1 commissioner of health in consultation with the commissioners of mental  
2 health and alcoholism and substance abuse services, be greater than the  
3 increased funds made available pursuant to this section. The increase of  
4 such behavioral health fees to providers available under this section  
5 shall be for all rate periods on and after the effective date of section  
6 [15] 2 of part C of chapter [60] 57 of the laws of [2014] 2015 through  
7 [June 30, 2017] SEPTEMBER 30, 2021 for patients in the city of New York,  
8 for all rate periods on and after the effective date of section [15] 2  
9 of part C of chapter [60] 57 of the laws of [2014] 2015 through December  
10 31, [2017] 2021 for patients outside the city of New York, and for all  
11 rate periods on and after the effective date of section [15] 2 of part C  
12 of chapter [60] 57 of the laws of [2014] 2015 through December 31,  
13 [2017] 2021 for all services provided to persons under the age of twen-  
14 ty-one; provided, however, that managed care organizations and providers  
15 may negotiate different rates and methods of payment during such periods  
16 described, subject to the approval of the department of health. The  
17 department of health shall consult with the office of alcoholism and  
18 substance abuse services and the office of mental health in determining  
19 whether such alternative rates shall be approved. The commissioner of  
20 health may, in consultation with the commissioners of mental health and  
21 alcoholism and substance abuse services, promulgate regulations, includ-  
22 ing emergency regulations promulgated prior to October 1, 2013 that  
23 establish rates for behavioral health services, as are necessary to  
24 implement the provisions of this section. Rates promulgated under this  
25 section shall be included in the report required under section 45-c of  
26 part A of chapter 56 of the laws of 2013.

27 b. Notwithstanding any contrary provision of law, the fees paid by  
28 managed care organizations licensed under article 44 of the public  
29 health law or under article 43 of the insurance law, to providers  
30 licensed pursuant to article 28 of the public health law or article 31  
31 or 32 of the mental hygiene law, for ambulatory behavioral health  
32 services provided to patients enrolled in the child health insurance  
33 program pursuant to title one-A of article 25 of the public health law,  
34 shall be in the form of fees for such services which are equivalent to  
35 the payments established for such services under the ambulatory patient  
36 group (APG) rate-setting methodology. The commissioner of health shall  
37 consult with the commissioner of alcoholism and substance abuse services  
38 and the commissioner of the office of mental health in determining such  
39 services and establishing such fees. Such ambulatory behavioral health  
40 fees to providers available under this section shall be for all rate  
41 periods on and after the effective date of this chapter through December  
42 31, 2017, provided, however, that managed care organizations and provid-  
43 ers may negotiate different rates and methods of payment during such  
44 periods described above, subject to the approval of the department of  
45 health. The department of health shall consult with the office of alco-  
46 holism and substance abuse services and the office of mental health in  
47 determining whether such alternative rates shall be approved. The  
48 report required under section 16-a of part C of chapter 60 of the laws  
49 of 2014 shall also include the population of patients enrolled in the  
50 child health insurance program pursuant to title one-A of article 25 of  
51 the public health law in its examination on the transition of behavioral  
52 health services into managed care.

53 S 3. Notwithstanding any inconsistent provision of law, rule or regu-  
54 lation, for purposes of implementing the provisions of the public health  
55 law and the social services law, references to titles XIX and XXI of the  
56 federal social security act in the public health law and the social

services law shall be deemed to include and also to mean any successor titles thereto under the federal social security act.

S 4. Notwithstanding any inconsistent provision of law, rule or regulation, the effectiveness of the provisions of sections 2807 and 3614 of the public health law, section 18 of chapter 2 of the laws of 1988, and 18 NYCRR 505.14(h), as they relate to time frames for notice, approval or certification of rates of payment, are hereby suspended and without force or effect for purposes of implementing the provisions of this act.

S 5. 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 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. Provided, however that:

1. any rules or regulations necessary to implement the provisions of this act may be promulgated and any procedures, forms, or instructions necessary for such implementation may be adopted and issued on or after the date this act shall have become a law;

2. this act shall not be construed to alter, change, affect, impair or defeat any rights, obligations, duties or interests accrued, incurred or conferred prior to the effective date of this act;

3. the commissioner of health and the superintendent of the department of financial services and any appropriate council may take any steps necessary to implement this act prior to its effective date;

4. notwithstanding any inconsistent provision of the state administrative procedure act or any other provision of law, rule or regulation, the commissioner of health and the superintendent of the department of financial services and any appropriate council is authorized to adopt or amend or promulgate on an emergency basis any regulation he or she or such council determines necessary to implement any provision of this act on its effective date;

5. the provisions of this act shall become effective notwithstanding the failure of the commissioner of health or the superintendent of the department of financial services or any council to adopt or amend or promulgate regulations implementing this act; and

6. the amendments to section 48-a of part A of chapter 56 of the laws of 2013 made by section one of this act and the amendments to section 1 of part H of chapter 111 of the laws of 2010 made by section two of this act shall not affect the expiration of such sections and shall be deemed to expire therewith.

## PART T

Section 1. The mental hygiene law is amended by adding a new section 13.43 to read as follows:

S 13.43 DIRECT SUPPORT PROFESSIONAL CREDENTIAL PILOT PROGRAM.

(A) THE OFFICE SHALL CREATE A DIRECT SUPPORT PROFESSIONAL CREDENTIAL PILOT PROGRAM TO ASSIST, ATTRACT AND RETAIN INDIVIDUALS INTO THE FIELD OF DIRECT SUPPORT, ADVANCE DIRECT SUPPORT AS A CAREER, AND PROFESSIONALIZE THE FIELD TO PROMOTE WORKFORCE RECRUITMENT AND RETENTION EFFORTS,

ADVANCE SKILLS AND COMPETENCIES, AND FURTHER ENSURE THE HEALTH, SAFETY AND WELL-BEING OF INDIVIDUALS BEING SERVED.

(B) THERE IS HEREBY CREATED THE DIRECT SUPPORT PROFESSIONAL CREDENTIAL PILOT PROGRAM WITHIN THE OFFICE TO ASSIST INDIVIDUALS IN THE FIELD IN OBTAINING A CREDENTIAL IN THEIR FIELD OF EXPERTISE.

(1) SUCH PILOT PROGRAM SHALL BE ADMINISTERED BY THE OFFICE FOR THREE YEARS. THE PILOT PROGRAM SHALL INCLUDE STATE-OPERATED FACILITIES AND NOT-FOR-PROFIT PROVIDERS LICENSED, CERTIFIED OR FUNDED BY THE OFFICE. THE PURPOSE OF THE PILOT PROGRAM SHALL BE TO ASSESS HOW THE ESTABLISHMENT OF A STATE ACCREDITED DIRECT SUPPORT PROFESSIONAL CREDENTIAL:

(A) PROMOTES RECRUITMENT AND RETENTION EFFORTS IN THE DEVELOPMENTAL DISABILITIES FIELD, NOTABLY THE DIRECT SUPPORT PROFESSIONAL POSITION;

(B) ENHANCES COMPETENCE IN THE DEVELOPMENTAL DISABILITIES FIELD;

(C) YIELDS QUALITY SUPPORTS AND SERVICES TO INDIVIDUALS WITH DEVELOPMENTAL DISABILITIES; AND

(D) ADVANCES THE HEALTH AND SAFETY REQUIREMENTS SET FORTH BY THE STATE.

(2) THE OFFICE, IN ADMINISTERING THE PILOT PROGRAM SHALL CONSIDER, BUT NOT BE LIMITED TO, THE FOLLOWING:

(A) BEST PRACTICES LEARNING INITIATIVES, INCLUDING THE UNIVERSITY OF MINNESOTA COLLEGE OF DIRECT SUPPORT AND NEW YORK STATE DIRECT SUPPORT PROFESSIONAL COMPETENCIES AND CODE OF ETHICS;

(B) NATIONAL DIRECT SUPPORT PROFESSIONAL COMPETENCIES OR CREDENTIALING BASED STANDARDS AND TRAININGS;

(C) FACILITATING DIRECT SUPPORT PROFESSIONALS PORTFOLIO DEVELOPMENT;

(D) THE ROLE AND VALUE OF SKILL MENTORS;

(E) CREATING A CAREER LADDER;

(F) USING HYBRID INSTRUCTIONAL MODEL THAT PROVIDES FOR LEARNING CONTENT BOTH ONSITE AND ONLINE; AND

(G) ALLOWING FOR ADVANCED CREDENTIALING PROGRAMS AFTER YEAR ONE.

(3) FOR THE PURPOSES OF THIS SECTION, "DIRECT SUPPORT PROFESSIONAL CREDENTIAL" MEANS A DOCUMENT ISSUED TO AN INDIVIDUAL BY A RECOGNIZED ACCREDITING BODY ATTESTING THAT SUCH INDIVIDUAL HAS MET THE PROFESSIONAL REQUIREMENTS OF THE CREDENTIALING PROGRAM BY THE OFFICE.

(4) THE OFFICE, BY DECEMBER THIRTY-FIRST, TWO THOUSAND NINETEEN, SHALL TRANSMIT TO THE GOVERNOR, THE TEMPORARY PRESIDENT OF THE SENATE, THE SPEAKER OF THE ASSEMBLY, THE CHAIR OF THE SENATE FINANCE COMMITTEE, AND THE CHAIR OF THE ASSEMBLY WAYS AND MEANS COMMITTEE A REPORT DETAILING THE PROGRESS OF SUCH PILOT PROGRAM, INCLUDING, BUT NOT LIMITED TO:

(A) THE RATE OF RECRUITMENT AND RETENTION FOR DIRECT SUPPORT PROFESSIONALS OF PROVIDERS PARTICIPATING IN THE PILOT PROGRAM COMPARED TO THE RATE FOR NON-PARTICIPATING PROVIDERS, INCLUDING BUT NOT LIMITED TO THE IMPACT ON VACANCIES AND TURNOVER RATES;

(B) THE NUMBER OF DIRECT SUPPORT PROFESSIONALS CREDENTIALLED; AND

(C) THE ENHANCEMENT OF QUALITY SUPPORTS AND SERVICES TO INDIVIDUALS WITH DEVELOPMENTAL DISABILITIES.

S 2. This act shall take effect on the one hundred eightieth day after it shall have become a law.

#### PART U

Section 1. The section heading of section 2805-i of the public health law, as amended by chapter 504 of the laws of 1994, is amended to read as follows:

Treatment AND REPORTING of sexual offense victims and maintenance of evidence in a sexual offense.

1 S 2. Subdivision 1 of section 2805-i of the public health law is  
2 amended by adding a new paragraph (d) to read as follows:

3 (D) REPORTING QUARTERLY TO THE DEPARTMENT ON THE DISPOSITION OR TRANS-  
4 FER OF ALL SEXUAL OFFENSE EVIDENCE KITS. THE REPORT SHALL DETAIL, AT A  
5 MINIMUM, HOW MANY SUCH KITS UNDER THE HOSPITAL'S CARE WERE TRANSFERRED  
6 TO LAW ENFORCEMENT OR FORENSIC LABORATORIES, TO WHOM THEY WERE TRANS-  
7 FERRED AND THE DATE UPON WHICH THEY WERE TRANSFERRED.

8 S 3. The executive law is amended by adding two new sections 837-s and  
9 837-t to read as follows:

10 S 837-S. PROCESSING OF SEXUAL OFFENSE EVIDENCE KITS. 1. THE FOLLOWING  
11 REQUIREMENTS SHALL APPLY TO ALL SEXUAL OFFENSE EVIDENCE KITS COLLECTED  
12 AND SURRENDERED TO POLICE AGENCIES PURSUANT TO SECTION TWENTY-EIGHT  
13 HUNDRED FIVE-I OF THE PUBLIC HEALTH LAW:

14 (A) ALL SEXUAL OFFENSE EVIDENCE KITS SURRENDERED TO POLICE AGENCIES  
15 SHALL BE SUBMITTED TO A FORENSIC LABORATORY DESIGNATED BY THE DIVISION  
16 FOR ANALYSIS WITHIN TEN DAYS OF RECEIPT;

17 (B) THE FORENSIC LABORATORY RECEIVING SEXUAL OFFENSE EVIDENCE KITS  
18 SHALL DEVELOP COMBINED DNA INDEX SYSTEM (CODIS) ELIGIBLE PROFILES FROM  
19 THE EVIDENCE RECEIVED AND REPORT THE RESULTS TO THE SUBMITTING POLICE  
20 AGENCY AND LOCAL DISTRICT ATTORNEY WITHIN NINETY DAYS OF RECEIPT;

21 (C) ALL SEXUAL OFFENSE EVIDENCE KITS RECEIVED BY POLICE AGENCIES PRIOR  
22 TO THE EFFECTIVE DATE OF THIS SECTION SHALL BE SUBMITTED TO A FORENSIC  
23 LABORATORY WITHIN ONE HUNDRED EIGHTY DAYS OF SUCH EFFECTIVE DATE, AND  
24 SUCH LABORATORIES SHALL DEVELOP COMBINED DNA INDEX SYSTEM (CODIS) ELIGI-  
25 BLE PROFILES FROM SUCH EVIDENCE WITHIN ONE HUNDRED TWENTY DAYS OF  
26 RECEIPT; AND

27 (D) ALL POLICE AGENCIES SHALL REPORT TO THE DIVISION QUARTERLY ON ALL  
28 SEXUAL OFFENSE EVIDENCE KITS IN THEIR POSSESSION. THE FIRST REPORT,  
29 WHICH SHALL BE SUBMITTED NO LATER THAN NINETY DAYS AFTER THE EFFECTIVE  
30 DATE OF THIS SECTION, AND REPORTS FILED THEREAFTER SHALL INCLUDE AT A  
31 MINIMUM THE DATES ON WHICH THE SEXUAL OFFENSE EVIDENCE KITS WERE  
32 RECEIVED PURSUANT TO THE PUBLIC HEALTH LAW, TRANSMITTED TO A FORENSIC  
33 LABORATORY AND THE DATES ON WHICH THE RESULTS WERE REPORTED BY THE LABO-  
34 RATORY FOR EACH OF THE SEXUAL OFFENSE EVIDENCE KITS THEY RECEIVED.

35 2. THE FAILURE OF A PUBLIC SERVANT TO FOLLOW SUCH PROCEDURE SHALL NOT  
36 CONSTITUTE A LEGAL BASIS TO SUPPRESS EVIDENCE.

37 3. THE DIVISION SHALL ENSURE THAT ALL POLICE AGENCIES ARE EDUCATED AND  
38 AWARE OF THE REQUIREMENTS ESTABLISHED UNDER THIS SECTION.

39 S 837-T. SECURE TRANSPORT OF SEXUAL OFFENSE EVIDENCE KITS. THE DIVI-  
40 SION, IN CONJUNCTION WITH THE DIVISION OF STATE POLICE AND MUNICIPAL  
41 POLICE AGENCIES, SHALL DEVELOP A SYSTEM TO COORDINATE THE TRANSPORTATION  
42 OF SEXUAL OFFENSE EVIDENCE KITS TO AND FROM LABORATORIES ON A REGULARLY  
43 SCHEDULED BASIS, CONSISTENT WITH THE REQUIREMENTS ESTABLISHED IN SECTION  
44 EIGHT HUNDRED THIRTY-SEVEN-S OF THIS ARTICLE, WHICH SHALL REDUCE DUPLI-  
45 CATION AND COSTS ASSOCIATED WITH EACH POLICE AGENCY MAINTAINING THE  
46 CHAIN OF CUSTODY OF EVIDENCE WHILE TRANSPORTING SUCH EVIDENCE KITS IN A  
47 TIMELY MANNER.

48 S 4. This act shall take effect immediately.

49 PART V

50 Section 1. Subdivisions 3, 4 and 5 of section 281 of the public health  
51 law, subdivision 3 as amended by chapter 13 of the laws of 2015, subdi-  
52 visions 4 and 5 as added by section 2 of part B of chapter 447 of the  
53 laws of 2012, are amended and a new subdivision 7 is added to read as  
54 follows:

1 3. On or before December thirty-first, two thousand twelve, the  
2 commissioner shall promulgate regulations, in consultation with the  
3 commissioner of education, establishing standards for electronic  
4 prescriptions. Notwithstanding any other provision of this section or  
5 any other law to the contrary, effective three years subsequent to the  
6 date on which such regulations are promulgated, no person shall issue  
7 any prescription in this state unless such prescription is made by elec-  
8 tronic prescription from the person issuing the prescription to a phar-  
9 macy in accordance with such regulatory standards, except for  
10 prescriptions: (a) issued by veterinarians; (b) issued in circumstances  
11 where electronic prescribing is not available due to temporary techno-  
12 logical or electrical failure, as set forth in regulation; (c) issued by  
13 practitioners who have received a waiver or a renewal thereof for a  
14 specified period determined by the commissioner, not to exceed one year,  
15 from the requirement to use electronic prescribing, pursuant to a proc-  
16 ess established in regulation by the commissioner, in consultation with  
17 the commissioner of education, due to economic hardship, technological  
18 limitations that are not reasonably within the control of the practi-  
19 tioner, or other exceptional circumstance demonstrated by the practi-  
20 tioner; (d) issued by a practitioner under circumstances where, notwith-  
21 standing the practitioner's present ability to make an electronic  
22 prescription as required by this subdivision, such practitioner reason-  
23 ably determines that it would be impractical for the patient to obtain  
24 substances prescribed by electronic prescription in a timely manner, and  
25 such delay would adversely impact the patient's medical condition,  
26 provided that if such prescription is for a controlled substance, the  
27 quantity of controlled substances does not exceed a five day supply if  
28 the controlled substance were used in accordance with the directions for  
29 use; [or] (e) issued by a practitioner to be dispensed by a pharmacy  
30 located outside the state, as set forth in regulation; OR (F) ISSUED BY  
31 A PRACTITIONER WHO HAS MADE A CERTIFICATION TO THE DEPARTMENT UNDER  
32 SUBDIVISION SEVEN OF THIS SECTION.

33 4. In the case of a prescription for a controlled substance issued by  
34 a practitioner under paragraph (b) of subdivision three of this section,  
35 the practitioner shall [file information about the issuance of such  
36 prescription with the department as soon as practicable, as set forth in  
37 regulation] MAINTAIN INFORMATION IN THEIR RECORDS REGARDING THE ISSUANCE  
38 OF SUCH PRESCRIPTION.

39 5. In the case of a prescription for a controlled substance issued by  
40 a practitioner under paragraph (d) or (e) of subdivision three of this  
41 section, the practitioner shall, upon issuing such prescription, [file  
42 information about the issuance of such prescription with the department  
43 by electronic means, as set forth in regulation] MAINTAIN INFORMATION IN  
44 THEIR RECORDS REGARDING THE ISSUANCE OF SUCH PRESCRIPTION.

45 7. A PRACTITIONER SHALL NOT BE REQUIRED TO ISSUE PRESCRIPTIONS ELEC-  
46 TRONICALLY AS OTHERWISE REQUIRED BY THIS SECTION IF HE OR SHE CERTIFIES  
47 TO THE DEPARTMENT THAT HE OR SHE WILL NOT ISSUE MORE THAN TWENTY-FIVE  
48 PRESCRIPTIONS OVER EACH SUCCESSIVE TWELVE MONTH PERIOD FOLLOWING THE  
49 DATE OF THE CERTIFICATION. A PRACTITIONER MAY REVOKE SUCH CERTIFICATION  
50 AT ANY TIME IF THEY INTEND TO ISSUE MORE THAN TWENTY-FIVE PRESCRIPTIONS  
51 OVER A TWELVE MONTH PERIOD FOLLOWING THE DATE OF CERTIFICATION. A PRAC-  
52 TITIONER MAY MAKE A CERTIFICATION UNDER THIS SUBDIVISION REGARDLESS OF  
53 WHETHER HE OR SHE HAS PREVIOUSLY RECEIVED A WAIVER UNDER PARAGRAPH (C)  
54 OF SUBDIVISION THREE OF THIS SECTION.

55 S 2. Subdivisions 10, 11 and 12 of section 6810 of the education law,  
56 subdivision 10 as amended by chapter 13 of the laws of 2015, subdivi-

sions 11 and 12 as added by section 3 of part B of chapter 447 of the laws of 2012, are amended and a new subdivision 15 is added to read as follows:

10. Notwithstanding any other provision of this section or any other law to the contrary, effective three years subsequent to the date on which regulations establishing standards for electronic prescriptions are promulgated by the commissioner of health, in consultation with the commissioner pursuant to subdivision three of section two hundred eighty-one of the public health law, no practitioner shall issue any prescription in this state, unless such prescription is made by electronic prescription from the practitioner to a pharmacy, except for prescriptions: (a) issued by veterinarians; (b) issued or dispensed in circumstances where electronic prescribing is not available due to temporary technological or electrical failure, as set forth in regulation; (c) issued by practitioners who have received a waiver or a renewal thereof for a specified period determined by the commissioner of health, not to exceed one year, from the requirement to use electronic prescribing, pursuant to a process established in regulation by the commissioner of health, in consultation with the commissioner due to economic hardship, technological limitations that are not reasonably within the control of the practitioner, or other exceptional circumstance demonstrated by the practitioner; (d) issued by a practitioner under circumstances where, notwithstanding the practitioner's present ability to make an electronic prescription as required by this subdivision, such practitioner reasonably determines that it would be impractical for the patient to obtain substances prescribed by electronic prescription in a timely manner, and such delay would adversely impact the patient's medical condition, provided that if such prescription is for a controlled substance, the quantity that does not exceed a five day supply if the controlled substance was used in accordance with the directions for use; [or] (e) issued by a practitioner to be dispensed by a pharmacy located outside the state, as set forth in regulation; OR (F) ISSUED AS AN ORAL PRESCRIPTION UNDER SUBDIVISION FIFTEEN OF THIS SECTION.

11. In the case of a prescription issued by a practitioner under paragraph (b) of subdivision ten of this section, the practitioner shall be required to [file information about the issuance of such prescription with the department of health as soon as practicable, as set forth in regulation] MAINTAIN INFORMATION IN THEIR RECORDS REGARDING THE ISSUANCE OF SUCH PRESCRIPTION.

12. In the case of a prescription issued by a practitioner under paragraph (d) or (e) of subdivision ten of this section, the practitioner shall, upon issuing such prescription, [file information about the issuance of such prescription with the department of health by electronic means, as set forth in regulation] MAINTAIN INFORMATION IN THEIR RECORDS REGARDING THE ISSUANCE OF SUCH PRESCRIPTION.

15. A PRACTITIONER SHALL NOT BE REQUIRED TO ISSUE PRESCRIPTIONS ELECTRONICALLY AS OTHERWISE REQUIRED BY THIS SECTION IF HE OR SHE CERTIFIES TO THE DEPARTMENT THAT HE OR SHE WILL NOT ISSUE MORE THAN TWENTY-FIVE PRESCRIPTIONS OVER EACH SUCCESSIVE TWELVE MONTH PERIOD FOLLOWING THE DATE OF THE CERTIFICATION. A PRACTITIONER MAY REVOKE SUCH CERTIFICATION AT ANY TIME IF THEY INTEND TO ISSUE MORE THAN TWENTY-FIVE PRESCRIPTIONS OVER A TWELVE MONTH PERIOD FOLLOWING THE DATE OF CERTIFICATION. A PRACTITIONER MAY MAKE A CERTIFICATION UNDER THIS SUBDIVISION REGARDLESS OF WHETHER HE OR SHE HAS PREVIOUSLY RECEIVED A WAIVER UNDER PARAGRAPH (C) OF SUBDIVISION TEN OF THIS SECTION.

1 S 3. Paragraphs (d) and (e) of subdivision 3 of section 281 of the  
2 public health law, as amended by chapter 13 of the laws of 2015, are  
3 amended and a new paragraph (f) is added to read as follows:

4 (d) issued by a practitioner under circumstances where, notwithstand-  
5 ing the practitioner's present ability to make an electronic  
6 prescription as required by this subdivision, such practitioner reason-  
7 ably determines that it would be impractical for the patient to obtain  
8 substances prescribed by electronic prescription in a timely manner, and  
9 such delay would adversely impact the patient's medical condition,  
10 provided that if such prescription is for a controlled substance, the  
11 quantity of controlled substances does not exceed a five day supply if  
12 the controlled substance were used in accordance with the directions for  
13 use; [or]

14 (e) issued by a practitioner to be dispensed by a pharmacy located  
15 outside the state, as set forth in regulation[.]; OR

16 (F) ISSUED AS AN ORAL PRESCRIPTION UNDER PARAGRAPH (B) OF SUBDIVISION  
17 FOUR OF SECTION SIXTY-EIGHT HUNDRED TEN OF THE EDUCATION LAW.

18 S 4. Paragraphs (d) and (e) of subdivision 10 of section 6810 of the  
19 education law, as amended by chapter 13 of the laws of 2015, are amended  
20 and a new paragraph (f) is added to read as follows:

21 (d) issued by a practitioner under circumstances where, notwithstand-  
22 ing the practitioner's present ability to make an electronic  
23 prescription as required by this subdivision, such practitioner reason-  
24 ably determines that it would be impractical for the patient to obtain  
25 substances prescribed by electronic prescription in a timely manner, and  
26 such delay would adversely impact the patient's medical condition,  
27 provided that if such prescription is for a controlled substance, the  
28 quantity that does not exceed a five day supply if the controlled  
29 substance was used in accordance with the directions for use; [or]

30 (e) issued by a practitioner to be dispensed by a pharmacy located  
31 outside the state, as set forth in regulation[.]; OR

32 (F) ISSUED AS AN ORAL PRESCRIPTION UNDER PARAGRAPH (B) OF SUBDIVISION  
33 FOUR OF THIS SECTION.

34 S 5. Section 2807-m of the public health law is amended by adding a  
35 new subdivision 12 to read as follows:

36 12. NOTWITHSTANDING ANY PROVISION OF LAW TO THE CONTRARY, APPLICATIONS  
37 FOR PHYSICIAN LOAN REPAYMENT AND PHYSICIAN PRACTICE SUPPORT, SUBMITTED  
38 PURSUANT TO PARAGRAPHS (D) AND (E) OF SUBDIVISION FIVE-A OF THIS SECTION  
39 AND SUBDIVISION TEN OF THIS SECTION, ON OR AFTER APRIL FIRST, TWO THOU-  
40 SAND SIXTEEN, SHALL BE SUBJECT TO THE FOLLOWING CHANGES:

41 (A) FOR THE PERIOD APRIL FIRST, TWO THOUSAND SIXTEEN THROUGH MARCH  
42 THIRTY-FIRST, TWO THOUSAND SEVENTEEN, TWELVE MILLION SIXTY-FIVE THOUSAND  
43 DOLLARS SHALL BE SET ASIDE AND RESERVED BY THE COMMISSIONER FROM THE  
44 REGIONAL POOLS ESTABLISHED IN ACCORDANCE WITH SUBDIVISION TWO OF THIS  
45 SECTION AND SHALL BE AVAILABLE FOR PURPOSES OF BOTH NEW AWARDS FOR  
46 PHYSICIAN LOAN REPAYMENT AND NEW AWARDS FOR PHYSICIAN PRACTICE SUPPORT,  
47 BASED ON APPLICATIONS SUBMITTED IN ACCORDANCE WITH THIS SUBDIVISION.  
48 NEITHER OF THE AWARD PROGRAMS SHALL BE LIMITED TO A SPECIFIC FUNDING  
49 AMOUNT WITHIN THE TOTAL AMOUNT MADE AVAILABLE PURSUANT TO THIS PARA-  
50 GRAPH.

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

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

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

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

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

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

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

S 7. Health care facility infrastructure development demonstration program. (a) The commissioner of health, in collaboration with the president of the dormitory authority of the state of New York, shall examine the efficacy of establishing public-private partnerships for a health care facility infrastructure development demonstration program designed to effectuate capital projects that facilitate health care transformation, including mergers, consolidations, acquisitions, and restructuring activities that are part of an overall transformation plan intended to create a financially sustainable system of care. In gathering data, the commissioner shall at least examine:

- (i) the availability of qualified private partners;
- (ii) the fiscal viability of such partnerships;
- (iii) willingness of providers to participate;
- (iv) examples of such partnerships within the health care industry in general and the outcomes of such partnerships;
- (v) challenges with establishing such partnerships; and
- (vi) for the purposes of such a demonstration, the benefits to: the state; a municipality in which such a project could be established; quality of care; and the long term sustainability of the state's health care system.

(b) The commissioner of health shall develop recommendations for the state related to establishing such a demonstration and include them in a report to be issued to the governor, the temporary president of the senate and the speaker of the assembly within one year following the effective date of this act.

S 8. Section 2801-a of the public health law is amended by adding a new subdivision 17 to read as follows:

17. (A) THE COMMISSIONER IS AUTHORIZED TO ESTABLISH A PILOT PROGRAM TO ASSIST IN RESTRUCTURING HEALTH CARE DELIVERY SYSTEMS BY ALLOWING FOR INCREASED CAPITAL INVESTMENT. PURSUANT TO THE PILOT PROGRAM, THE PUBLIC HEALTH AND HEALTH PLANNING COUNCIL SHALL APPROVE THE ESTABLISHMENT, IN ACCORDANCE WITH THE PROVISIONS OF PARAGRAPHS (F), (G) AND (H) OF THIS SUBDIVISION AND SUBDIVISION THREE OF THIS SECTION, OF NO MORE THAN TEN



1 BUSINESS CORPORATIONS FORMED UNDER THE BUSINESS CORPORATION LAW. SUCH  
2 BUSINESS CORPORATIONS SHALL AFFILIATE, THE EXTENT OF THE AFFILIATION TO  
3 BE DETERMINED BY THE COMMISSIONER, WITH AT LEAST ONE ACADEMIC MEDICAL  
4 INSTITUTION OR TEACHING HOSPITAL APPROVED BY THE COMMISSIONER. A BUSI-  
5 NESS CORPORATION SHALL NOT BE ELIGIBLE TO PARTICIPATE IN THIS PROGRAM IF  
6 ANY OF ITS STOCK, OR THAT OF ANY OF ITS DIRECT OR INDIRECT OWNERS, IS OR  
7 WILL BE TRADED ON A PUBLIC STOCK EXCHANGE OR ON AN OVER-THE-COUNTER  
8 MARKET.

9 (B) NOTWITHSTANDING ANY PROVISION OF LAW TO THE CONTRARY, BUSINESS  
10 CORPORATIONS ESTABLISHED PURSUANT TO THIS SUBDIVISION SHALL BE DEEMED  
11 ELIGIBLE TO PARTICIPATE IN DEBT FINANCING PROVIDED BY THE DORMITORY  
12 AUTHORITY OF THE STATE OF NEW YORK, LOCAL DEVELOPMENT CORPORATIONS AND  
13 ECONOMIC DEVELOPMENT CORPORATIONS.

14 (C) THE FOLLOWING PROVISIONS OF THIS CHAPTER SHALL NOT APPLY TO BUSI-  
15 NESS CORPORATIONS ESTABLISHED PURSUANT TO THIS SUBDIVISION: (I) PARA-  
16 GRAPH (B) OF SUBDIVISION THREE OF THIS SECTION, RELATING TO STOCKHOLD-  
17 ERS, OTHER THAN PRINCIPAL STOCKHOLDERS; (II) PARAGRAPH (C) OF  
18 SUBDIVISION FOUR OF THIS SECTION, RELATING TO THE DISPOSITION OF STOCK  
19 OR VOTING RIGHTS; (III) PARAGRAPHS (D) AND (E) OF SUBDIVISION FOUR OF  
20 THIS SECTION, RELATING TO THE OWNERSHIP OF STOCK; AND (IV) PARAGRAPH (A)  
21 OF SUBDIVISION THREE OF SECTION FOUR THOUSAND FOUR OF THIS CHAPTER,  
22 RELATING TO THE OWNERSHIP OF STOCK. NOTWITHSTANDING THE FOREGOING, THE  
23 PUBLIC HEALTH AND HEALTH PLANNING COUNCIL MAY REQUIRE THE DISCLOSURE OF  
24 THE IDENTITY OF STOCKHOLDERS.

25 (D) THE CORPORATE POWERS AND PURPOSES OF A BUSINESS CORPORATION ESTAB-  
26 LISHED AS AN OPERATOR PURSUANT TO THIS SUBDIVISION SHALL BE LIMITED TO  
27 THE OWNERSHIP AND OPERATION, OR OPERATION, OF A HOSPITAL OR HOSPITALS  
28 SPECIFICALLY NAMED AND THE LOCATION OR LOCATIONS OF WHICH ARE SPECIF-  
29 ICALLY DESIGNATED BY STREET ADDRESS, CITY, TOWN, VILLAGE OR LOCALITY AND  
30 COUNTY; PROVIDED, HOWEVER, THAT THE CORPORATE POWERS AND PURPOSES MAY  
31 ALSO INCLUDE THE OWNERSHIP AND OPERATION, OR OPERATION, OF A CERTIFIED  
32 HOME HEALTH AGENCY OR LICENSED HOME CARE SERVICES AGENCY OR AGENCIES AS  
33 DEFINED IN ARTICLE THIRTY-SIX OF THIS CHAPTER OR A HOSPICE OR HOSPICES  
34 AS DEFINED IN ARTICLE FORTY OF THIS CHAPTER, IF THE CORPORATION HAS  
35 RECEIVED ALL APPROVALS REQUIRED UNDER SUCH LAW TO OWN AND OPERATE, OR  
36 OPERATE, SUCH HOME CARE SERVICES AGENCY OR AGENCIES OR HOSPICE OR  
37 HOSPICES. SUCH CORPORATE POWERS AND PURPOSES SHALL NOT BE MODIFIED,  
38 AMENDED OR DELETED WITHOUT THE PRIOR APPROVAL OF THE COMMISSIONER.

39 (E)(1) IN DISCHARGING THE DUTIES OF THEIR RESPECTIVE POSITIONS, THE  
40 BOARD OF DIRECTORS, COMMITTEES OF THE BOARD AND INDIVIDUAL DIRECTORS AND  
41 OFFICERS OF A BUSINESS CORPORATION ESTABLISHED PURSUANT TO THIS SUBDIVI-  
42 SION SHALL CONSIDER THE EFFECTS OF ANY ACTION UPON:

43 (A) THE ABILITY OF THE BUSINESS CORPORATION TO ACCOMPLISH ITS PURPOSE;

44 (B) THE SHAREHOLDERS OF THE BUSINESS CORPORATION;

45 (C) THE EMPLOYEES AND WORKFORCE OF THE HOSPITAL OR HOSPITALS;

46 (D) THE INTERESTS OF PATIENTS OF THE HOSPITAL OR HOSPITALS;

47 (E) COMMUNITY AND SOCIETAL CONSIDERATIONS, INCLUDING THOSE OF ANY  
48 COMMUNITY IN WHICH FACILITIES OF THE HOSPITAL OR HOSPITALS ARE LOCATED;  
49 AND

50 (F) THE SHORT-TERM AND LONG-TERM INTERESTS OF THE BUSINESS CORPO-  
51 RATION, INCLUDING BENEFITS THAT MAY ACCRUE TO THE BUSINESS CORPORATION  
52 FROM ITS LONG-TERM PLANS.

53 (2) THE CONSIDERATION OF INTERESTS AND FACTORS IN THE MANNER REQUIRED  
54 BY SUBPARAGRAPH ONE OF THIS PARAGRAPH:

1 (A) SHALL NOT CONSTITUTE A VIOLATION OF THE PROVISIONS OF SECTION  
2 SEVEN HUNDRED FIFTEEN OR SEVEN HUNDRED SEVENTEEN OF THE BUSINESS CORPO-  
3 RATION LAW; AND

4 (B) IS IN ADDITION TO THE ABILITY OF DIRECTORS TO CONSIDER INTERESTS  
5 AND FACTORS AS PROVIDED IN SECTION SEVEN HUNDRED SEVENTEEN OF THE BUSI-  
6 NESS CORPORATION LAW.

7 (F) WHILE ANY DECISION TO APPROVE A BUSINESS CORPORATION UNDER THIS  
8 SECTION MUST WEIGH AND BALANCE A NUMBER OF FACTORS, IN DETERMINING  
9 WHETHER TO APPROVE A BUSINESS CORPORATION UNDER THIS SECTION, THE PUBLIC  
10 HEALTH AND HEALTH PLANNING COUNCIL, IN CONSULTATION WITH THE COMMISSION-  
11 ER, SHALL CONSIDER THE EXTENT TO WHICH THE BUSINESS CORPORATION:

12 (1) PROVIDES FOR EITHER EQUAL OR MAJORITY GOVERNANCE RIGHTS OF THE  
13 NOT-FOR-PROFIT HOSPITAL PARTNER, REGARDLESS OF EQUITY STAKES, THROUGH  
14 WEIGHTED CLASS VOTING STRUCTURE OR OTHERWISE;

15 (2) INCORPORATES A REPRESENTATIVE GOVERNANCE MODEL THAT:

16 (A) CLEARLY DELINEATES AUTHORITY AND RESPONSIBILITY FOR THE HOSPITAL'S  
17 OPERATIONS; AND

18 (B) DEFINES MECHANISMS FOR APPROVAL OF DESIGNATED SHAREHOLDERS OR  
19 INVESTORS;

20 (3) IS INCORPORATED AS A BENEFIT CORPORATION UNDER THE BUSINESS CORPO-  
21 RATION LAW;

22 (4) COMMITS TO MAINTAINING OR ENHANCING EXISTING LEVELS OF SERVICES,  
23 CHARITY CARE AND CORE COMMUNITY BENEFITS;

24 (5) IDENTIFIES AN ACTIONABLE STRATEGY TO MONITOR AND MAINTAIN OR  
25 IMPROVE QUALITY OF CARE;

26 (6) EXPLAINS THE LEVEL OF CAPITAL COMMITMENT AND THE MECHANISM OR  
27 MECHANISMS FOR INFUSING CAPITAL INTO THE NOT-FOR-PROFIT HOSPITAL PART-  
28 NER;

29 (7) EXPLAINS HOW IT WILL RETAIN THE WORKFORCE, EITHER IN EXISTING JOBS  
30 OR THROUGH RETRAINING, AND ADDRESSES OBLIGATIONS OWED TO EMPLOYEE BENE-  
31 FIT PLANS AND PENSIONS;

32 (8) WILL CREATE A FOUNDATION TO ADDRESS THE PUBLIC HEALTH NEEDS OF THE  
33 COMMUNITY; AND

34 (9) IDENTIFIES HOW PROFIT DISTRIBUTIONS SHALL BE MADE IN A WAY TO  
35 ENSURE THAT THE COMMUNITY'S ACCESS TO QUALITY CARE AND CORE COMMUNITY  
36 BENEFITS ARE NOT COMPROMISED AND ACCESS TO CAPITAL IS NOT COMPROMISED.

37 NONE OF THE FOREGOING FACTORS SHALL BE DISPOSITIVE IN THE APPROVAL OR  
38 DISAPPROVAL OF THE BUSINESS CORPORATION.

39 (G) NO BUSINESS CORPORATION SHALL BE APPROVED UNDER THIS SECTION THAT  
40 FAILS TO ATTEST THAT IT WILL PROVIDE THE NOT-FOR-PROFIT HOSPITAL PARTNER  
41 WITH THE EXCLUSIVE AUTHORITY OVER FUNCTIONS RELATING TO ITS EXEMPT  
42 STATUS.

43 (H) THE BOARD OF DIRECTORS OF A BUSINESS CORPORATION ESTABLISHED  
44 PURSUANT TO THIS SUBDIVISION SHALL BE DEEMED A "GOVERNING BODY" FOR THE  
45 PURPOSES OF SECTION TWENTY-EIGHT HUNDRED THREE-L OF THIS ARTICLE AND  
46 SHALL COMPLY WITH THE PROVISIONS OF SUCH SECTION, REGARDLESS OF THE  
47 CORPORATION'S PROFIT-MAKING STATUS.

48 (I) A SALE, LEASE, CONVEYANCE, EXCHANGE, TRANSFER, OR OTHER DISPOSI-  
49 TION OF ALL OR SUBSTANTIALLY ALL OF THE ASSETS OF THE BUSINESS CORPO-  
50 RATION SHALL NOT BE EFFECTIVE UNLESS THE TRANSACTION IS APPROVED BY THE  
51 COMMISSIONER.

52 NO SUCH TRANSACTION MAY OCCUR WITHIN THREE YEARS OF THE COMMISSIONER'S  
53 APPROVAL OF THE BUSINESS CORPORATION'S PARTICIPATION IN THE DEMON-  
54 STRATION PROJECT. IN APPROVING SUCH A TRANSACTION, THE COMMISSIONER  
55 SHALL CONSIDER, AMONG OTHER THINGS, WHETHER THE TRANSACTION:

(1) IMPOSES SAFEGUARDS TO PROTECT QUALITY AND ACCESS TO CORE COMMUNITY SERVICES DURING THE TRANSITION TO THE NEW INVESTOR;

(2) REQUIRES THE SUBSEQUENT INVESTOR TO GUARANTEE ALL OBLIGATIONS, INCLUDING THOSE DESCRIBED IN SUBPARAGRAPH SEVEN OF PARAGRAPH (F) OF THIS SUBDIVISION;

(3) WILL MAINTAIN THE HOSPITAL GOVERNANCE STRUCTURE; AND

(4) IMPOSES MINIMUM CAPITALIZATION CRITERIA POST-TRANSACTION.

(J) NO LATER THAN THREE YEARS AFTER THE ESTABLISHMENT OF A BUSINESS CORPORATION UNDER THIS SUBDIVISION, THE COMMISSIONER SHALL PROVIDE THE GOVERNOR, THE TEMPORARY PRESIDENT OF THE SENATE AND THE SPEAKER OF THE ASSEMBLY WITH A WRITTEN EVALUATION OF THE PILOT PROGRAM. SUCH EVALUATION SHALL ADDRESS THE OVERALL EFFECTIVENESS OF THE PROGRAM IN ALLOWING FOR ACCESS TO CAPITAL INVESTMENT AND THE IMPACT SUCH ACCESS MAY HAVE ON THE QUALITY OF CARE PROVIDED BY HOSPITALS OPERATED BY BUSINESS CORPORATIONS ESTABLISHED UNDER THIS SUBDIVISION.

S 9. Paragraph (b) of subdivision 2 of section 1676 of the public authorities law is amended by adding a new undesignated paragraph to read as follows:

SUCH BUSINESS CORPORATIONS AS ARE ESTABLISHED PURSUANT TO SUBDIVISION SEVENTEEN OF SECTION TWENTY-EIGHT HUNDRED ONE-A OF THE PUBLIC HEALTH LAW FOR THE ACQUISITION, CONSTRUCTION, RECONSTRUCTION, REHABILITATION AND IMPROVEMENT, OR OTHERWISE PROVIDING, FURNISHING AND EQUIPPING OF A HOSPITAL OR HOSPITALS.

S 10. Subdivision 1 of section 1680 of the public authorities law is amended by adding a new undesignated paragraph to read as follows:

SUCH BUSINESS CORPORATIONS AS ARE ESTABLISHED PURSUANT TO SUBDIVISION SEVENTEEN OF SECTION TWENTY-EIGHT HUNDRED ONE-A OF THE PUBLIC HEALTH LAW FOR THE ACQUISITION, CONSTRUCTION, RECONSTRUCTION, REHABILITATION AND IMPROVEMENT, OR OTHERWISE PROVIDING, FURNISHING AND EQUIPPING OF A HOSPITAL OR HOSPITALS.

S 11. Subdivision 5 of section 2557 of the public health law is REPEALED.

S 12. The public health law is amended by adding a new section 2557-a to read as follows:

S 2557-A. COMPTROLLER; FISCAL AGENT. THE COMPTROLLER IS AUTHORIZED TO ACT AS THE FISCAL AGENT FOR THE DEPARTMENT AND MUNICIPALITIES WITH RESPECT TO FISCAL MANAGEMENT AND PAYMENT OF EARLY INTERVENTION CLAIMS. MUNICIPALITIES SHALL GRANT SUFFICIENT AUTHORITY TO THE COMPTROLLER TO ACT ON THEIR BEHALF. MUNICIPALITIES, AND INDIVIDUAL AND AGENCY PROVIDERS AS DEFINED BY THE COMMISSIONER IN REGULATION SHALL UTILIZE SUCH FISCAL AGENT FOR PAYMENT OF EARLY INTERVENTION CLAIMS AS DETERMINED BY THE DEPARTMENT AND SHALL PROVIDE SUCH INFORMATION AND DOCUMENTATION AS REQUIRED BY THE DEPARTMENT AND NECESSARY FOR THE FISCAL AGENT TO CARRY OUT ITS DUTIES. IN THE EVENT THAT THE COMPTROLLER DOES NOT ACT AS THE FISCAL AGENT, THE DEPARTMENT SHALL ACT AS THE FISCAL AGENT WITH RESPECT TO FISCAL MANAGEMENT AND PAYMENT OF EARLY INTERVENTION CLAIMS.

S 13. Section 605 of the public health law is amended by adding a new subdivision 4 to read as follows:

4. UPON RECEIPT OF THE FINAL CLAIM FROM ALL MUNICIPALITIES, OR AFTER JUNE FIFTEENTH IMMEDIATELY FOLLOWING CONCLUSION OF THE STATE'S FISCAL YEAR, THE COMMISSIONER SHALL CALCULATE THE AMOUNTS CLAIMED BY EACH CLAIMANT DURING THE ENTIRE CALENDAR YEAR AND SHALL DISTRIBUTE ANY BALANCE REMAINING IN THE TOTAL ALLOCATED FOR PAYMENT OF STATE AID FOR PUBLIC HEALTH WORK IN PROPORTION TO THE RELATIONSHIP WHICH EACH CLAIMANT'S TOTAL EXPENDITURES BEARS TO THE TOTAL OF ALL CLAIMANTS, EXCEPT

1 THAT NO CLAIMANT SHALL RECEIVE MORE THAN FIFTY PERCENT OF ITS TOTAL  
2 REIMBURSABLE EXPENSE.

3 S 14. Section 616 of the public health law is amended by adding a new  
4 subdivision 3 to read as follows:

5 3. ADMINISTRATIVE LIMITATIONS ON STATE AID IMPOSED BY THE DEPARTMENT  
6 SHALL NOT BE IMPLEMENTED WITHOUT ONE YEAR OF ADVANCE NOTICE TO MUNICI-  
7 PALITIES.

8 S 15. Section 621 of the public health law, as amended by chapter 469  
9 of the laws of 2012, is amended to read as follows:

10 S 621. State aid; public health emergencies. If the state commissioner  
11 or a county health department or part-county department of health or  
12 municipality, with the approval of the state commissioner, determines  
13 that there is an imminent threat to public health, the department shall  
14 reimburse counties or municipalities at ONE HUNDRED PER CENTUM FOR THE  
15 FIRST YEAR'S COST AND AT fifty per centum IN SUBSEQUENT YEARS THAT THE  
16 EMERGENCY DECLARATION REMAINS IN FORCE for the cost of emergency meas-  
17 ures as approved by the department and subject to the approval of the  
18 director of the budget[, except that aerial]. AERIAL spraying for  
19 mosquitoes on state land shall be reimbursed at one hundred per centum,  
20 within amounts appropriated IN THE CURRENT OR SUBSEQUENT FISCAL YEAR.  
21 Such funds shall be made available from funds appropriated for public  
22 health emergencies, only to those counties or municipalities, which have  
23 expended all other state aid which may be available for related activ-  
24 ities and have developed measures to adequately address the emergency.  
25 Reimbursement is conditioned upon availability of appropriated funds, IN  
26 THE CURRENT OR SUBSEQUENT FISCAL YEAR. For purposes of this section,  
27 "municipality" means a health department of a city that is not located  
28 in a county or part-county health district or a county in which the  
29 legislature has the powers and duties of a board of health of a county  
30 or part-county health district and cities with a population of over one  
31 million persons.

32 S 16. This act shall take effect immediately; provided, however, that  
33 if this act becomes a law after March 27, 2016, section three and four  
34 of this act shall be deemed to have been in full force and effect on and  
35 after such date.

## 36 PART W

37 Section 1. The state comptroller is hereby authorized and directed to  
38 loan money in accordance with the provisions set forth in subdivision 5  
39 of section 4 of the state finance law to the following funds and/or  
40 accounts:

- 41 1. Proprietary vocational school supervision account (20452).
- 42 2. Local government records management account (20501).
- 43 3. Child health plus program account (20810).
- 44 4. EPIC premium account (20818).
- 45 5. Education - New (20901).
- 46 6. VLT - Sound basic education fund (20904).
- 47 7. Sewage treatment program management and administration fund  
48 (21000).
- 49 8. Hazardous bulk storage account (21061).
- 50 9. Federal grants indirect cost recovery account (21065).
- 51 10. Low level radioactive waste account (21066).
- 52 11. Recreation account (21067).
- 53 12. Public safety recovery account (21077).
- 54 13. Environmental regulatory account (21081).

1 14. Natural resource account (21082).  
2 15. Mined land reclamation program account (21084).  
3 16. Great lakes restoration initiative account (21087).  
4 17. Environmental protection and oil spill compensation fund (21200).  
5 18. Public transportation systems account (21401).  
6 19. Metropolitan mass transportation (21402).  
7 20. Operating permit program account (21451).  
8 21. Mobile source account (21452).  
9 22. Statewide planning and research cooperative system account  
10 (21902).  
11 23. Mental hygiene program fund account (21907).  
12 24. Mental hygiene patient income account (21909).  
13 25. Financial control board account (21911).  
14 26. Regulation of racing account (21912).  
15 27. New York Metropolitan Transportation Council account (21913).  
16 28. State university dormitory income reimbursable account (21937).  
17 29. Criminal justice improvement account (21945).  
18 30. Environmental laboratory reference fee account (21959).  
19 31. Clinical laboratory reference system assessment account (21962).  
20 32. Indirect cost recovery account (21978).  
21 33. High school equivalency program account (21979).  
22 34. Multi-agency training account (21989).  
23 35. Interstate reciprocity for post-secondary distance education  
24 account.  
25 36. Bell jar collection account (22003).  
26 37. Industry and utility service account (22004).  
27 38. Real property disposition account (22006).  
28 39. Parking account (22007).  
29 40. Asbestos safety training program account (22009).  
30 41. Batavia school for the blind account (22032).  
31 42. Investment services account (22034).  
32 43. Surplus property account (22036).  
33 44. Financial oversight account (22039).  
34 45. Regulation of Indian gaming account (22046).  
35 46. Rome school for the deaf account (22053).  
36 47. Seized assets account (22054).  
37 48. Administrative adjudication account (22055).  
38 49. Federal salary sharing account (22056).  
39 50. New York City assessment account (22062).  
40 51. Cultural education account (22063).  
41 52. Local services account (22078).  
42 53. DHCR mortgage servicing account (22085).  
43 54. Department of motor vehicles compulsory insurance account (22087).  
44 55. Housing indirect cost recovery account (22090).  
45 56. DHCR-HCA application fee account (22100).  
46 57. Low income housing monitoring account (22130).  
47 58. Corporation administration account (22135).  
48 59. Montrose veteran's home account (22144).  
49 60. Deferred compensation administration account (22151).  
50 61. Rent revenue other New York City account (22156).  
51 62. Rent revenue account (22158).  
52 63. Tax revenue arrearage account (22168).  
53 64. Highway use tax administration account.  
54 65. State university general income offset account (22654).  
55 66. Lake George park trust fund account (22751).  
56 67. State police motor vehicle law enforcement account (22802).

- 1 68. Highway safety program account (23001).
- 2 69. EFC drinking water program account (23101).
- 3 70. DOH drinking water program account (23102).
- 4 71. NYCCC operating offset account (23151).
- 5 72. Commercial gaming revenue account (23701).
- 6 73. Commercial gaming regulation account (23702).
- 7 74. Highway and bridge capital account (30051).
- 8 75. State university residence hall rehabilitation fund (30100).
- 9 76. State parks infrastructure account (30351).
- 10 77. Clean water/clean air implementation fund (30500).
- 11 78. Hazardous waste remedial cleanup account (31506).
- 12 79. Youth facilities improvement account (31701).
- 13 80. Housing assistance fund (31800).
- 14 81. Housing program fund (31850).
- 15 82. Highway facility purpose account (31951).
- 16 83. Information technology capital financing account (32215).
- 17 84. New York racing account (32213).
- 18 85. Mental hygiene facilities capital improvement fund (32300).
- 19 86. Correctional facilities capital improvement fund (32350).
- 20 87. New York State Storm Recovery Capital Fund (33000).
- 21 88. OGS convention center account (50318).
- 22 89. Empire Plaza Gift Shop (50327).
- 23 90. Centralized services fund (55000).
- 24 91. Archives records management account (55052).
- 25 92. Federal single audit account (55053).
- 26 93. Civil service EHS occupational health program account (55056).
- 27 94. Banking services account (55057).
- 28 95. Cultural resources survey account (55058).
- 29 96. Automation & printing chargeback account (55060).
- 30 97. OFT NYT account (55061).
- 31 98. Data center account (55062).
- 32 99. Intrusion detection account (55066).
- 33 100. Domestic violence grant account (55067).
- 34 101. Centralized technology services account (55069).
- 35 102. Labor contact center account (55071).
- 36 103. Human services contact center account (55072).
- 37 104. Tax contact center account (55073).
- 38 105. Policing the NYS thruway account.
- 39 106. Executive direction internal audit account (55251).
- 40 107. CIO Information technology centralized services account (55252).
- 41 108. Health insurance internal service account (55300).
- 42 109. Civil service employee benefits division administrative account
- 43 (55301).
- 44 110. Correctional industries revolving fund (55350).
- 45 111. Employees health insurance account (60201).
- 46 112. Medicaid management information system escrow fund (60900).
- 47 S 1-a. The state comptroller is hereby authorized and directed to loan
- 48 money in accordance with the provisions set forth in subdivision 5 of
- 49 section 4 of the state finance law to any account within the following
- 50 federal funds, provided the comptroller has made a determination that
- 51 sufficient federal grant award authority is available to reimburse such
- 52 loans:
- 53 1. Federal USDA-food and nutrition services fund (25000).
- 54 2. Federal health and human services fund (25100).
- 55 3. Federal education fund (25200).
- 56 4. Federal block grant fund (25250).

5. Federal miscellaneous operating grants fund (25300).
6. Federal unemployment insurance administration fund (25900).
7. Federal unemployment insurance occupational training fund (25950).
8. Federal emergency employment act fund (26000).
9. Federal capital projects fund (31350).

S 2. Notwithstanding any law to the contrary, and in accordance with section 4 of the state finance law, the comptroller is hereby authorized and directed to transfer, upon request of the director of the budget, on or before March 31, 2017, and with respect to item 5 under the miscellaneous category set forth in this section, up to and after March 31, 2017, up to the unencumbered balance or the following amounts:

Economic Development and Public Authorities:

1. \$175,000 from the miscellaneous special revenue fund, underground facilities safety training account (22172), to the general fund.
2. An amount up to the unencumbered balance from the miscellaneous special revenue fund, business and licensing services account (21977), to the general fund.
3. \$14,810,000 from the miscellaneous special revenue fund, code enforcement account (21904), to the general fund.
4. \$3,000,000 from the general fund to the miscellaneous special revenue fund, tax revenue arrearage account (22168).

Education:

1. \$2,320,000,000 from the general fund to the state lottery fund, education account (20901), as reimbursement for disbursements made from such fund for supplemental aid to education pursuant to section 92-c of the state finance law that are in excess of the amounts deposited in such fund for such purposes pursuant to section 1612 of the tax law.
2. \$986,000,000 from the general fund to the state lottery fund, VLT education account (20904), as reimbursement for disbursements made from such fund for supplemental aid to education pursuant to section 92-c of the state finance law that are in excess of the amounts deposited in such fund for such purposes pursuant to section 1612 of the tax law.
3. Moneys from the state lottery fund up to an amount deposited in such fund pursuant to section 1612 of the tax law in excess of the current year appropriation for supplemental aid to education pursuant to section 92-c of the state finance law.
4. Up to \$137,700,000 from the moneys deposited in commercial gaming revenue account (23701) to the general fund as reimbursement for disbursements made from the general fund for supplemental aid to education during the prior fiscal year due to the unencumbered balance of the commercial gaming revenue account during the prior fiscal year being less than required to fully fund payments of general support for public schools, pursuant to Chapter 61 of the laws of 2015.
5. \$300,000 from the local government records management improvement fund (20500) to the archives partnership trust fund (20350).
6. \$900,000 from the general fund to the miscellaneous special revenue fund, Batavia school for the blind account (22032).
7. \$900,000 from the general fund to the miscellaneous special revenue fund, Rome school for the deaf account (22053).
8. \$343,400,000 from the state university dormitory income fund (40350) to the miscellaneous special revenue fund, state university dormitory income reimbursable account (21937).
9. \$24,000,000 from any of the state education department special revenue and internal service funds to the miscellaneous special revenue fund, indirect cost recovery account (21978).

10. \$8,318,000 from the general fund to the state university income fund, state university income offset account (22654), for the state's share of repayment of the STIP loan.

11. \$40,000,000 from the state university income fund, state university hospitals income reimbursable account (22656) to the general fund for hospital debt service for the period April 1, 2015 through March 31, 2016.

12. An amount up to \$14,251,000 from the general fund to the state university income fund, state university general revenue account (22653).

Environmental Affairs:

1. \$16,000,000 from any of the department of environmental conservation's special revenue federal funds to the environmental conservation special revenue fund, federal indirect recovery account (21065).

2. \$2,000,000 from any of the department of environmental conservation's special revenue federal funds to the conservation fund as necessary to avoid diversion of conservation funds.

3. \$3,000,000 from any of the office of parks, recreation and historic preservation capital projects federal funds and special revenue federal funds to the miscellaneous special revenue fund, federal grant indirect cost recovery account (22188).

4. \$1,000,000 from any of the office of parks, recreation and historic preservation special revenue federal funds to the miscellaneous special revenue fund, I love NY water account (21930).

5. \$146,000,000 from the general fund to the environmental protection fund, environmental protection fund transfer account (30451).

6. \$9,700,000 from the general fund to the hazardous waste remedial fund, hazardous waste oversight and assistance account (31505).

Family Assistance:

1. \$10,000,000 from any of the office of children and family services, office of temporary and disability assistance, or department of health special revenue federal funds and the general fund, in accordance with agreements with social services districts, to the miscellaneous special revenue fund, office of human resources development state match account (21967).

2. \$4,000,000 from any of the office of children and family services or office of temporary and disability assistance special revenue federal funds to the miscellaneous special revenue fund, family preservation and support services and family violence services account (22082).

3. \$18,670,000 from any of the office of children and family services, office of temporary and disability assistance, or department of health special revenue federal funds and any other miscellaneous revenues generated from the operation of office of children and family services programs to the general fund.

4. \$140,000,000 from any of the office of temporary and disability assistance or department of health special revenue funds to the general fund.

5. \$2,500,000 from any of the office of temporary and disability assistance special revenue federal funds to the miscellaneous special revenue fund, office of temporary and disability assistance program account (21980).

6. \$21,000,000 from any of the office of children and family services, office of temporary and disability assistance, department of labor, and department of health special revenue federal funds to the office of children and family services miscellaneous special revenue fund, multi-agency training contract account (21989).



1 7. \$65,000,000 from the miscellaneous special revenue fund, youth  
2 facility per diem account (22186), to the general fund.  
3 8. \$621,850 from the general fund to the combined gifts, grants, and  
4 bequests fund, WB Hoyt Memorial account (20128).  
5 9. \$3,100,000 from the miscellaneous special revenue fund, state  
6 central registry (22028), to the general fund.  
7 10. \$1,000,000 from the general fund to the housing program fund  
8 (31850).  
9 General Government:  
10 1. \$1,566,000 from the miscellaneous special revenue fund, examination  
11 and miscellaneous revenue account (22065) to the general fund.  
12 2. \$12,500,000 from the general fund to the health insurance revolving  
13 fund (55300).  
14 3. \$192,400,000 from the health insurance reserve receipts fund  
15 (60550) to the general fund.  
16 4. \$150,000 from the general fund to the not-for-profit revolving loan  
17 fund (20650).  
18 5. \$150,000 from the not-for-profit revolving loan fund (20650) to the  
19 general fund.  
20 6. \$3,000,000 from the miscellaneous special revenue fund, surplus  
21 property account (22036), to the general fund.  
22 7. \$19,000,000 from the miscellaneous special revenue fund, revenue  
23 arrearage account (22024), to the general fund.  
24 8. \$1,826,000 from the miscellaneous special revenue fund, revenue  
25 arrearage account (22024), to the miscellaneous special revenue fund,  
26 authority budget office account (22138).  
27 9. \$1,000,000 from the miscellaneous special revenue fund, parking  
28 services account (22007), to the general fund, for the purpose of reim-  
29 bursing the costs of debt service related to state parking facilities.  
30 10. \$21,789,000 from the general fund to the centralized services  
31 fund, COPS account (55013).  
32 11. \$2,360,000 from the general fund to the agencies internal service  
33 fund, central technology services account (55069), for the purpose of  
34 enterprise technology projects.  
35 12. \$15,000,000 from the miscellaneous special revenue fund, workers'  
36 compensation account (21995), to the miscellaneous capital projects  
37 fund, workers' compensation board IT business process design fund.  
38 Health:  
39 1. \$33,710,000 from the miscellaneous special revenue fund, quality of  
40 care account (21915), to the general fund.  
41 2. A transfer from the general fund to the combined gifts, grants and  
42 bequests fund, breast cancer research and education account (20155), up  
43 to an amount equal to the monies collected and deposited into that  
44 account in the previous fiscal year.  
45 3. A transfer from the general fund to the combined gifts, grants and  
46 bequests fund, prostate cancer research, detection, and education  
47 account (20183), up to an amount equal to the moneys collected and  
48 deposited into that account in the previous fiscal year.  
49 4. A transfer from the general fund to the combined gifts, grants and  
50 bequests fund, Alzheimer's disease research and assistance account  
51 (20143), up to an amount equal to the moneys collected and deposited  
52 into that account in the previous fiscal year.  
53 5. \$30,295,000 from the HCRA resources fund (20800) to the miscella-  
54 neous special revenue fund, empire state stem cell trust fund account  
55 (22161).

1 6. \$7,000,000 from the miscellaneous special revenue fund, certificate  
2 of need account (21920), to the miscellaneous capital projects fund,  
3 healthcare IT capital subfund (32216).  
4 7. \$1,000,000 from the miscellaneous special revenue fund, adminis-  
5 tration program account (21982), to the miscellaneous capital projects  
6 fund, healthcare IT capital account (32216).  
7 8. \$1,000,000 from the miscellaneous special revenue fund, vital  
8 records account (22103), to the miscellaneous capital projects fund,  
9 healthcare IT capital account (32216).  
10 9. \$55,500,000 from the HCRA resources fund (20800) to the capital  
11 projects fund (30000).  
12 10. \$3,700,000 from the miscellaneous New York state agency fund,  
13 medical assistance account to the general fund.  
14 11. \$4,886,000 from the general fund to the medical marihuana trust  
15 fund, health operation and oversight account (23755).  
16 12. \$1,086,000 from the miscellaneous special revenue fund, certif-  
17 icate of need account (21920), to the general fund.  
18 13. \$1,000,000 from the miscellaneous special revenue fund, profes-  
19 sional medical conduct account (22088), to the miscellaneous capital  
20 projects fund, healthcare IT capital account (32216).  
21 Labor:  
22 1. \$400,000 from the miscellaneous special revenue fund, DOL fee and  
23 penalty account (21923), to the child performer's protection fund, child  
24 performer protection account (20401).  
25 2. \$8,400,000 from the miscellaneous special revenue fund, DOL fee and  
26 penalty account (21923), to the general fund.  
27 3. \$3,300,000 from the unemployment insurance interest and penalty  
28 fund, unemployment insurance special interest and penalty account  
29 (23601), to the general fund.  
30 Mental Hygiene:  
31 1. \$10,000,000 from the miscellaneous special revenue fund, mental  
32 hygiene patient income account (21909), to the miscellaneous special  
33 revenue fund, federal salary sharing account (22056).  
34 2. \$1,936,681,000 from the general fund to the miscellaneous special  
35 revenue fund, mental hygiene patient income account (21909).  
36 3. \$1,563,769,000 from the general fund to the miscellaneous special  
37 revenue fund, mental hygiene program fund account (21907).  
38 4. \$100,000,000 from the miscellaneous special revenue fund, mental  
39 hygiene program fund account (21907), to the general fund.  
40 5. \$100,000,000 from the miscellaneous special revenue fund, mental  
41 hygiene patient income account (21909), to the general fund.  
42 6. \$5,000,000 from the chemical dependence service fund, substance  
43 abuse services fund account (22700), to the miscellaneous capital  
44 projects fund, chemical dependence service capital account.  
45 Public Protection:  
46 1. \$1,350,000 from the miscellaneous special revenue fund, emergency  
47 management account (21944), to the general fund.  
48 2. \$3,300,000 from the general fund to the miscellaneous special  
49 revenue fund, recruitment incentive account (22171).  
50 3. \$10,500,000 from the general fund to the correctional industries  
51 revolving fund, correctional industries internal service account  
52 (55350).  
53 4. \$3,000,000 from the federal miscellaneous operating grants fund,  
54 DMNA damage account (25324), to the general fund.  
55 5. \$6,300,000 from the general fund to the miscellaneous special  
56 revenue fund, crimes against revenue program account (22015).

1 6. \$8,600,000 from the miscellaneous special revenue fund, criminal  
2 justice improvement account (21945), to the general fund.

3 7. \$106,000,000 from the state police motor vehicle law enforcement  
4 and motor vehicle theft and insurance fraud prevention fund, state  
5 police motor vehicle enforcement account (22802), to the general fund  
6 for state operation expenses of the division of state police.

7 8. \$53,500,000 from the general fund to the correctional facilities  
8 capital improvement fund (32350).

9 9. \$5,000,000 from the general fund to the dedicated highway and  
10 bridge trust fund (30050) for the purpose of work zone safety activities  
11 provided by the division of state police for the department of transpor-  
12 tation.

13 10. \$10,000,000 from the miscellaneous special revenue fund, statewide  
14 public safety communications account (22123), to the capital projects  
15 fund (30000).

16 11. \$2,900,000 from the miscellaneous special revenue fund, legal  
17 services assistance account (22096), to the general fund.

18 12. \$300,000 from the state police motor vehicle law enforcement and  
19 motor vehicle theft and insurance fraud prevention fund, motor vehicle  
20 theft and insurance fraud account (22801), to the general fund.

21 13. \$1,000,000 from the general fund to the agencies internal service  
22 fund, center for employment opportunities NWP account.

23 Transportation:

24 1. \$17,672,000 from the federal miscellaneous operating grants fund to  
25 the miscellaneous special revenue fund, New York Metropolitan Transpor-  
26 tation Council account (21913).

27 2. \$20,147,000 from the federal capital projects fund to the miscella-  
28 neous special revenue fund, New York Metropolitan Transportation Council  
29 account (21913).

30 3. \$1,240,000 from the miscellaneous special revenue fund, compulsory  
31 insurance account (22087), to the dedicated highway and bridge trust  
32 fund (30050).

33 4. \$15,046,384 from the general fund to the mass transportation oper-  
34 ating assistance fund, public transportation systems operating assist-  
35 ance account (21401), of which \$12,000,000 constitutes the base need for  
36 operations.

37 5. \$810,000,000 from the general fund to the dedicated highway and  
38 bridge trust fund (30050).

39 6. \$936,000 from the miscellaneous special revenue fund, accident  
40 prevention course program account (22094), to the dedicated highway and  
41 bridge trust fund (30050).

42 7. \$1,234,000 from the miscellaneous special revenue fund, motorcycle  
43 safety account (21976), to the dedicated highway and bridge trust fund  
44 (30050).

45 8. \$309,250,000 from the general fund to the MTA financial assistance  
46 fund, mobility tax trust account (23651).

47 9. \$5,000,000 from the miscellaneous special revenue fund, transporta-  
48 tion regulation account (22067) to the dedicated highway and bridge  
49 trust fund (30050), for disbursements made from such fund for motor  
50 carrier safety that are in excess of the amounts deposited in the dedi-  
51 cated highway and bridge trust fund (30050) for such purpose pursuant to  
52 section 94 of the transportation law.

53 10. \$34,000 from the miscellaneous special revenue fund, seized assets  
54 account (21906), to the dedicated highway and bridge trust fund (30050).

55 Miscellaneous:

1 1. \$250,000,000 from the general fund to any funds or accounts for the  
2 purpose of reimbursing certain outstanding accounts receivable balances.

3 2. \$500,000,000 from the general fund to the debt reduction reserve  
4 fund (40000).

5 3. \$450,000,000 from the New York state storm recovery capital fund  
6 (33000) to the revenue bond tax fund (40152).

7 4. \$15,500,000 from the general fund, community projects account GG  
8 (10256), to the general fund, state purposes account (10050).

9 5. \$1,820,000,000 from the general fund to the dedicated infrastruc-  
10 ture investment fund.

11 S 3. Notwithstanding any law to the contrary, and in accordance with  
12 section 4 of the state finance law, the comptroller is hereby authorized  
13 and directed to transfer, on or before March 31, 2017:

14 1. Upon request of the commissioner of environmental conservation, up  
15 to \$11,410,000 from revenues credited to any of the department of envi-  
16 ronmental conservation special revenue funds, including \$3,293,400 from  
17 the environmental protection and oil spill compensation fund (21200),  
18 and \$1,783,600 from the conservation fund (21150), to the environmental  
19 conservation special revenue fund, indirect charges account (21060).

20 2. Upon request of the commissioner of agriculture and markets, up to  
21 \$3,000,000 from any special revenue fund or enterprise fund within the  
22 department of agriculture and markets to the general fund, to pay appro-  
23 priate administrative expenses.

24 3. Upon request of the commissioner of agriculture and markets, up to  
25 \$2,000,000 from the state exposition special fund, state fair receipts  
26 account (50051) to the miscellaneous capital projects fund, state fair  
27 capital improvement account (32208).

28 4. Upon request of the commissioner of the division of housing and  
29 community renewal, up to \$6,221,000 from revenues credited to any divi-  
30 sion of housing and community renewal federal or miscellaneous special  
31 revenue fund to the miscellaneous special revenue fund, housing indirect  
32 cost recovery account (22090).

33 5. Upon request of the commissioner of the division of housing and  
34 community renewal, up to \$5,500,000 may be transferred from any miscel-  
35 laneous special revenue fund account, to any miscellaneous special  
36 revenue fund.

37 6. Upon request of the commissioner of health up to \$5,000,000 from  
38 revenues credited to any of the department of health's special revenue  
39 funds, to the miscellaneous special revenue fund, administration account  
40 (21982).

41 S 4. On or before March 31, 2017, the comptroller is hereby authorized  
42 and directed to deposit earnings that would otherwise accrue to the  
43 general fund that are attributable to the operation of section 98-a of  
44 the state finance law, to the agencies internal service fund, banking  
45 services account (55057), for the purpose of meeting direct payments  
46 from such account.

47 S 5. Notwithstanding any law to the contrary, upon the direction of  
48 the director of the budget and upon requisition by the state university  
49 of New York, the dormitory authority of the state of New York is  
50 directed to transfer, up to \$22,000,000 in revenues generated from the  
51 sale of notes or bonds, to the state university of New York for  
52 reimbursement of bondable equipment for further transfer to the state's  
53 general fund.

54 S 6. Notwithstanding any law to the contrary, and in accordance with  
55 section 4 of the state finance law, the comptroller is hereby authorized  
56 and directed to transfer, upon request of the director of the budget and

1 upon consultation with the state university chancellor or his or her  
2 designee, on or before March 31, 2017, up to \$16,000,000 from the state  
3 university income fund general revenue account (22653) to the state  
4 general fund for debt service costs related to campus supported capital  
5 project costs for the NY-SUNY 2020 challenge grant program at the  
6 University at Buffalo.

7 S 7. Notwithstanding any law to the contrary, and in accordance with  
8 section 4 of the state finance law, the comptroller is hereby authorized  
9 and directed to transfer, upon request of the director of the budget and  
10 upon consultation with the state university chancellor or his or her  
11 designee, on or before March 31, 2017, up to \$6,500,000 from the state  
12 university income fund general revenue account (22653) to the state  
13 general fund for debt service costs related to campus supported capital  
14 project costs for the NY-SUNY 2020 challenge grant program at the  
15 University at Albany.

16 S 8. Notwithstanding any law to the contrary, the state university  
17 chancellor or his or her designee is authorized and directed to transfer  
18 estimated tuition revenue balances from the state university collection  
19 fund (61000) to the state university income fund, state university  
20 general revenue offset account (22655) on or before March 31, 2017.

21 S 9. Notwithstanding any law to the contrary, and in accordance with  
22 section 4 of the state finance law, the comptroller is hereby authorized  
23 and directed to transfer, upon request of the director of the budget, up  
24 to \$87,764,000 from the general fund to the state university income  
25 fund, state university hospitals income reimbursable account (22656)  
26 during the period July 1, 2016 through June 30, 2017 to reflect ongoing  
27 state subsidy of SUNY hospitals and to pay costs attributable to the  
28 SUNY hospitals' state agency status.

29 S 10. Notwithstanding any law to the contrary, and in accordance with  
30 section 4 of the state finance law, the comptroller is hereby authorized  
31 and directed to transfer, upon request of the director of the budget, up  
32 to \$1,059,428,300 from the general fund to the state university income  
33 fund, state university general revenue offset account (22655) during the  
34 period of July 1, 2016 through June 30, 2017 to support operations at  
35 the state university.

36 S 11. Notwithstanding any law to the contrary, and in accordance with  
37 section 4 of the state finance law, the comptroller is hereby authorized  
38 and directed to transfer, upon request of the state university chancel-  
39 lor or his or her designee, up to \$55,000,000 from the state university  
40 income fund, state university hospitals income reimbursable account  
41 (22656), for services and expenses of hospital operations and capital  
42 expenditures at the state university hospitals; and the state university  
43 income fund, Long Island veterans' home account (22652) to the state  
44 university capital projects fund (32400) on or before June 30, 2017.

45 S 12. Notwithstanding any law to the contrary, and in accordance with  
46 section 4 of the state finance law, the comptroller, after consultation  
47 with the state university chancellor or his or her designee, is hereby  
48 authorized and directed to transfer moneys, in the first instance, from  
49 the state university collection fund, Stony Brook hospital collection  
50 account (61006), Brooklyn hospital collection account (61007), and Syra-  
51 cuse hospital collection account (61008) to the state university income  
52 fund, state university hospitals income reimbursable account (22656) in  
53 the event insufficient funds are available in the state university  
54 income fund, state university hospitals income reimbursable account  
55 (22656) to permit the full transfer of moneys authorized for transfer,  
56 to the general fund for payment of debt service related to the SUNY

1 hospitals. Notwithstanding any law to the contrary, the comptroller is  
2 also hereby authorized and directed, after consultation with the state  
3 university chancellor or his or her designee, to transfer moneys from  
4 the state university income fund to the state university income fund,  
5 state university hospitals income reimbursable account (22656) in the  
6 event insufficient funds are available in the state university income  
7 fund, state university hospitals income reimbursable account (22656) to  
8 pay hospital operating costs or to permit the full transfer of moneys  
9 authorized for transfer, to the general fund for payment of debt service  
10 related to the SUNY hospitals on or before March 31, 2017.

11 S 13. Notwithstanding any law to the contrary, upon the direction of  
12 the director of the budget and the chancellor of the state university of  
13 New York or his or her designee, and in accordance with section 4 of the  
14 state finance law, the comptroller is hereby authorized and directed to  
15 transfer monies from the state university dormitory income fund (40350)  
16 to the state university residence hall rehabilitation fund (30100), and  
17 from the state university residence hall rehabilitation fund (30100) to  
18 the state university dormitory income fund (40350), in a net amount not  
19 to exceed \$80 million.

20 S 14. Notwithstanding any law to the contrary, and in accordance with  
21 section 4 of the state finance law, the comptroller is hereby authorized  
22 and directed to transfer monies, upon request of the director of the  
23 budget, on or before March 31, 2017, from and to any of the following  
24 accounts: the miscellaneous special revenue fund, patient income account  
25 (21909), the miscellaneous special revenue fund, mental hygiene program  
26 fund account (21907), the miscellaneous special revenue fund, federal  
27 salary sharing account (22056), or the general fund in any combination,  
28 the aggregate of which shall not exceed \$350 million.

29 S 15. Notwithstanding any law to the contrary, and in accordance with  
30 section 4 of the state finance law, the comptroller is hereby authorized  
31 and directed to transfer, at the request of the director of the budget,  
32 up to \$750 million from the unencumbered balance of any special revenue  
33 fund or account, agency fund or account, internal service fund or  
34 account, enterprise fund or account, or any combination of such funds  
35 and accounts, to the general fund. The amounts transferred pursuant to  
36 this authorization shall be in addition to any other transfers expressly  
37 authorized in the 2016-17 budget. Transfers from federal funds, debt  
38 service funds, capital projects funds, the community projects fund, or  
39 funds that would result in the loss of eligibility for federal benefits  
40 or federal funds pursuant to federal law, rule, or regulation as assent-  
41 ed to in chapter 683 of the laws of 1938 and chapter 700 of the laws of  
42 1951 are not permitted pursuant to this authorization.

43 S 16. Notwithstanding any law to the contrary, and in accordance with  
44 section 4 of the state finance law, the comptroller is hereby authorized  
45 and directed to transfer, at the request of the director of the budget,  
46 up to \$100 million from any non-general fund or account, or combination  
47 of funds and accounts, to the miscellaneous special revenue fund, tech-  
48 nology financing account (22207) or the miscellaneous capital projects  
49 fund, information technology capital financing account (32215), for the  
50 purpose of consolidating technology procurement and services. The  
51 amounts transferred to the miscellaneous special revenue fund, technolo-  
52 gy financing account (22207) pursuant to this authorization shall be  
53 equal to or less than the amount of such monies intended to support  
54 information technology costs which are attributable, according to a  
55 plan, to such account made in pursuance to an appropriation by law.  
56 Transfers to the technology financing account shall be completed from

1 amounts collected by non-general funds or accounts pursuant to a fund  
2 deposit schedule or permanent statute, and shall be transferred to the  
3 technology financing account pursuant to a schedule agreed upon by the  
4 affected agency commissioner. Transfers from funds that would result in  
5 the loss of eligibility for federal benefits or federal funds pursuant  
6 to federal law, rule, or regulation as assented to in chapter 683 of the  
7 laws of 1938 and chapter 700 of the laws of 1951 are not permitted  
8 pursuant to this authorization.

9 S 16-a. Notwithstanding any law to the contrary, and in accordance  
10 with section 4 of the state finance law, the comptroller is hereby  
11 authorized and directed to transfer, at the request of the director of  
12 the budget, up to 27 million dollars (\$27,000,000) from the unencumbered  
13 balance of any special revenue fund or account, or combination of funds  
14 and accounts, to the community projects fund. The amounts transferred  
15 pursuant to this authorization shall be in addition to any other trans-  
16 fers expressly authorized in the 2014-15 budget. Transfers from federal  
17 funds, debt services funds, capital projects funds, or funds that would  
18 result in the loss of eligibility for federal benefits or federal funds  
19 pursuant to federal law, rule, or regulation as assented to in chapter  
20 683 of the laws of 1938 and chapter 700 of the laws of 1951 are not  
21 permitted pursuant to this authorization. The director of the budget  
22 shall (a) have received a request in writing from one or both houses of  
23 the legislature, and (b) notify both houses of the legislature in writ-  
24 ing prior to initiating transfers pursuant to this authorization. The  
25 comptroller shall provide the director of the budget, the chair of the  
26 senate finance committee, and the chair of the assembly ways and means  
27 committee with an accurate accounting and report of any transfers that  
28 occur pursuant to this section on or before the fifteenth day of the  
29 following month in which such transfers occur.

30 S 17. Notwithstanding any law to the contrary, and in accordance with  
31 section 4 of the state finance law, the comptroller is hereby authorized  
32 and directed to transfer, at the request of the director of the budget,  
33 up to \$350 million from any non-general fund or account, or combination  
34 of funds and accounts, to the general fund for the purpose of consol-  
35 idating technology procurement and services. The amounts transferred  
36 pursuant to this authorization shall be equal to or less than the amount  
37 of such monies intended to support information technology costs which  
38 are attributable, according to a plan, to such account made in pursuance  
39 to an appropriation by law. Transfers to the general fund shall be  
40 completed from amounts collected by non-general funds or accounts pursu-  
41 ant to a fund deposit schedule. Transfers from funds that would result  
42 in the loss of eligibility for federal benefits or federal funds pursu-  
43 ant to federal law, rule, or regulation as assented to in chapter 683 of  
44 the laws of 1938 and chapter 700 of the laws of 1951 are not permitted  
45 pursuant to this authorization.

46 S 18. Notwithstanding any provision of law to the contrary, as deemed  
47 feasible and advisable by its trustees, the power authority of the state  
48 of New York is authorized and directed to transfer to the state treasury  
49 to the credit of the general fund \$90,000,000 for the state fiscal year  
50 commencing April 1, 2016, the proceeds of which will be utilized to  
51 support energy-related state activities.

52 S 19. Notwithstanding any provision of law, rule or regulation to the  
53 contrary, the New York State energy research and development authority  
54 is authorized and directed to make a contribution to the state treasury  
55 to the credit of the general fund in the amount of \$23,000,000 from  
56 proceeds collected by the authority from the auction or sale of carbon

dioxide emission allowances allocated by the department of environmental conservation on or before March 31, 2017.

S 20. Notwithstanding any provision of law, rule or regulation to the contrary, the New York state energy research and development authority is authorized and directed to transfer to the state university income fund general revenue account (22653), in an amount not to exceed \$15,000,000 for the state fiscal year commencing April 1, 2016 from the proceeds collected by the authority from the auction or sale of carbon dioxide emission allowances allocated by the department of environmental conservation, which amount shall be utilized to support the Clean Energy Workforce Opportunity Program, to expand and develop clean energy education and workforce training programs; provided further, that up to \$5,000,000 of such amount shall be available to support Clean Energy Workforce Opportunity Program initiatives at state university of New York community colleges.

S 21. Subdivision 5 of section 97-rrr of the state finance law, as amended by section 21 of part I of chapter 60 of the laws of 2015, is amended to read as follows:

5. Notwithstanding the provisions of section one hundred seventy-one-a of the tax law, as separately amended by chapters four hundred eighty-one and four hundred eighty-four of the laws of nineteen hundred eighty-one, and notwithstanding the provisions of chapter ninety-four of the laws of two thousand eleven, or any other provisions of law to the contrary, during the fiscal year beginning April first, two thousand [fifteen] SIXTEEN, the state comptroller is hereby authorized and directed to deposit to the fund created pursuant to this section from amounts collected pursuant to article twenty-two of the tax law and pursuant to a schedule submitted by the director of the budget, up to [\$3,382,279,000] \$3,381,844,000, as may be certified in such schedule as necessary to meet the purposes of such fund for the fiscal year beginning April first, two thousand [fifteen] SIXTEEN.

S 22. Intentionally Omitted.

S 23. The opening paragraph of section 2 and section 47 of part I of chapter 60 of the laws of 2015, providing for the administration of certain funds and accounts related to the 2015-16 budget, are amended to read as follows:

Notwithstanding any law to the contrary, and in accordance with section 4 of the state finance law, the comptroller is hereby authorized and directed to transfer, upon request of the director of the budget, on or before March 31, 2016, AND WITH RESPECT TO ITEM 5 UNDER THE MISCELLANEOUS CATEGORY SET FORTH IN THIS SECTION, UP TO AND AFTER MARCH 31, 2016, up to the unencumbered balance or the following amounts:

S 47. This act shall take effect immediately and shall be deemed to have been in full force and effect on and after April 1, 2015; provided, however, [that] WITH THE EXCEPTION OF ITEM 5 OF THE MISCELLANEOUS CATEGORY SET FORTH WITHIN SECTION TWO OF THIS ACT, the provisions of sections one through eight and sections thirteen through twenty of this act shall expire March 31, 2016, when upon such date the provisions of such sections shall be deemed repealed.

S 24. Subdivision 6 of section 4 of the state finance law, as amended by section 22 of part I of chapter 55 of the laws of 2014, is amended to read as follows:

6. Notwithstanding any law to the contrary, at the beginning of the state fiscal year, the state comptroller is hereby authorized and directed to receive for deposit to the credit of a fund and/or an account such monies as are identified by the director of the budget as



1 having been intended for such deposit to support disbursements from such  
2 fund and/or account made in pursuance of an appropriation by law. As  
3 soon as practicable upon enactment of the budget, the director of the  
4 budget shall, but not less than three days following preliminary  
5 submission to the chairs of the senate finance committee and the assem-  
6 bly ways and means committee, file with the state comptroller an iden-  
7 tification of specific monies to be so deposited. Any subsequent change  
8 regarding the monies to be so deposited shall be filed by the director  
9 of the budget, as soon as practicable, but not less than three days  
10 following preliminary submission to the chairs of the senate finance  
11 committee and the assembly ways and means committee.

12 All monies identified by the director of the budget to be deposited to  
13 the credit of a fund and/or account shall be consistent with the intent  
14 of the budget for the then current state fiscal year as enacted by the  
15 legislature.

16 [The provisions of this subdivision shall expire on March thirty-  
17 first, two thousand sixteen.]

18 S 25. Subdivision 4 of section 40 of the state finance law, as amended  
19 by section 23 of part I of chapter 55 of the laws of 2014, is amended to  
20 read as follows:

21 4. Every appropriation made from a fund or account to a department or  
22 agency shall be available for the payment of prior years' liabilities in  
23 such fund or account for fringe benefits, indirect costs, and telecommu-  
24 nications expenses and expenses for other centralized services fund  
25 programs without limit. Every appropriation shall also be available for  
26 the payment of prior years' liabilities other than those indicated  
27 above, but only to the extent of one-half of one percent of the total  
28 amount appropriated to a department or agency in such fund or account.

29 [The provisions of this subdivision shall expire March thirty-first,  
30 two thousand sixteen.]

31 S 26. Subparagraph (i) of paragraph (a) of subdivision 3 of section  
32 92-cc of the state finance law, as added by chapter 1 of the laws of  
33 2007, is amended to read as follows:

34 (i) Economic downturn. The commissioner of labor shall calculate and  
35 publish, on or before the fifteenth day of each month, a composite index  
36 of business cycle indicators. Such index shall be calculated using  
37 monthly data on New York state PRIVATE SECTOR employment, [total] AVER-  
38 AGE WEEKLY HOURS OF manufacturing [hours worked] WORKERS, and THE unem-  
39 ployment RATE prepared by the department of labor or its successor agen-  
40 cy, and total sales tax [collected net of law changes] COLLECTIONS  
41 ADJUSTED FOR INFLATION, prepared by the department of taxation and  
42 finance or its successor agency. Such index shall be [constructed in  
43 accordance with the procedures for calculating composite indexes issued  
44 by the conference board or its successor organization, and] adjusted for  
45 seasonal variations in accordance with the procedures issued by the  
46 [census bureau of the] United States [department of commerce] CENSUS  
47 BUREAU or its successor agency. If the composite index declines for five  
48 consecutive months, the commissioner of labor shall notify the governor,  
49 the speaker of the assembly, the temporary president of the senate, and  
50 the minority leaders of the assembly and the senate. Upon such notifica-  
51 tion, the director of the budget may authorize and direct the comp-  
52 troller to transfer from the rainy day reserve fund to the general fund  
53 such amounts as the director of the budget deems necessary to meet the  
54 requirements of the state financial plan. The authority to transfer  
55 funds under the provisions of this subdivision shall lapse when the  
56 composite index shall have increased for five consecutive months or

1 twelve months from the original notification of the commissioner of  
2 labor, whichever occurs earlier. Provided, however, that for every addi-  
3 tional and consecutive monthly decline succeeding the five month decline  
4 so noted by the commissioner of labor, the twelve month lapse date shall  
5 be extended by one additional month; or

6 S 27. Paragraph (a) of subdivision 3 of section 93-b of the state  
7 finance law, as added by section 1 of part H of chapter 60 of the laws  
8 of 2015, is amended to read as follows:

9 (a) Economic downturn. Notwithstanding any law to the contrary, for  
10 the purpose of this section, the commissioner of labor shall calculate  
11 and publish, on or before the fifteenth day of each month, a composite  
12 index of business cycle indicators. Such index shall be calculated using  
13 monthly data on New York state PRIVATE SECTOR employment, [total] AVER-  
14 AGE WEEKLY HOURS OF manufacturing [hours worked] WORKERS, and THE unem-  
15 ployment RATE prepared by the department of labor or its successor agen-  
16 cy, and total sales tax [collected net of law changes] COLLECTIONS  
17 ADJUSTED FOR INFLATION, prepared by the department of taxation and  
18 finance or its successor agency. Such index shall be [constructed in  
19 accordance with the procedures for calculating composite indexes issued  
20 by the conference board or its successor organization, and] adjusted for  
21 seasonal variations in accordance with the procedures issued by the  
22 [census bureau of the] United States [department of commerce] CENSUS  
23 BUREAU or its successor agency. If the composite index declines for five  
24 consecutive months, the commissioner of labor shall notify the governor,  
25 the speaker of the assembly, the temporary president of the senate, and  
26 the minority leaders of the assembly and the senate. Upon such notifica-  
27 tion, the director of the budget may authorize and direct the comp-  
28 troller to transfer from the dedicated infrastructure investment fund to  
29 the general fund such amounts as the director of the budget deems neces-  
30 sary to meet the requirements of the state financial plan. The authority  
31 to transfer funds under the provisions of this paragraph shall lapse  
32 when the composite index shall have increased for five consecutive  
33 months or twelve months from the original notification of the commis-  
34 sioner of labor, whichever occurs earlier. Provided, however, that for  
35 every additional and consecutive monthly decline succeeding the five  
36 month decline so noted by the commissioner of labor, the twelve month  
37 lapse date shall be extended by one additional month.

38 S 28. Notwithstanding any other law, rule, or regulation to the  
39 contrary, the state comptroller is hereby authorized and directed to use  
40 any balance remaining in the mental health services fund debt service  
41 appropriation, after payment by the state comptroller of all obligations  
42 required pursuant to any lease, sublease, or other financing arrangement  
43 between the dormitory authority of the state of New York as successor to  
44 the New York state medical care facilities finance agency, and the  
45 facilities development corporation pursuant to chapter 83 of the laws of  
46 1995 and the department of mental hygiene for the purpose of making  
47 payments to the dormitory authority of the state of New York for the  
48 amount of the earnings for the investment of monies deposited in the  
49 mental health services fund that such agency determines will or may have  
50 to be rebated to the federal government pursuant to the provisions of  
51 the internal revenue code of 1986, as amended, in order to enable such  
52 agency to maintain the exemption from federal income taxation on the  
53 interest paid to the holders of such agency's mental services facilities  
54 improvement revenue bonds. Annually on or before each June 30th, such  
55 agency shall certify to the state comptroller its determination of the  
56 amounts received in the mental health services fund as a result of the

1 investment of monies deposited therein that will or may have to be  
2 rebated to the federal government pursuant to the provisions of the  
3 internal revenue code of 1986, as amended.

4 S 29. Subdivision 1 of section 47 of section 1 of chapter 174 of the  
5 laws of 1968, constituting the New York state urban development corpo-  
6 ration act, as amended by section 25 of part I of chapter 60 of the laws  
7 of 2015, is amended to read as follows:

8 1. Notwithstanding the provisions of any other law to the contrary,  
9 the dormitory authority and the corporation are hereby authorized to  
10 issue bonds or notes in one or more series for the purpose of funding  
11 project costs for the office of information technology services, depart-  
12 ment of law, and other state costs associated with such capital  
13 projects. The aggregate principal amount of bonds authorized to be  
14 issued pursuant to this section shall not exceed [two] THREE hundred  
15 [sixty-nine] SIXTY-FOUR million [one] EIGHT hundred forty thousand  
16 dollars, excluding bonds issued to fund one or more debt service reserve  
17 funds, to pay costs of issuance of such bonds, and bonds or notes issued  
18 to refund or otherwise repay such bonds or notes previously issued. Such  
19 bonds and notes of the dormitory authority and the corporation shall not  
20 be a debt of the state, and the state shall not be liable thereon, nor  
21 shall they be payable out of any funds other than those appropriated by  
22 the state to the dormitory authority and the corporation for principal,  
23 interest, and related expenses pursuant to a service contract and such  
24 bonds and notes shall contain on the face thereof a statement to such  
25 effect. Except for purposes of complying with the internal revenue code,  
26 any interest income earned on bond proceeds shall only be used to pay  
27 debt service on such bonds.

28 S 30. Subdivision 1 of section 16 of part D of chapter 389 of the laws  
29 of 1997, relating to the financing of the correctional facilities  
30 improvement fund and the youth facility improvement fund, as amended by  
31 section 27 of part I of chapter 60 of the laws of 2015, is amended to  
32 read as follows:

33 1. Subject to the provisions of chapter 59 of the laws of 2000, but  
34 notwithstanding the provisions of section 18 of section 1 of chapter 174  
35 of the laws of 1968, the New York state urban development corporation is  
36 hereby authorized to issue bonds, notes and other obligations in an  
37 aggregate principal amount not to exceed seven billion [one] FOUR  
38 hundred [sixty-three] TWENTY-FOUR million [three] NINE hundred [sixty-  
39 nine] NINETY-NINE thousand dollars [\$7,163,369,000] \$7,424,999,000, and  
40 shall include all bonds, notes and other obligations issued pursuant to  
41 chapter 56 of the laws of 1983, as amended or supplemented. The proceeds  
42 of such bonds, notes or other obligations shall be paid to the state,  
43 for deposit in the correctional facilities capital improvement fund to  
44 pay for all or any portion of the amount or amounts paid by the state  
45 from appropriations or reappropriations made to the department of  
46 corrections and community supervision from the correctional facilities  
47 capital improvement fund for capital projects. The aggregate amount of  
48 bonds, notes or other obligations authorized to be issued pursuant to  
49 this section shall exclude bonds, notes or other obligations issued to  
50 refund or otherwise repay bonds, notes or other obligations theretofore  
51 issued, the proceeds of which were paid to the state for all or a  
52 portion of the amounts expended by the state from appropriations or  
53 reappropriations made to the department of corrections and community  
54 supervision; provided, however, that upon any such refunding or repay-  
55 ment the total aggregate principal amount of outstanding bonds, notes or  
56 other obligations may be greater than seven billion [one] FOUR hundred

1 [sixty-three] TWENTY-FOUR million [three] NINE hundred [sixty-nine]  
2 NINETY-NINE thousand dollars [\$7,163,369,000] \$7,424,999,000, only if  
3 the present value of the aggregate debt service of the refunding or  
4 repayment bonds, notes or other obligations to be issued shall not  
5 exceed the present value of the aggregate debt service of the bonds,  
6 notes or other obligations so to be refunded or repaid. For the purposes  
7 hereof, the present value of the aggregate debt service of the refunding  
8 or repayment bonds, notes or other obligations and of the aggregate debt  
9 service of the bonds, notes or other obligations so refunded or repaid,  
10 shall be calculated by utilizing the effective interest rate of the  
11 refunding or repayment bonds, notes or other obligations, which shall be  
12 that rate arrived at by doubling the semi-annual interest rate  
13 (compounded semi-annually) necessary to discount the debt service  
14 payments on the refunding or repayment bonds, notes or other obligations  
15 from the payment dates thereof to the date of issue of the refunding or  
16 repayment bonds, notes or other obligations and to the price bid includ-  
17 ing estimated accrued interest or proceeds received by the corporation  
18 including estimated accrued interest from the sale thereof.

19 S 31. Paragraph (a) of subdivision 2 of section 47-e of the private  
20 housing finance law, as amended by section 28 of part I of chapter 60 of  
21 the laws of 2015, is amended to read as follows:

22 (a) Subject to the provisions of chapter fifty-nine of the laws of two  
23 thousand, in order to enhance and encourage the promotion of housing  
24 programs and thereby achieve the stated purposes and objectives of such  
25 housing programs, the agency shall have the power and is hereby author-  
26 ized from time to time to issue negotiable housing program bonds and  
27 notes in such principal amount as shall be necessary to provide suffi-  
28 cient funds for the repayment of amounts disbursed (and not previously  
29 reimbursed) pursuant to law or any prior year making capital appropri-  
30 ations or reappropriations for the purposes of the housing program;  
31 provided, however, that the agency may issue such bonds and notes in an  
32 aggregate principal amount not exceeding [three] FOUR billion [one] SIX  
33 hundred [fifty-three] NINETY-SEVEN million [seven] FOUR hundred [nine-  
34 ty-nine] SEVENTY-FOUR thousand dollars, plus a principal amount of bonds  
35 issued to fund the debt service reserve fund in accordance with the debt  
36 service reserve fund requirement established by the agency and to fund  
37 any other reserves that the agency reasonably deems necessary for the  
38 security or marketability of such bonds and to provide for the payment  
39 of fees and other charges and expenses, including underwriters'  
40 discount, trustee and rating agency fees, bond insurance, credit  
41 enhancement and liquidity enhancement related to the issuance of such  
42 bonds and notes. No reserve fund securing the housing program bonds  
43 shall be entitled or eligible to receive state funds apportioned or  
44 appropriated to maintain or restore such reserve fund at or to a partic-  
45 ular level, except to the extent of any deficiency resulting directly or  
46 indirectly from a failure of the state to appropriate or pay the agreed  
47 amount under any of the contracts provided for in subdivision four of  
48 this section.

49 S 32. Subdivision (b) of section 11 of chapter 329 of the laws of  
50 1991, amending the state finance law and other laws relating to the  
51 establishment of the dedicated highway and bridge trust fund, as amended  
52 by section 29 of part I of chapter 60 of the laws of 2015, is amended to  
53 read as follows:

54 (b) Any service contract or contracts for projects authorized pursuant  
55 to sections 10-c, 10-f, 10-g and 80-b of the highway law and section  
56 14-k of the transportation law, and entered into pursuant to subdivision

1 (a) of this section, shall provide for state commitments to provide  
2 annually to the thruway authority a sum or sums, upon such terms and  
3 conditions as shall be deemed appropriate by the director of the budget,  
4 to fund, or fund the debt service requirements of any bonds or any obli-  
5 gations of the thruway authority issued to fund or to reimburse the  
6 state for funding such projects having a cost not in excess of  
7 [\$8,658,881,000] \$9,147,234,000 cumulatively by the end of fiscal year  
8 [2015-16] 2016-17.

9 S 33. Subdivision 1 of section 1689-i of the public authorities law,  
10 as amended by section 30 of part I of chapter 60 of the laws of 2015, is  
11 amended to read as follows:

12 1. The dormitory authority is authorized to issue bonds, at the  
13 request of the commissioner of education, to finance eligible library  
14 construction projects pursuant to section two hundred seventy-three-a of  
15 the education law, in amounts certified by such commissioner not to  
16 exceed a total principal amount of one hundred [forty] SIXTY-FOUR  
17 million dollars.

18 S 34. Subdivision (a) of section 27 of part Y of chapter 61 of the  
19 laws of 2005, providing for the administration of certain funds and  
20 accounts related to the 2005-2006 budget, as amended by section 31 of  
21 part I of chapter 60 of the laws of 2015, is amended to read as follows:

22 (a) Subject to the provisions of chapter 59 of the laws of 2000, but  
23 notwithstanding any provisions of law to the contrary, the urban devel-  
24 opment corporation is hereby authorized to issue bonds or notes in one  
25 or more series in an aggregate principal amount not to exceed  
26 [\$155,600,000] \$167,600,000, excluding bonds issued to finance one or  
27 more debt service reserve funds, to pay costs of issuance of such bonds,  
28 and bonds or notes issued to refund or otherwise repay such bonds or  
29 notes previously issued, for the purpose of financing capital projects  
30 including IT initiatives for the division of state police, debt service  
31 and leases; and to reimburse the state general fund for disbursements  
32 made therefor. Such bonds and notes of such authorized issuer shall not  
33 be a debt of the state, and the state shall not be liable thereon, nor  
34 shall they be payable out of any funds other than those appropriated by  
35 the state to such authorized issuer for debt service and related  
36 expenses pursuant to any service contract executed pursuant to subdivi-  
37 sion (b) of this section and such bonds and notes shall contain on the  
38 face thereof a statement to such effect. Except for purposes of comply-  
39 ing with the internal revenue code, any interest income earned on bond  
40 proceeds shall only be used to pay debt service on such bonds.

41 S 35. Section 44 of section 1 of chapter 174 of the laws of 1968,  
42 constituting the New York state urban development corporation act, as  
43 amended by section 32 of part I of chapter 60 of the laws of 2015, is  
44 amended to read as follows:

45 S 44. Issuance of certain bonds or notes. 1. Notwithstanding the  
46 provisions of any other law to the contrary, the dormitory authority and  
47 the corporation are hereby authorized to issue bonds or notes in one or  
48 more series for the purpose of funding project costs for the regional  
49 economic development council initiative, the economic transformation  
50 program, state university of New York college for nanoscale and science  
51 engineering, projects within the city of Buffalo or surrounding envi-  
52 rons, the New York works economic development fund, projects for the  
53 retention of professional football in western New York, the empire state  
54 economic development fund, the clarkson-trudeau partnership, the New  
55 York genome center, the cornell university college of veterinary medi-  
56 cine, the olympic regional development authority, a project at nano

1 Utica, onondaga county revitalization projects, Binghamton university  
2 school of pharmacy, New York power electronics manufacturing consortium,  
3 regional infrastructure projects, A COMMERCIALIZATION CENTER IN CHAUTAU-  
4 QUA COUNTY, AN INDUSTRIAL SCALE RESEARCH AND DEVELOPMENT FACILITY IN  
5 CLINTON COUNTY, UPSTATE REVITALIZATION INITIATIVE PROJECTS, MARKET NEW  
6 YORK PROJECTS, and other state costs associated with such projects. The  
7 aggregate principal amount of bonds authorized to be issued pursuant to  
8 this section shall not exceed [two] THREE billion [eight] NINE hundred  
9 [eighty-eight] TWENTY-FOUR million two hundred fifty-seven thousand  
10 dollars, excluding bonds issued to fund one or more debt service reserve  
11 funds, to pay costs of issuance of such bonds, and bonds or notes issued  
12 to refund or otherwise repay such bonds or notes previously issued. Such  
13 bonds and notes of the dormitory authority and the corporation shall not  
14 be a debt of the state, and the state shall not be liable thereon, nor  
15 shall they be payable out of any funds other than those appropriated by  
16 the state to the dormitory authority and the corporation for principal,  
17 interest, and related expenses pursuant to a service contract and such  
18 bonds and notes shall contain on the face thereof a statement to such  
19 effect. Except for purposes of complying with the internal revenue code,  
20 any interest income earned on bond proceeds shall only be used to pay  
21 debt service on such bonds.

22 2. Notwithstanding any other provision of law to the contrary, in  
23 order to assist the dormitory authority and the corporation in undertak-  
24 ing the financing for project costs for the regional economic develop-  
25 ment council initiative, the economic transformation program, state  
26 university of New York college for nanoscale and science engineering,  
27 projects within the city of Buffalo or surrounding environs, the New  
28 York works economic development fund, projects for the retention of  
29 professional football in western New York, the empire state economic  
30 development fund, the clarkson-trudeau partnership, the New York genome  
31 center, the cornell university college of veterinary medicine, the olym-  
32 pic regional development authority, a project at nano Utica, onondaga  
33 county revitalization projects, Binghamton university school of pharma-  
34 cy, New York power electronics manufacturing consortium, regional  
35 infrastructure projects, A COMMERCIALIZATION CENTER IN CHAUTAUQUA COUN-  
36 TY, AN INDUSTRIAL SCALE RESEARCH AND DEVELOPMENT FACILITY IN CLINTON  
37 COUNTY, UPSTATE REVITALIZATION INITIATIVE PROJECTS, MARKET NEW YORK  
38 PROJECTS, and other state costs associated with such projects, the  
39 director of the budget is hereby authorized to enter into one or more  
40 service contracts with the dormitory authority and the corporation, none  
41 of which shall exceed thirty years in duration, upon such terms and  
42 conditions as the director of the budget and the dormitory authority and  
43 the corporation agree, so as to annually provide to the dormitory  
44 authority and the corporation, in the aggregate, a sum not to exceed the  
45 principal, interest, and related expenses required for such bonds and  
46 notes. Any service contract entered into pursuant to this section shall  
47 provide that the obligation of the state to pay the amount therein  
48 provided shall not constitute a debt of the state within the meaning of  
49 any constitutional or statutory provision and shall be deemed executory  
50 only to the extent of monies available and that no liability shall be  
51 incurred by the state beyond the monies available for such purpose,  
52 subject to annual appropriation by the legislature. Any such contract or  
53 any payments made or to be made thereunder may be assigned and pledged  
54 by the dormitory authority and the corporation as security for its bonds  
55 and notes, as authorized by this section.

1 S 36. Subdivision 3 of section 1285-p of the public authorities law,  
2 as amended by section 33 of part I of chapter 60 of the laws of 2015, is  
3 amended to read as follows:

4 3. The maximum amount of bonds that may be issued for the purpose of  
5 financing environmental infrastructure projects authorized by this  
6 section shall be [one] TWO billion [seven hundred seventy-five] ONE  
7 HUNDRED FIFTEEN million seven hundred sixty thousand dollars, exclusive  
8 of bonds issued to fund any debt service reserve funds, pay costs of  
9 issuance of such bonds, and bonds or notes issued to refund or otherwise  
10 repay bonds or notes previously issued. Such bonds and notes of the  
11 corporation shall not be a debt of the state, and the state shall not be  
12 liable thereon, nor shall they be payable out of any funds other than  
13 those appropriated by the state to the corporation for debt service and  
14 related expenses pursuant to any service contracts executed pursuant to  
15 subdivision one of this section, and such bonds and notes shall contain  
16 on the face thereof a statement to such effect.

17 S 37. Subdivision 1 of section 45 of section 1 of chapter 174 of the  
18 laws of 1968, constituting the New York state urban development corpo-  
19 ration act, as amended by section 34 of part I of chapter 60 of the laws  
20 of 2015, is amended to read as follows:

21 1. Notwithstanding the provisions of any other law to the contrary,  
22 the urban development corporation of the state of New York is hereby  
23 authorized to issue bonds or notes in one or more series for the purpose  
24 of funding project costs for the implementation of a NY-SUNY and NY-CUNY  
25 2020 challenge grant program subject to the approval of a NY-SUNY and  
26 NY-CUNY 2020 plan or plans by the governor and either the chancellor of  
27 the state university of New York or the chancellor of the city universi-  
28 ty of New York, as applicable. The aggregate principal amount of bonds  
29 authorized to be issued pursuant to this section shall not exceed  
30 [\$440,000,000] \$550,000,000, excluding bonds issued to fund one or more  
31 debt service reserve funds, to pay costs of issuance of such bonds, and  
32 bonds or notes issued to refund or otherwise repay such bonds or notes  
33 previously issued. Such bonds and notes of the corporation shall not be  
34 a debt of the state, and the state shall not be liable thereon, nor  
35 shall they be payable out of any funds other than those appropriated by  
36 the state to the corporation for principal, interest, and related  
37 expenses pursuant to a service contract and such bonds and notes shall  
38 contain on the face thereof a statement to such effect. Except for  
39 purposes of complying with the internal revenue code, any interest  
40 income earned on bond proceeds shall only be used to pay debt service on  
41 such bonds.

42 S 38. Subdivision (a) of section 48 of part K of chapter 81 of the  
43 laws of 2002, providing for the administration of certain funds and  
44 accounts related to the 2002-2003 budget, as amended by section 35 of  
45 part I of chapter 60 of the laws of 2015, is amended to read as follows:

46 (a) Subject to the provisions of chapter 59 of the laws of 2000 but  
47 notwithstanding the provisions of section 18 of the urban development  
48 corporation act, the corporation is hereby authorized to issue bonds or  
49 notes in one or more series in an aggregate principal amount not to  
50 exceed \$197,000,000 excluding bonds issued to fund one or more debt  
51 service reserve funds, to pay costs of issuance of such bonds, and bonds  
52 or notes issued to refund or otherwise repay such bonds or notes previ-  
53 ously issued, for the purpose of financing capital costs related to  
54 homeland security and training facilities for the division of state  
55 police, the division of military and naval affairs, and any other state  
56 agency, including the reimbursement of any disbursements made from the

1 state capital projects fund, and is hereby authorized to issue bonds or  
2 notes in one or more series in an aggregate principal amount not to  
3 exceed [\$469,800,000] \$509,600,000, excluding bonds issued to fund one  
4 or more debt service reserve funds, to pay costs of issuance of such  
5 bonds, and bonds or notes issued to refund or otherwise repay such bonds  
6 or notes previously issued, for the purpose of financing improvements to  
7 State office buildings and other facilities located statewide, including  
8 the reimbursement of any disbursements made from the state capital  
9 projects fund. Such bonds and notes of the corporation shall not be a  
10 debt of the state, and the state shall not be liable thereon, nor shall  
11 they be payable out of any funds other than those appropriated by the  
12 state to the corporation for debt service and related expenses pursuant  
13 to any service contracts executed pursuant to subdivision (b) of this  
14 section, and such bonds and notes shall contain on the face thereof a  
15 statement to such effect.

16 S 39. Subdivision 1 of section 386-b of the public authorities law, as  
17 amended by section 36 of part I of chapter 60 of the laws of 2015, is  
18 amended to read as follows:

19 1. Notwithstanding any other provision of law to the contrary, the  
20 authority, the dormitory authority and the urban development corporation  
21 are hereby authorized to issue bonds or notes in one or more series for  
22 the purpose of financing peace bridge projects and capital costs of  
23 state and local highways, parkways, bridges, the New York state thruway,  
24 Indian reservation roads, and facilities, and transportation infrastruc-  
25 ture projects including aviation projects, non-MTA mass transit  
26 projects, and rail service preservation projects, including work appur-  
27 tenant and ancillary thereto. The aggregate principal amount of bonds  
28 authorized to be issued pursuant to this section shall not exceed [one]  
29 TWO billion [six hundred ninety] SEVEN HUNDRED TWENTY-FIVE million  
30 dollars [\$1,690,000,000] \$2,725,000,000, excluding bonds issued to fund  
31 one or more debt service reserve funds, to pay costs of issuance of such  
32 bonds, and to refund or otherwise repay such bonds or notes previously  
33 issued. Such bonds and notes of the authority, the dormitory authority  
34 and the urban development corporation shall not be a debt of the state,  
35 and the state shall not be liable thereon, nor shall they be payable out  
36 of any funds other than those appropriated by the state to the authori-  
37 ty, the dormitory authority and the urban development corporation for  
38 principal, interest, and related expenses pursuant to a service contract  
39 and such bonds and notes shall contain on the face thereof a statement  
40 to such effect. Except for purposes of complying with the internal  
41 revenue code, any interest income earned on bond proceeds shall only be  
42 used to pay debt service on such bonds.

43 S 40. Paragraph (c) of subdivision 19 of section 1680 of the public  
44 authorities law, as amended by section 37 of part I of chapter 60 of the  
45 laws of 2015, is amended to read as follows:

46 (c) Subject to the provisions of chapter fifty-nine of the laws of two  
47 thousand, the dormitory authority shall not issue any bonds for state  
48 university educational facilities purposes if the principal amount of  
49 bonds to be issued when added to the aggregate principal amount of bonds  
50 issued by the dormitory authority on and after July first, nineteen  
51 hundred eighty-eight for state university educational facilities will  
52 exceed eleven billion [two] EIGHT hundred [twenty-eight] FIVE million  
53 SEVEN HUNDRED EIGHTY-FOUR THOUSAND FIVE HUNDRED FORTY dollars; provided,  
54 however, that bonds issued or to be issued shall be excluded from such  
55 limitation if: (1) such bonds are issued to refund state university  
56 construction bonds and state university construction notes previously



1 issued by the housing finance agency; or (2) such bonds are issued to  
2 refund bonds of the authority or other obligations issued for state  
3 university educational facilities purposes and the present value of the  
4 aggregate debt service on the refunding bonds does not exceed the pres-  
5 ent value of the aggregate debt service on the bonds refunded thereby;  
6 provided, further that upon certification by the director of the budget  
7 that the issuance of refunding bonds or other obligations issued between  
8 April first, nineteen hundred ninety-two and March thirty-first, nine-  
9 teen hundred ninety-three will generate long term economic benefits to  
10 the state, as assessed on a present value basis, such issuance will be  
11 deemed to have met the present value test noted above. For purposes of  
12 this subdivision, the present value of the aggregate debt service of the  
13 refunding bonds and the aggregate debt service of the bonds refunded,  
14 shall be calculated by utilizing the true interest cost of the refunding  
15 bonds, which shall be that rate arrived at by doubling the semi-annual  
16 interest rate (compounded semi-annually) necessary to discount the debt  
17 service payments on the refunding bonds from the payment dates thereof  
18 to the date of issue of the refunding bonds to the purchase price of the  
19 refunding bonds, including interest accrued thereon prior to the issu-  
20 ance thereof. The maturity of such bonds, other than bonds issued to  
21 refund outstanding bonds, shall not exceed the weighted average economic  
22 life, as certified by the state university construction fund, of the  
23 facilities in connection with which the bonds are issued, and in any  
24 case not later than the earlier of thirty years or the expiration of the  
25 term of any lease, sublease or other agreement relating thereto;  
26 provided that no note, including renewals thereof, shall mature later  
27 than five years after the date of issuance of such note. The legislature  
28 reserves the right to amend or repeal such limit, and the state of New  
29 York, the dormitory authority, the state university of New York, and the  
30 state university construction fund are prohibited from covenanting or  
31 making any other agreements with or for the benefit of bondholders which  
32 might in any way affect such right.

33 S 41. Paragraph (c) of subdivision 14 of section 1680 of the public  
34 authorities law, as amended by section 38 of part I of chapter 60 of the  
35 laws of 2015, is amended to read as follows:

36 (c) Subject to the provisions of chapter fifty-nine of the laws of two  
37 thousand, (i) the dormitory authority shall not deliver a series of  
38 bonds for city university community college facilities, except to refund  
39 or to be substituted for or in lieu of other bonds in relation to city  
40 university community college facilities pursuant to a resolution of the  
41 dormitory authority adopted before July first, nineteen hundred eighty-  
42 five or any resolution supplemental thereto, if the principal amount of  
43 bonds so to be issued when added to all principal amounts of bonds  
44 previously issued by the dormitory authority for city university commu-  
45 nity college facilities, except to refund or to be substituted in lieu  
46 of other bonds in relation to city university community college facili-  
47 ties will exceed the sum of four hundred twenty-five million dollars and  
48 (ii) the dormitory authority shall not deliver a series of bonds issued  
49 for city university facilities, including community college facilities,  
50 pursuant to a resolution of the dormitory authority adopted on or after  
51 July first, nineteen hundred eighty-five, except to refund or to be  
52 substituted for or in lieu of other bonds in relation to city university  
53 facilities and except for bonds issued pursuant to a resolution supple-  
54 mental to a resolution of the dormitory authority adopted prior to July  
55 first, nineteen hundred eighty-five, if the principal amount of bonds so  
56 to be issued when added to the principal amount of bonds previously

1 issued pursuant to any such resolution, except bonds issued to refund or  
2 to be substituted for or in lieu of other bonds in relation to city  
3 university facilities, will exceed seven billion [three] SIX hundred  
4 [ninety-two] SIXTEEN million [seven] FOUR hundred [fifty-three] ELEVEN  
5 thousand dollars. The legislature reserves the right to amend or repeal  
6 such limit, and the state of New York, the dormitory authority, the city  
7 university, and the fund are prohibited from covenanting or making any  
8 other agreements with or for the benefit of bondholders which might in  
9 any way affect such right.

10 S 42. Subdivision 10-a of section 1680 of the public authorities law,  
11 as amended by section 39 of part I of chapter 60 of the laws of 2015, is  
12 amended to read as follows:

13 10-a. Subject to the provisions of chapter fifty-nine of the laws of  
14 two thousand, but notwithstanding any other provision of the law to the  
15 contrary, the maximum amount of bonds and notes to be issued after March  
16 thirty-first, two thousand two, on behalf of the state, in relation to  
17 any locally sponsored community college, shall be eight hundred [thir-  
18 ty-eight] SIXTY-ONE million four hundred [fifty-eight] FIFTY-FOUR thou-  
19 sand dollars. Such amount shall be exclusive of bonds and notes issued  
20 to fund any reserve fund or funds, costs of issuance and to refund any  
21 outstanding bonds and notes, issued on behalf of the state, relating to  
22 a locally sponsored community college.

23 S 43. Subdivision 1 of section 17 of part D of chapter 389 of the laws  
24 of 1997, relating to the financing of the correctional facilities  
25 improvement fund and the youth facility improvement fund, as amended by  
26 section 41 of part I of chapter 60 of the laws of 2015, is amended to  
27 read as follows:

28 1. Subject to the provisions of chapter 59 of the laws of 2000, but  
29 notwithstanding the provisions of section 18 of section 1 of chapter 174  
30 of the laws of 1968, the New York state urban development corporation is  
31 hereby authorized to issue bonds, notes and other obligations in an  
32 aggregate principal amount not to exceed six hundred [eleven] FORTY-SEV-  
33 EN million [two hundred fifteen] SIXTY-FIVE thousand dollars  
34 [(\$611,215,000)] (\$647,065,000), which authorization increases the  
35 aggregate principal amount of bonds, notes and other obligations author-  
36 ized by section 40 of chapter 309 of the laws of 1996, and shall include  
37 all bonds, notes and other obligations issued pursuant to chapter 211 of  
38 the laws of 1990, as amended or supplemented. The proceeds of such  
39 bonds, notes or other obligations shall be paid to the state, for depos-  
40 it in the youth facilities improvement fund, to pay for all or any  
41 portion of the amount or amounts paid by the state from appropriations  
42 or reappropriations made to the office of children and family services  
43 from the youth facilities improvement fund for capital projects. The  
44 aggregate amount of bonds, notes and other obligations authorized to be  
45 issued pursuant to this section shall exclude bonds, notes or other  
46 obligations issued to refund or otherwise repay bonds, notes or other  
47 obligations theretofore issued, the proceeds of which were paid to the  
48 state for all or a portion of the amounts expended by the state from  
49 appropriations or reappropriations made to the office of children and  
50 family services; provided, however, that upon any such refunding or  
51 repayment the total aggregate principal amount of outstanding bonds,  
52 notes or other obligations may be greater than six hundred [eleven]  
53 FORTY-SEVEN million [two hundred fifteen] SIXTY-FIVE thousand dollars  
54 [(\$611,215,000)] (\$647,065,000), only if the present value of the aggre-  
55 gate debt service of the refunding or repayment bonds, notes or other  
56 obligations to be issued shall not exceed the present value of the

1 aggregate debt service of the bonds, notes or other obligations so to be  
2 refunded or repaid. For the purposes hereof, the present value of the  
3 aggregate debt service of the refunding or repayment bonds, notes or  
4 other obligations and of the aggregate debt service of the bonds, notes  
5 or other obligations so refunded or repaid, shall be calculated by  
6 utilizing the effective interest rate of the refunding or repayment  
7 bonds, notes or other obligations, which shall be that rate arrived at  
8 by doubling the semi-annual interest rate (compounded semi-annually)  
9 necessary to discount the debt service payments on the refunding or  
10 repayment bonds, notes or other obligations from the payment dates ther-  
11 eof to the date of issue of the refunding or repayment bonds, notes or  
12 other obligations and to the price bid including estimated accrued  
13 interest or proceeds received by the corporation including estimated  
14 accrued interest from the sale thereof.

15 S 44. Paragraph b of subdivision 2 of section 9-a of section 1 of  
16 chapter 392 of the laws of 1973, constituting the New York state medical  
17 care facilities finance agency act, as amended by section 42 of part I  
18 of chapter 60 of the laws of 2015, is amended to read as follows:

19 b. The agency shall have power and is hereby authorized from time to  
20 time to issue negotiable bonds and notes in conformity with applicable  
21 provisions of the uniform commercial code in such principal amount as,  
22 in the opinion of the agency, shall be necessary, after taking into  
23 account other moneys which may be available for the purpose, to provide  
24 sufficient funds to the facilities development corporation, or any  
25 successor agency, for the financing or refinancing of or for the design,  
26 construction, acquisition, reconstruction, rehabilitation or improvement  
27 of mental health services facilities pursuant to paragraph a of this  
28 subdivision, the payment of interest on mental health services improve-  
29 ment bonds and mental health services improvement notes issued for such  
30 purposes, the establishment of reserves to secure such bonds and notes,  
31 the cost or premium of bond insurance or the costs of any financial  
32 mechanisms which may be used to reduce the debt service that would be  
33 payable by the agency on its mental health services facilities improve-  
34 ment bonds and notes and all other expenditures of the agency incident  
35 to and necessary or convenient to providing the facilities development  
36 corporation, or any successor agency, with funds for the financing or  
37 refinancing of or for any such design, construction, acquisition, recon-  
38 struction, rehabilitation or improvement and for the refunding of mental  
39 hygiene improvement bonds issued pursuant to section 47-b of the private  
40 housing finance law; provided, however, that the agency shall not issue  
41 mental health services facilities improvement bonds and mental health  
42 services facilities improvement notes in an aggregate principal amount  
43 exceeding [seven] EIGHT billion [seven hundred twenty-two] TWENTY-ONE  
44 million eight hundred fifteen thousand dollars, excluding mental health  
45 services facilities improvement bonds and mental health services facili-  
46 ties improvement notes issued to refund outstanding mental health  
47 services facilities improvement bonds and mental health services facili-  
48 ties improvement notes; provided, however, that upon any such refunding  
49 or repayment of mental health services facilities improvement bonds  
50 and/or mental health services facilities improvement notes the total  
51 aggregate principal amount of outstanding mental health services facili-  
52 ties improvement bonds and mental health facilities improvement notes  
53 may be greater than [seven] EIGHT billion [seven hundred twenty-two]  
54 TWENTY-ONE million eight hundred fifteen thousand dollars only if,  
55 except as hereinafter provided with respect to mental health services  
56 facilities bonds and mental health services facilities notes issued to

1 refund mental hygiene improvement bonds authorized to be issued pursuant  
2 to the provisions of section 47-b of the private housing finance law,  
3 the present value of the aggregate debt service of the refunding or  
4 repayment bonds to be issued shall not exceed the present value of the  
5 aggregate debt service of the bonds to be refunded or repaid. For  
6 purposes hereof, the present values of the aggregate debt service of the  
7 refunding or repayment bonds, notes or other obligations and of the  
8 aggregate debt service of the bonds, notes or other obligations so  
9 refunded or repaid, shall be calculated by utilizing the effective  
10 interest rate of the refunding or repayment bonds, notes or other obli-  
11 gations, which shall be that rate arrived at by doubling the semi-annual  
12 interest rate (compounded semi-annually) necessary to discount the debt  
13 service payments on the refunding or repayment bonds, notes or other  
14 obligations from the payment dates thereof to the date of issue of the  
15 refunding or repayment bonds, notes or other obligations and to the  
16 price bid including estimated accrued interest or proceeds received by  
17 the authority including estimated accrued interest from the sale there-  
18 of. Such bonds, other than bonds issued to refund outstanding bonds,  
19 shall be scheduled to mature over a term not to exceed the average  
20 useful life, as certified by the facilities development corporation, of  
21 the projects for which the bonds are issued, and in any case shall not  
22 exceed thirty years and the maximum maturity of notes or any renewals  
23 thereof shall not exceed five years from the date of the original issue  
24 of such notes. Notwithstanding the provisions of this section, the agen-  
25 cy shall have the power and is hereby authorized to issue mental health  
26 services facilities improvement bonds and/or mental health services  
27 facilities improvement notes to refund outstanding mental hygiene  
28 improvement bonds authorized to be issued pursuant to the provisions of  
29 section 47-b of the private housing finance law and the amount of bonds  
30 issued or outstanding for such purposes shall not be included for  
31 purposes of determining the amount of bonds issued pursuant to this  
32 section. The director of the budget shall allocate the aggregate princi-  
33 pal authorized to be issued by the agency among the office of mental  
34 health, office for people with developmental disabilities, and the  
35 office of alcoholism and substance abuse services, in consultation with  
36 their respective commissioners to finance bondable appropriations previ-  
37 ously approved by the legislature.

38 S 45. Paragraph (b) of subdivision 3 of section 1 and clause (B) of  
39 subparagraph (iii) of paragraph (j) of subdivision 4 of section 1 of  
40 part D of chapter 63 of the laws of 2005 relating to the composition and  
41 responsibilities of the New York state higher education capital matching  
42 grant board, as amended by section 43 of part I of chapter 60 of the  
43 laws of 2015, is amended to read as follows:

44 (b) Within amounts appropriated therefor, the board is hereby author-  
45 ized and directed to award matching capital grants totaling [210] 240  
46 million dollars. Each college shall be eligible for a grant award amount  
47 as determined by the calculations pursuant to subdivision five of this  
48 section. In addition, such colleges shall be eligible to compete for  
49 additional funds pursuant to paragraph (h) of subdivision four of this  
50 section.

51 (B) The dormitory authority shall not issue any bonds or notes in an  
52 amount in excess of [210] 240 million dollars for the purposes of this  
53 section; excluding bonds or notes issued to fund one or more debt  
54 service reserve funds, to pay costs of issuance of such bonds, and bonds  
55 or notes issued to refund or otherwise repay such bonds or notes previ-  
56 ously issued. Except for purposes of complying with the internal revenue

code, any interest on bond proceeds shall only be used to pay debt service on such bonds.

S 45-a. Subdivision 1 of section 1680-r of the public authorities law, as amended by section 40 of part I of chapter 60 of the laws of 2015, is amended to read as follows:

1. Notwithstanding the provisions of any other law to the contrary, the dormitory authority and the urban development corporation are hereby authorized to issue bonds or notes in one or more series for the purpose of funding project costs for the capital restructuring financing program for health care and related facilities licensed pursuant to the public health law or the mental hygiene law and other state costs associated with such capital projects and the health care facility transformation program. The aggregate principal amount of bonds authorized to be issued pursuant to this section shall not exceed two billion [two] FIVE hundred million dollars, excluding bonds issued to fund one or more debt service reserve funds, to pay costs of issuance of such bonds, and bonds or notes issued to refund or otherwise repay such bonds or notes previously issued. Such bonds and notes of the dormitory authority and the urban development corporation shall not be a debt of the state, and the state shall not be liable thereon, nor shall they be payable out of any funds other than those appropriated by the state to the dormitory authority and the urban development corporation for principal, interest, and related expenses pursuant to a service contract and such bonds and notes shall contain on the face thereof a statement to such effect. Except for purposes of complying with the internal revenue code, any interest income earned on bond proceeds shall only be used to pay debt service on such bonds.

S 46. Notwithstanding any other provision of law to the contrary, from the taxes, interest and penalties collected or received by the commissioner of taxation and finance in respect of the tax imposed by the city of New York pursuant to the authority of section 1210, 1211, 1212 or 1212-A of the tax law, the comptroller shall pay, as directed in writing by the director of the budget, the sum of \$16,666,667 on or before the twelfth day of each month from such taxes, penalties and interest collected or received by such commissioner during the previous month to (i) any issuers of state-related debt for the purposes of paying principal, interest, and related expenses, or for retiring or defeasing bonds previously issued, including any accrued interest or other expenses related thereto, for any state-related bonding program or programs, or to (ii) a governmental fund or funds of the state treasury. The comptroller shall make the first payment to issuers of state-related debt or the government funds on the twelfth day of May, 2016 from the taxes, penalties and interest collected or received during April 2016 and the last payment on or before the twelfth day of April, 2019 from the taxes, penalties and interest collected or received during March 2019. Provided, however, that in no event shall such payments exceed \$200,000,000 in any state fiscal year; and provided further that such payments shall not reduce the reasonable costs of such commissioner under paragraph (b) of section 1261 of the tax law.

S 47. The civil practice law and rules is amended by adding a new section 5519-a to read as follows:

S 5519-A. STAY OF ENFORCEMENT FOR TOBACCO PRODUCT MASTER SETTLEMENT AGREEMENT PARTICIPATING OR NON-PARTICIPATING MANUFACTURERS OR THEIR SUCCESSORS OR AFFILIATES. (A) IN CIVIL LITIGATION UNDER ANY LEGAL THEORY INVOLVING A PARTICIPATING MANUFACTURER OR A NON-PARTICIPATING MANUFACTURER, AS THOSE TERMS ARE DEFINED IN THE MASTER SETTLEMENT AGREEMENT, OR

1 ANY OF THEIR SUCCESSORS OR AFFILIATES, THE UNDERTAKING REQUIRED DURING  
2 THE PENDENCY OF ALL APPEALS OR DISCRETIONARY REVIEWS BY ANY APPELLATE  
3 COURTS IN ORDER TO STAY THE EXECUTION OF ANY JUDGMENT OR ORDER GRANTING  
4 LEGAL, EQUITABLE OR OTHER RELIEF DURING THE ENTIRE COURSE OF APPELLATE  
5 REVIEW, INCLUDING REVIEW BY THE UNITED STATES SUPREME COURT, SHALL BE  
6 SET PURSUANT TO THE APPLICABLE PROVISIONS OF LAW OR COURT RULES;  
7 PROVIDED, HOWEVER THAT THE TOTAL UNDERTAKING REQUIRED OF ALL APPELLANTS  
8 COLLECTIVELY SHALL NOT EXCEED TWO HUNDRED FIFTY MILLION DOLLARS, REGARD-  
9 LESS OF THE VALUE OF THE JUDGMENT APPEALED.

10 (B) NOTWITHSTANDING THE PROVISIONS OF SUBDIVISION (A) OF THIS SECTION,  
11 UPON PROOF BY A PREPONDERANCE OF THE EVIDENCE, BY AN APPELLEE, THAT AN  
12 APPELLANT IS DISSIPATING ASSETS OUTSIDE THE COURSE OF ORDINARY BUSINESS  
13 TO AVOID PAYMENT OF A JUDGMENT, A COURT MAY REQUIRE THE APPELLANT TO  
14 POST A BOND IN AN AMOUNT UP TO THE TOTAL AMOUNT OF THE JUDGMENT.

15 S 48. Notwithstanding any provision of law, rule or regulation to the  
16 contrary, the New York state energy research and development authority  
17 is authorized and directed to expend an amount not to exceed one hundred  
18 million dollars from proceeds collected by such authority from the  
19 auction at sale of carbon dioxide emission allowances allocated by the  
20 department of environmental conservation on or before March 31, 2017 for  
21 the state fiscal year commencing April 1, 2016, which amount shall be  
22 utilized to effectuate an expedited program, pending a final order and  
23 determination by the public service commission in case 15-E-0302, that  
24 would provide financial support for the benefit of the electric system  
25 to maintain the viability of certain nuclear power plants that can  
26 demonstrate the lack of financial viability absent additional financial  
27 support.

28 S 49. This act shall take effect immediately and shall be deemed to  
29 have been in full force and effect on and after April 1, 2016; provided,  
30 however, with the exception of item 5 of the miscellaneous category set  
31 forth within section two of this act: (a) the provisions of sections  
32 one through eight, and sections twelve through twenty of this act shall  
33 expire March 31, 2017, when upon such date the provisions of such  
34 sections shall be deemed repealed; (b) the provisions of section forty-  
35 six of this act shall expire upon the last payment made by the comp-  
36 troller pursuant to section forty-six of this act when upon such date  
37 the provisions of such section shall be deemed repealed; provided that  
38 the state comptroller shall notify the legislative bill drafting commis-  
39 sion upon the occurrence of the last payment provided for in section  
40 forty-six of this act in order that the commission may maintain an accu-  
41 rate and timely effective database of the official text of the laws of  
42 the state of New York in furtherance of effectuating the provisions of  
43 section 44 of the legislative law and section 70-b of the public offi-  
44 cers law; and (c) section forty-seven of this act shall take effect on  
45 the thirtieth day after it shall have become a law, and shall apply to  
46 any cause of action pending on or filed on or after such effective date.

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

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