STATE OF NEW YORK

AN ACT to amend the public health law and the state finance law, in relation to enacting the "New York health act" and to establishing New York Health

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Short title. This act shall be known and may be cited as the "New York health act".

§ 2. Legislative findings and intent. 1. The state constitution states: "The protection and promotion of the health of the inhabitants of the state are matters of public concern and provision therefor shall be made by the state and by such of its subdivisions and in such manner, and by such means as the legislature shall from time to time determine." (Article XVII, §3.) The legislature finds and declares that all residents of the state have the right to health care. While the federal Affordable Care Act brought many improvements in health care and health coverage, it still leaves many New Yorkers without coverage or with inadequate coverage. Millions of New Yorkers do not get the health care they need or face financial obstacles and hardships to get it. That is not acceptable. There is no plan other than the New York health act that will enable New York state to meet that need. New Yorkers - as individuals, employers, and taxpayers - have experienced a rise in the cost of health care and coverage in recent years, including rising premiums, deductibles and co-pays, restricted provider networks and high out-of-network charges. Many New Yorkers go without health care because they cannot afford it or suffer financial hardship to get it. Businesses have also experienced increases in the costs of health care bene-

EXPLANATION--Matter in *italics* (underscored) is new; matter in brackets [–] is old law to be omitted.
fits for their employees, and many employers are shifting a larger share
of the cost of coverage to their employees or dropping coverage entirely. Including long-term services and supports (LTSS) in New York Health
is a major step forward for older adults, people with disabilities, and
their families. Older adults and people with disabilities often cannot
receive the services necessary to stay in the community or other LTSS.

Even when older adults and people with disabilities receive LTSS, especially services in the community, it is often at the cost of unreasonable demands on unpaid family caregivers, depleting their own or family
resources, or impoverishing themselves to qualify for public coverage.

Health care providers are also affected by inadequate health coverage in
New York state. A large portion of hospitals, health centers and other
providers now experience substantial losses due to the provision of care
that is uncompensated. Individuals often find that they are deprived of
affordable care and choice because of decisions by health plans guided
by the plan's economic interests rather than the individual's health
care needs. To address the fiscal crisis facing the health care system
and the state and to assure New Yorkers can exercise their right to
health care, affordable and comprehensive health coverage must be
provided. Pursuant to the state constitution's charge to the legislature
to provide for the health of New Yorkers, this legislation is an enactment
of state concern for the purpose of establishing a comprehensive
universal guaranteed health care coverage program and a health care cost
control system for the benefit of all residents of the state of New
York.

2. (a) It is the intent of the Legislature to create the New York
Health program to provide a universal single payer health plan for every
New Yorker, funded by broad-based revenue based on ability to pay. The
legislature intends that federal waivers and approvals be sought where
they will improve the administration of the New York Health program, but
the legislature intends that the program be implemented even in the
absence of such waivers or approvals. The state shall work to obtain
waivers and other approvals relating to Medicaid, Child Health Plus,
Medicare, the Affordable Care Act, and any other appropriate federal
programs, under which federal funds and other subsidies that would
otherwise be paid to New York State, New Yorkers, and health care
providers for health coverage that will be equaled or exceeded by New
York Health will be paid by the federal government to New York State and
deposited in the New York Health trust fund, or paid to health care
providers and individuals in combination with New York Health trust fund
payments, and for other program modifications (including elimination of
cost sharing and insurance premiums). Under such waivers and approvals,
health coverage under those programs will, to the maximum extent possible,
be replaced and merged into New York Health, which will operate as
a true single-payer program.

(b) If any necessary waiver or approval is not obtained, the state
shall use state plan amendments and seek waivers and approvals to maxi-
mize, and make as seamless as possible, the use of federally-matched
health programs and federal health programs in New York Health. Thus,
even where other programs such as Medicaid or Medicare may contribute to
paying for care, it is the goal of this legislation that the coverage
will be delivered by New York Health and, as much as possible, the
multiple sources of funding will be pooled with other New York Health
funds and not be apparent to New York Health members or participating
providers.
(c) This program will promote movement away from fee-for-service payment, which tends to reward quantity and requires excessive administrative expense, and towards alternate payment methodologies, such as global or capitated payments to providers or health care organizations, that promote quality, efficiency, investment in primary and preventive care, and innovation and integration in the organizing of health care.

(d) The program shall promote the use of clinical data to improve the quality of health care and public health, consistent with protection of patient confidentiality. The program shall maximize patient autonomy in choice of health care providers and health care decision making. Care coordination within the program shall ensure management and coordination among a patient's health care services, consistent with patient autonomy and person-centered service planning, rather than acting as a gatekeeper to needed services.

3. This act does not create any employment benefit, nor does it require, prohibit, or limit the providing of any employment benefit.

4. In order to promote improved quality of, and access to, health care services and promote improved clinical outcomes, it is the policy of the state to encourage cooperative, collaborative and integrative arrangements among health care providers who might otherwise be competitors, under the active supervision of the commissioner of health. It is the intent of the state to supplant competition with such arrangements and regulation only to the extent necessary to accomplish the purposes of this act, and to provide state action immunity under the state and federal antitrust laws to health care providers, particularly with respect to their relations with the single-payer New York Health plan created by this act.

§ 3. Article 50 and sections 5000, 5001, 5002 and 5003 of the public health law are renumbered article 80 and sections 8000, 8001, 8002 and 8003, respectively, and a new article 51 is added to read as follows:

ARTICLE 51
NEW YORK HEALTH

Section 5100. Definitions.

5101. Program created.
5102. Board of trustees.
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5104. Benefits.
5105. Health care providers; care coordination; payment methodologies.
5106. Health care organizations.
5107. Program standards.
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§ 5100. Definitions. As used in this article, the following terms shall have the following meanings, unless the context clearly requires otherwise:

1. "Board" means the board of trustees of the New York Health program created by section fifty-one hundred two of this article, and "trustee" means a trustee of the board.

2. "Care coordination" means, but is not limited to, managing, referring to, locating, coordinating, and monitoring health care services for the member to assure that all medically necessary health care services are made available to and are effectively used by the member in a timely manner, consistent with patient autonomy. Care coordination does not
include a requirement for prior authorization for health care services
or for referral for a member to receive a health care service.
3. "Care coordinator" means an individual or entity approved to
provide care coordination under subdivision two of section fifty-one
hundred five of this article.
4. "Federally-matched public health program" means the medical assist-
ance program under title eleven of article five of the social services
law, the basic health program under section three hundred sixty-nine-gg
of the social services law, and the child health plus program under
title one-A of article twenty-five of this chapter.
5. "Health care organization" means an entity that is approved by the
commissioner under section fifty-one hundred six of this article to
provide health care services to members under the program.
6. "Health care provider" means any individual or entity legally
authorized to provide a health care service under Medicaid or Medicare
or this article. "Health care professional" means a health care provider
that is an individual licensed, certified, registered or otherwise
authorized to practice under title eight of the education law to provide
such health care service, acting within his or her lawful scope of prac-
tice.
7. "Health care service" means any health care service, including care
coordination, included as a benefit under the program.
8. "Implementation period" means the period under subdivision three of
section fifty-one hundred one of this article during which the program
will be subject to special eligibility and financing provisions until it
is fully implemented under that section.
10. "Medicaid" or "medical assistance" means title eleven of article
five of the social services law and the program thereunder. "Child
health plus" means title one-A of article twenty-five of this chapter
and the program thereunder. "Medicare" means title XVIII of the federal
social security act and the programs thereunder. "Affordable care act"
means the federal patient protection and affordable care act, public law
111-148, as amended by the health care and education reconciliation act
of 2010, public law 111-152, and as otherwise amended and any regu-
lations or guidance issued thereunder. "Basic health program" means
section three hundred sixty-nine-gg of the social services law and the
program thereunder.
11. "Member" means an individual who is enrolled in the program.
12. "New York Health", "New York Health program", and "program" mean
the New York Health program created by section fifty-one hundred one of
this article.
13. "New York Health trust fund" means the New York Health trust fund
established under section eighty-nine-j of the state finance law.
14. "Out-of-state health care service" means a health care service
provided to a member while the member is temporarily out of the state
and (a) it is medically necessary that the health care service be
provided while the member is out of the state, or (b) it is clinically
appropriate that the health care service be provided by a particular
health care provider located out of the state rather than in the state.
However, any health care service provided to a New York Health enrollee
by a health care provider qualified under paragraph (a) of subdivision
three of section fifty-one hundred five of this article that is located
outside the state shall not be considered an out-of-state service and
shall be covered as otherwise provided in this article.
15. "Participating provider" means any individual or entity that is a
health care provider qualified under subdivision three of section
fifty-one hundred five of this article that provides health care services to members under the program, or a health care organization.

16. "Person" means any individual or natural person, trust, partnership, association, unincorporated association, corporation, company, limited liability company, proprietorship, joint venture, firm, joint stock association, department, agency, authority, or other legal entity, whether for-profit, not-for-profit or governmental.

17. "Prescription and non-prescription drugs" means prescription drugs as defined in section two hundred seventy of this chapter, and non-prescription smoking cessation products or devices.

18. "Resident" means an individual whose primary place of abode is in the state, without regard to the individual's immigration status, as determined according to regulations of the commissioner.

§ 5101. Program created. 1. The New York Health program is hereby created in the department. The commissioner shall establish and implement the program under this article. The program shall provide comprehensive health coverage to every resident who enrolls in the program.

2. The commissioner shall, to the maximum extent possible, organize, administer and market the program and services as a single program under the name "New York Health" or such other name as the commissioner shall determine, regardless of under which law or source the definition of a benefit is found including (on a voluntary basis) retiree health benefits. In implementing this article, the commissioner shall avoid jeopardizing federal financial participation in these programs and shall take care to promote public understanding and awareness of available benefits and programs.

3. The commissioner shall determine when individuals may begin enrolling in the program. There shall be an implementation period, which shall begin on the date that individuals may begin enrolling in the program and shall end as determined by the commissioner.

4. An insurer authorized to provide coverage pursuant to the insurance law or a health maintenance organization certified under this chapter may, if otherwise authorized, offer benefits that do not cover any service for which coverage is offered to individuals under the program, but may not offer benefits that cover any service for which coverage is offered to individuals under the program. Provided, however, that this subdivision shall not prohibit (a) the offering of any benefits to or for individuals, including their families, who are employed or self-employed in the state but who are not residents of the state, or (b) the offering of benefits during the implementation period to individuals who enrolled or may enroll as members of the program, or (c) the offering of retiree health benefits.

5. A college, university or other institution of higher education in the state may purchase coverage under the program for any student, or student's dependent, who is not a resident of the state.

6. To the extent any provision of this chapter, the social services law, the insurance law or the elder law:

(a) is inconsistent with any provision of this article or the legislative intent of the New York Health Act, this article shall apply and prevail, except where explicitly provided otherwise by this article; and

(b) is consistent with the provisions of this article and the legislative intent of the New York Health Act, the provision of that law shall apply.

7. The program shall be deemed to be a health care plan for purposes of utilization review and external appeal under article forty-nine of this chapter. An enrollee may designate a person or entity, including,
but not limited to, a representative of the enrollee's care coordinator, a health care organization providing the service under review or appeal, or a labor union or Taft-Hartley fund of which such enrollee or enrollee's family member is a member to serve as the enrollee's designee for purposes of that article, if the person or entity agrees to be the designee.

8. (a) No member shall be required to receive any health care service through any entity organized, certified or operating under guidelines under article forty-four of this chapter, or specified under section three hundred sixty-four-j of the social services law, the insurance law or the elder law. No such entity shall receive payment for health care services (other than care coordination) from the program.

(b) However, this subdivision shall not preclude the use of a Medicare managed care ("Medicare advantage") entity or other entity created by or under the direction of the program where reasonably necessary to maximize federal financial participation or other federal financial support under any federally-matched public health program, Medicare or the Affordable Care Act. Any entity under this paragraph shall, to the maximum extent feasible, operate in the background, without burden on or interference with the member and health care provider, without depriving the member or health care provider of any right or benefit under the program and otherwise consistent with this article.

9. The program shall include provisions for an appropriate reserve fund.

10. (a) This subdivision applies to every person who is a retiree of a public employer, as defined in section two hundred one of the civil service law, and any person who is a beneficiary of the retiree's public employee retiree health benefit. Any reference to the retiree shall mean and include any beneficiary of the retiree. This subdivision does not create or increase any eligibility for any public employee retiree health benefit that would not otherwise exist and does not diminish any public employee retiree health benefit.

(b) This paragraph applies to the retiree while he or she is a resident of New York state. The retiree shall enroll in the program. If, by the implementation date, the retiree has not enrolled in the program, the appropriate public employee retirement system and the commissioner shall enroll the retiree in the New York Health program. If the retiree's public employee retiree health benefit includes any service for which coverage is not offered under the New York Health program, the retiree shall continue to receive that benefit from the public employee retirement program.

(c) For every retiree, while he or she is not a resident of New York state, the appropriate public employee retirement system shall maintain the retiree's public employee retiree health benefit as if this article had not been enacted.

§ 5102. Board of trustees. 1. The New York Health board of trustees is hereby created in the department. The board of trustees shall, at the request of the commissioner, consider any matter to effectuate the provisions and purposes of this article, and may advise the commissioner thereon; and it may, from time to time, submit to the commissioner any recommendations to effectuate the provisions and purposes of this article. The commissioner may propose regulations under this article and amendments thereto for consideration by the board. The board of trustees shall have no executive, administrative or appointive duties except as otherwise provided by law. The board of trustees shall have power to establish, and from time to time, amend regulations to effectuate the
provisions and purposes of this article, subject to approval by the
commissioner.

2. The board shall be composed of:
   (a) the commissioner, the superintendent of financial services, and
   the director of the budget, or their designees, as ex officio members;
   (b) twenty-six trustees appointed by the governor:
   (i) six of whom shall be representatives of health care consumer advo-
   cacy organizations which have a statewide or regional constituency, who
   have been involved in issues of interest to low- and moderate-income
   individuals, older adults, and people with disabilities; at least three
   of whom shall represent organizations led by consumers in those groups;
   (ii) two of whom shall be representatives of professional organiza-
   tions representing physicians;
   (iii) two of whom shall be representatives of professional organiza-
   tions representing licensed or registered health care professionals
   other than physicians;
   (iv) three of whom shall be representatives of general hospitals, one
   of whom shall be a representative of public general hospitals;
   (v) one of whom shall be a representative of community health centers;
   (vi) two of whom shall be representatives of rehabilitation or home
   care providers;
   (vii) two of whom shall be representatives of behavioral or mental
   health or disability service providers;
   (viii) two of whom shall be representatives of health care organiza-
   tions;
   (ix) two of whom shall be representatives of organized labor;
   (x) two of whom shall have demonstrated expertise in health care
   finance; and
   (xi) two of whom shall be employers or representatives of employers
   who pay the payroll tax under this article, or, prior to the tax becom-
   ing effective, will pay the tax;
   (c) fourteen trustees appointed by the governor; five of whom to be
   appointed on the recommendation of the speaker of the assembly; five of
   whom to be appointed on the recommendation of the temporary president of
   the senate; two of whom to be appointed on the recommendation of the
   minority leader of the assembly; and two of whom to be appointed on the
   recommendation of the minority leader of the senate.

3. After the end of the implementation period, no person shall be a
   trustee unless he or she is a member of the program, except the ex offi-
   cicio trustees. Each trustee shall serve at the pleasure of the appointing
   officer, except the ex officio trustees.

4. The chair of the board shall be appointed, and may be removed as
   chair, by the governor from among the trustees. The board shall meet at
   least four times each calendar year. Meetings shall be held upon the
   call of the chair and as provided by the board. A majority of the
   appointed trustees shall be a quorum of the board, and the affirmative
   vote of a majority of the trustees voting, but not less than ten, shall
   be necessary for any action to be taken by the board. The board may
   establish an executive committee to exercise any powers or duties of the
   board as it may provide, and other committees to assist the board or the
   executive committee. The chair of the board shall chair the executive
   committee and shall appoint the chair and members of all other commit-
   tees. The board of trustees may appoint one or more advisory committees.
   Members of advisory committees need not be members of the board of trus-
   tees.
5. Trustees shall serve without compensation but shall be reimbursed for their necessary and actual expenses incurred while engaged in the business of the board.

6. Notwithstanding any provision of law to the contrary, no officer or employee of the state or any local government shall forfeit or be deemed to have forfeited his or her office or employment by reason of being a trustee.

7. The board and its committees and advisory committees may request and receive the assistance of the department and any other state or local governmental entity in exercising its powers and duties.

8. No later than two years after the effective date of this article:
   (a) The board shall develop proposals for: (i) incorporating retiree health benefits into New York Health; (ii) accommodating employer retiree health benefits for people who have been members of New York Health but live as retirees out of the state; and (iii) accommodating employer retiree health benefits for people who earned or accrued such benefits while residing in the state prior to the implementation of New York Health and live as retirees out of the state. The board shall present its proposals to the governor and the legislature.
   (b) The board shall develop a proposal for New York Health coverage of health care services covered under the workers' compensation law, including whether and how to continue funding for those services under that law and whether and how to incorporate an element of experience rating.

§ 5103. Eligibility and enrollment. 1. Every resident of the state shall be eligible and entitled to enroll as a member under the program.

2. No individual shall be required to pay any premium or other charge for enrolling in or being a member under the program.

3. A newborn child shall be enrolled as of the date of the child's birth if enrollment is done prior to the child's birth or within sixty days after the child's birth.

§ 5104. Benefits. 1. The program shall provide comprehensive health coverage to every member, which shall include all health care services required to be covered under any of the following, without regard to whether the member would otherwise be eligible for or covered by the program or source referred to:
   (a) child health plus;
   (b) Medicaid;
   (c) Medicare;
   (d) article forty-four of this chapter or article thirty-two or forty-three of the insurance law;
   (e) article eleven of the civil service law, as of the date one year before the beginning of the implementation period;
   (f) any cost incurred defined in paragraph one of subsection (a) of section fifty-one hundred two of the insurance law, provided that this coverage shall not replace coverage under article fifty-one of the insurance law;
   (g) any additional health care service authorized to be added to the program's benefits by the program; and
   (h) provided that where any state law or regulation related to any federally-matched public health program states that a benefit is contingent on federal financial participation, or words to that effect, the benefit shall be included under the New York Health program without regard to federal financial participation.

2. No member shall be required to pay any premium, deductible, co-payment or co-insurance under the program.
3. The program shall provide for payment under the program for:
   (a) emergency and temporary health care services provided to a member
   or individual entitled to become a member who has not had a reasonable
   opportunity to become a member or to enroll with a care coordinator; and
   (b) health care services provided in an emergency to an individual who
   is entitled to become a member or enrolled with a care coordinator,
   regardless of having had an opportunity to do so.

§ 5105. Health care providers; care coordination; payment methodologies. 1. Choice of health care provider. (a) Any health care provider
qualified to participate under this section may provide health care
services under the program, provided that the health care provider is
otherwise legally authorized to perform the health care service for the
individual and under the circumstances involved.
   (b) A member may choose to receive health care services under the
program from any participating provider, consistent with provisions of
this article relating to care coordination and health care organizations, the willingness or availability of the provider (subject to
provisions of this article relating to discrimination), and the appro-
priate clinically-relevant circumstances.

2. Care coordination. (a) A care coordinator may be an individual or
entity that is approved by the program that is:
   (i) a health care practitioner who is: (A) the member’s primary care
practitioner; (B) at the option of a female member, the member’s provid-
er of primary gynecological care; or (C) at the option of a member who
has a chronic condition that requires specialty care, a specialist
health care practitioner who regularly and continually provides treat-
ment for that condition to the member;
   (ii) an entity licensed under article twenty-eight of this chapter or
certified under article thirty-six of this chapter, or, with respect to
a member who receives chronic mental health care services, an entity
licensed under article thirty-one of the mental hygiene law or other
entity approved by the commissioner in consultation with the commission-
er of mental health;
   (iii) a health care organization;
   (iv) a Taft-Hartley fund or labor union, with respect to its members
and their family members; provided that this provision shall not
preclude a Taft-Hartley fund or labor union from becoming a care coordi-
nator under subparagraph (v) of this paragraph or a health care organ-
ization under section fifty-one hundred six of this article; or
   (v) any not-for-profit or governmental entity approved by the program.
   (b)(i) Every member shall enroll with a care coordinator that agrees
to provide care coordination to the member prior to receiving health
care services to be paid for under the program. Health care services
provided to a member shall not be subject to payment under the program
unless the member is enrolled with a care coordinator at the time the
health care service is provided.
   (ii) This paragraph shall not apply to health care services provided
under subdivision three of section fifty-one hundred four of this arti-
cle.
   (iii) The member shall remain enrolled with that care coordinator
until the member becomes enrolled with a different care coordinator or
ceases to be a member. Members have the right to change their care coor-
dinator on terms at least as permissive as the provisions of section
three hundred sixty-four-j of the social services law relating to an
individual changing his or her primary care provider or managed care
provider.
(c) Care coordination shall be provided to the member by the member's care coordinator. A care coordinator may employ or utilize the services of other individuals or entities to assist in providing care coordination for the member, consistent with regulations of the commissioner.

(d) A health care organization may establish rules relating to care coordination for members in the health care organization, different from this subdivision but otherwise consistent with this article and other applicable laws.

(e) The commissioner shall develop and implement procedures and standards for an individual or entity to be approved to be a care coordinator in the program, including but not limited to procedures and standards relating to the revocation, suspension, limitation, or annulment of approval on a determination that the individual or entity is not competent to be a care coordinator or has exhibited a course of conduct which is either inconsistent with program standards and regulations or which exhibits an unwillingness to meet such standards and regulations, or is a potential threat to the public health or safety. Such procedures and standards shall not limit approval to be a care coordinator in the program for economic purposes and shall be consistent with good professional practice. In developing the procedures and standards, the commissioner shall: (i) consider existing standards developed by national accrediting and professional organizations; and (ii) consult with national and local organizations working on care coordination or similar models, including health care practitioners, hospitals, clinics, and consumers and their representatives. When developing and implementing standards of approval of care coordinators for individuals receiving chronic mental health care services, the commissioner shall consult with the commissioner of mental health. An individual or entity may not be a care coordinator unless the services included in care coordination are within the individual's professional scope of practice or the entity's legal authority.

(f) To maintain approval under the program, a care coordinator must: (i) renew its status at a frequency determined by the commissioner; and (ii) provide data to the department as required by the commissioner to enable the commissioner to evaluate the impact of care coordinators on quality, outcomes and cost.

(g) Nothing in this subdivision shall authorize any individual to engage in any act in violation of title eight of the education law.

3. Health care providers. (a) The commissioner shall establish and maintain procedures and standards for health care providers to be qualified to participate in the program, including but not limited to procedures and standards relating to the revocation, suspension, limitation, or annulment of qualification to participate on a determination that the health care provider is not competent to be a provider of specific health care services or has exhibited a course of conduct which is either inconsistent with program standards and regulations or which exhibits an unwillingness to meet such standards and regulations, or is a potential threat to the public health or safety. Such procedures and standards shall not limit health care provider participation in the program for economic purposes and shall be consistent with good professional practice. Such procedures and standards may be different for different types of health care providers and health care professionals. Any health care provider who is qualified to participate under Medicaid, child health plus or Medicare shall be deemed to be qualified to participate in the program, and any health care provider's revocation, suspension, limitation, or annulment of qualification to participate in any of
those programs shall apply to the health care provider's qualification
to participate in the program; provided that a health care provider
qualified under this sentence shall follow the procedures to become
qualified under the program by the end of the implementation period.
(b) The commissioner shall establish and maintain procedures and stan-
dards for recognizing health care providers located out of the state for
purposes of providing coverage under the program for out-of-state health
care services.
(c) Procedures and standards under this subdivision shall include
provisions for expedited temporary qualification to participate in the
program for health care professionals who are (i) temporarily authorized
to practice in the state or (ii) are recently arrived in the state or
recently authorized to practice in the state.
4. Payment for health care services. (a) The commissioner may estab-
lish by regulation payment methodologies for health care services and
care coordination provided to members under the program by participating
providers, care coordinators, and health care organizations. There may
be a variety of different payment methodologies, including those estab-
lished on a demonstration basis. All payment rates under the program
shall be reasonable and reasonably related to the cost of efficiently
providing the health care service and assuring an adequate and accessi-
able supply of the health care service. Until and unless another payment
methodology is established, health care services provided to members
under the program shall be paid for on a fee-for-service basis, except
for care coordination.
(b) The program shall engage in good faith negotiations with health
care providers' representatives under title III of article forty-nine of
this chapter, including, but not limited to, in relation to rates of
payment and payment methodologies.
(c) Notwithstanding any provision of law to the contrary, payment for
drugs provided by pharmacies under the program shall be made pursuant to
title one of article two-A of this chapter. However, the program shall
provide for payment for prescription drugs under section 340B of the
federal public service act where applicable. Payment for prescription
drugs provided by health care providers other than pharmacies shall be
pursuant to other provisions of this article.
(d) Payment for health care services established under this article
shall be considered payment in full. A participating provider shall not
charge any rate in excess of the payment established under this article
for any health care service provided under the program and shall not
solicit or accept payment from any member or third party for any such
service except as provided under section fifty-one hundred nine of this
article. However, this paragraph shall not preclude the program from
acting as a primary or secondary payer in conjunction with another
third-party payer where permitted under section fifty-one hundred nine
of this article.
(e) The program may provide in payment methodologies for payment for
capital related expenses for specifically identified capital expendi-
tures incurred by not-for-profit or governmental entities certified
under article twenty-eight of this chapter. Any capital related expense
generated by a capital expenditure that requires or required approval
under article twenty-eight of this chapter must have received that
approval for the capital related expense to be paid for under the
program.
(f) Payment methodologies and rates shall include a distinct component
of reimbursement for direct and indirect graduate medical education as
defined, calculated and implemented pursuant to section twenty-eight
hundred seven-c of this chapter.

(g) The commissioner shall provide by regulation for payment method-
ologies and procedures for paying for out-of-state health care services.

5. Prior authorization. The program shall not require prior authori-
ization for any health care service in any manner more restrictive of
access to or payment for the service than would be required for the
service under Medicare Part A or Part B. Prior authorization for
prescription drugs provided by pharmacies under the program shall be
under title one of article two-A of this chapter.

§ 5106. Health care organizations. 1. A member may choose to enroll
with and receive health care services under the program from a health
care organization.

2. A health care organization shall be a not-for-profit or govern-
mental entity that is approved by the commissioner that is:
(a) an accountable care organization under article twenty-nine-E of
this chapter; or
(b) a Taft-Hartley fund (i) with respect to its members and their
family members, and (ii) if allowed by applicable law and approved by
the commissioner, for other members of the program.

3. A health care organization may be responsible for providing all or
part of the health care services to which its members are entitled under
the program, consistent with the terms of its approval by the commis-
sioner.

4. (a) The commissioner shall develop and implement procedures and
standards for an entity to be approved to be a health care organization
in the program, including but not limited to procedures and standards
relating to the revocation, suspension, limitation, or annulment of
approval on a determination that the entity is not competent to be a
health care organization or has exhibited a course of conduct which is
either inconsistent with program standards and regulations or which
exhibits an unwillingness to meet such standards and regulations, or is
a potential threat to the public health or safety. Such procedures and
standards shall not limit approval to be a health care organization in
the program for economic purposes and shall be consistent with good
professional practice. In developing the procedures and standards, the
commissioner shall: (i) consider existing standards developed by
national accrediting and professional organizations; and (ii) consult
with national and local organizations working in the field of health
care organizations, including health care practitioners, hospitals,
clinics, long-term supports and service providers, consumers and their
representatives and labor organizations representing health care work-
ers. When developing and implementing standards of approval of health
care organizations, the commissioner shall consult with the commissioner
of mental health, the commissioner of developmental disabilities, the
director of the state office for the aging and the commissioner of the
office of alcoholism and substance abuse services.

(b) To maintain approval under the program, a health care organization
must: (i) renew its status at a frequency determined by the commis-
ioner; and (ii) provide data to the department as required by the commis-
sioner to enable the commissioner to evaluate the health care organiza-
tion in relation to quality of health care services, health care
outcomes, and cost.

5. The commissioner shall make regulations relating to health care
organizations consistent with and to ensure compliance with this arti-
cle.
6. The provision of health care services directly or indirectly by a health care organization through health care providers shall not be considered the practice of a profession under title eight of the education law by the health care organization.

§ 5107. Program standards. 1. The commissioner shall establish requirements and standards for the program and for health care organizations, care coordinators, and health care providers, consistent with this article, including requirements and standards for, as applicable:
(a) the scope, quality and accessibility of health care services;
(b) relations between health care organizations or health care providers and members; and
(c) relations between health care organizations and health care providers, including (i) credentialing and participation in the health care organization; and (ii) terms, methods and rates of payment.
2. Requirements and standards under the program shall include, but not be limited to, provisions to promote the following:
(a) simplification, transparency, uniformity, and fairness in health care provider credentialing and participation in health care organization networks, referrals, payment procedures and rates, claims processing, and approval of health care services, as applicable;
(b) primary and preventive care, care coordination, efficient and effective health care services, quality assurance, coordination and integration of health care services, including use of appropriate technology, and promotion of public, environmental and occupational health;
(c) elimination of health care disparities;
(d) non-discrimination with respect to members and health care providers on the basis of race, ethnicity, national origin, religion, disability, age, sex, sexual orientation, gender identity or expression, or economic circumstances; provided that health care services provided under the program shall be appropriate to the patient's clinically-relevant circumstances;
(e) accessibility of care coordination, health care organization services and health care services, including accessibility for people with disabilities and people with limited ability to speak or understand English, and the providing of care coordination, health care organization services and health care services in a culturally competent manner; and
(f) especially in relation to long-term supports and services, the maximization and prioritization of the most integrated community-based supports and services.
3. Any participating provider or care coordinator that is organized as a for-profit entity (other than a professional practice of one or more health care professionals) shall be required to meet the same requirements and standards as entities organized as not-for-profit entities, and payments under the program paid to such entities shall not be calculated to accommodate the generation of profit or revenue for dividends or other return on investment or the payment of taxes that would not be paid by a not-for-profit entity.
4. Every participating provider shall furnish to the program such information as, and permit examination of its records by, the program, as may be reasonably required for purposes of reviewing accessibility and utilization of health care services, quality assurance, promoting improved patient outcomes and cost containment, the making of payments, and statistical or other studies of the operation of the program or for protection and promotion of public, environmental and occupational health.
5. In developing requirements and standards and making other policy
determinations under this article, the commissioner shall consult with
representatives of members, health care providers, care coordinators,
health care organizations employers, organized labor including repre-
sentatives of health care workers, and other interested parties.

6. The program shall maintain the security and confidentiality of all
data and other information collected under the program when such data
would be normally considered confidential patient data. Aggregate data
of the program which is derived from confidential data but does not
violate patient confidentiality shall be public information including
for purposes of article six of the public officers law.

§ 5108. Regulations. The commissioner may make regulations under this
article by approving regulations and amendments thereto, under subdivi-
sion one of section fifty-one hundred two of this article. The commis-
sioner may make regulations or amendments thereto under this article on
an emergency basis under section two hundred two of the state adminis-
trative procedure act, provided that such regulations or amendments
shall not become permanent unless adopted under subdivision one of
section fifty-one hundred two of this article.

§ 5109. Provisions relating to federal health programs. 1. The commis-
sioner shall seek all federal waivers and other federal approvals and
arrangements and submit state plan amendments necessary to operate the
program consistent with this article to the maximum extent possible.

2. (a) The commissioner shall apply to the secretary of health and
human services or other appropriate federal official for all waivers of
requirements, and make other arrangements, under Medicare, any federal-
ly-matched public health program, the affordable care act, and any other
federal programs that provide federal funds for payment for health care
services, that are necessary to enable all New York Health members to
receive all benefits under the program through the program to enable the
state to implement this article and to receive and deposit all federal
payments under those programs (including funds that may be provided in
lieu of premium tax credits, cost-sharing subsidies, and small business
tax credits) in the state treasury to the credit of the New York Health
trust fund and to use those funds for the New York Health program and
other provisions under this article. To the extent possible, the commis-
sioner shall negotiate arrangements with the federal government in which
bulk or lump-sum federal payments are paid to New York Health in place
of federal spending or tax benefits for federally-matched health
programs or federal health programs. The commissioner shall take
actions under paragraph (b) of subdivision eight of section fifty-one
hundred one of this article as reasonably necessary.

(b) The commissioner may require members or applicants to be members
to provide information necessary for the program to comply with any
waiver or arrangement under this subdivision.

3. (a) The commissioner may take actions consistent with this article
to enable New York Health to administer Medicare in New York state, to
create a Medicare managed care plan ("Medicare Advantage") that would
operate consistent with this article, and to be a provider of drug
coverage under Medicare part D for eligible members of New York Health.

(b) The commissioner may waive or modify the applicability of
provisions of this section relating to any federally-matched public
health program or Medicare as necessary to implement any waiver or
arrangement under this section or to maximize the benefit to the New
York Health program under this section, provided that the commissioner,
in consultation with the director of the budget, shall determine that
such waiver or modification is in the best interests of the members
affected by the action and the state.

(c) The commissioner may apply for coverage under any federally-
matched public health program on behalf of any member and enroll the
member in the federally-matched public health program or Medicare if the
member is eligible for it. Enrollment in a federally-matched public
health program or Medicare shall not cause any member to lose any health
care service provided by the program or diminish any right the member
would otherwise have.

(d) The commissioner shall by regulation increase the income eligibil-
ity level, increase or eliminate the resource test for eligibility,
simplify any procedural or documentation requirement for enrollment, and
increase the benefits for any federally-matched public health program,
and for any program to reduce or eliminate an individual's coinsurance,
cost-sharing or premium obligations or increase an individual's eligi-
bility for any federal financial support related to Medicare or the
affordable care act notwithstanding any law or regulation to the contra-
ry. The commissioner may act under this paragraph upon a finding,
approved by the director of the budget, that the action (i) will help to
increase the number of members who are eligible for and enrolled in
federally-matched public health programs, or for any program to reduce
or eliminate an individual's coinsurance, cost-sharing or premium obli-
gations or increase an individual's eligibility for any federal finan-
cial support related to Medicare or the affordable care act; (ii) will
not diminish any individual's access to any health care service, benefit
or right the individual would otherwise have; (iii) is in the interest
of the program; and (iv) does not require or has received any necessary
federal waivers or approvals to ensure federal financial participation.

(e) To enable the commissioner to apply for coverage or financial
support under any federally-matched public health program, the Afforda-
ble Care Act, or Medicare on behalf of any member and enroll the member
in any such program, including an entity under paragraph (b) of subdivi-
sion eight of section fifty-one hundred one of this article if the
member is eligible for it, the commissioner may require that every
member or applicant to be a member shall provide information to enable
the commissioner to determine whether the applicant is eligible for such
program. The program shall make a reasonable effort to notify members
of their obligations under this paragraph. After a reasonable effort has
been made to contact the member, the member shall be notified in writing
that he or she has sixty days to provide such required information. If
such information is not provided within the sixty day period, the
member's coverage under the program may be terminated.

(f) To the extent necessary for purposes of this section, as a condi-
tion of continued eligibility for health care services under the
program, a member who is eligible for benefits under Medicare shall
enroll in Medicare, including parts A, B and D.

(g) The program shall provide premium assistance for all members
enrolling in a Medicare part D drug coverage under section 1860D of
Title XVIII of the federal social security act limited to the low-income
benchmark premium amount established by the federal centers for Medicare
and Medicaid services and any other amount which such agency establishes
under its de minimis premium policy, except that such payments made on
behalf of members enrolled in a Medicare advantage plan may exceed the
low-income benchmark premium amount if determined to be cost effective
to the program.
(h) If the commissioner has reasonable grounds to believe that a
member could be eligible for an income-related subsidy under section
1860D-14 of Title XVIII of the federal social security act, the member
shall provide, and authorize the program to obtain, any information or
documentation required to establish the member’s eligibility for such
subsidy, provided that the commissioner shall attempt to obtain as much
of the information and documentation as possible from records that are
available to him or her.

(i) The program shall make a reasonable effort to notify members of
their obligations under this subdivision. After a reasonable effort has
been made to contact the member, the member shall be notified in writing
that he or she has sixty days to provide such required information. If
such information is not provided within the sixty day period, the
member’s coverage under the program may be terminated.

§ 5110. Additional provisions. 1. The commissioner shall contract
with not-for-profit organizations to provide:
(a) consumer assistance to individuals with respect to selection and
changing selection of a care coordinator or health care organization,
enrolling, obtaining health care services, and other matters relating to
the program;
(b) health care provider assistance to health care providers providing
and seeking or considering whether to provide, health care services
under the program, with respect to participating in a health care organ-
ization and dealing with a health care organization; and
(c) care coordinator assistance to individuals and entities providing
and seeking or considering whether to provide, care coordination to
members.

2. The commissioner shall provide grants from funds in the New York
Health trust fund or otherwise appropriated for this purpose, to health
systems agencies under section twenty-nine hundred four-b of this chap-
ter to support the operation of such health systems agencies.

3. Retraining and re-employment of impacted employees. (a) As used in
this subdivision:
(i) "Third party payer" means an insurer authorized to provide health
coverage under the insurance law, a health maintenance organization
under article forty-four of this chapter, a self-insured plan providing
health coverage, or any other third party payer for health care
services.
(ii) "Health care provider administrative employee" means an employee
of a health care provider primarily engaged in relations or dealings
with third party payers or seeking payment or reimbursement for health
care services from third party payers.
(iii) "Impacted employee" means an individual who, at any time from
the date this section becomes a law until two years after the end of the
implementation period, is employed by a third party payer or is a health
care provider administrative employee, and whose employment ends as a
result of the implementation of the New York Health program.
(b) Within ninety days after this section shall become a law, the
commissioner of labor shall convene a retraining and re-employment task
force including but not limited to: representatives of potential
impacted employees, human resource departments of third party payers and
health care providers, individuals with experience and expertise in
retraining and re-employment programs relevant to the circumstances of
impacted employees, and representatives of the commissioner of labor.
The commissioner of labor and the task force shall review and provide:
(i) analysis of potential impacted employees by job title and
geography;
(ii) competency mapping and labor market analysis of impacted employee
occupations with job openings; and
(iii) establishment of regional retraining and re-employment systems,
including but not limited to job boards, outplacement services, job
search services, career advisement services, and retraining advisement,
to be coordinated with the regional advisory councils established under
section fifty-one hundred eleven of this article.
(c) (i) Three or more impacted employees, a recognized union of work-
ers including impacted employees, or an employer of impacted employees
may file a petition with the commissioner of labor to certify such
employees as being impacted employees.
(ii) Impacted employees shall be eligible for:
(A) up to two years of retraining at any training provider approved by
the commissioner of labor; and
(B) up to two years of unemployment benefits, provided that the
impacted employee is enrolled in a department of labor approved training
program, is actively seeking employment, and is not currently employed
full time; provided, however, that such impacted employee may maintain
unemployment benefits for up to two years even if he or she does not
meet the criteria set forth in this clause but is sixty-three years of
age or older at the time of loss of employment as an impacted employee.
(d) The commissioner shall provide funds from the New York Health
trust fund or otherwise appropriated for this purpose to the commissio-
er of labor for retraining and re-employment programs for impacted
employees under this subdivision.
(e) The commissioner of labor shall make regulations and take other
actions reasonably necessary to implement this subdivision. This subdi-
vision shall be implemented consistent with applicable law and regu-
lations.
4. The commissioner shall, directly and through grants to not-for-pro-
fit entities, conduct programs using data collected through the New York
Health program, to promote and protect the quality of health care
services, patient outcomes, and public, environmental and occupational
health, including cooperation with other data collection and research
programs of the department, consistent with this article, the protection
of the security and confidentiality of individually identifiable patient
information, and otherwise applicable law.
§ 5111. Regional advisory councils. 1. The New York Health regional
advisory councils (each referred to in this article as a "regional advi-
sory council") are hereby created in the department.
2. There shall be a regional advisory council established in each of
the following regions:

(a) Long Island, consisting of Nassau and Suffolk counties;
(b) New York City;
(c) Hudson Valley, consisting of Delaware, Dutchess, Orange, Putnam,
Rockland, Sullivan, Ulster, Westchester counties;
(d) Northern, consisting of Albany, Clinton, Columbia, Essex, Frank-
lin, Fulton, Greene, Hamilton, Herkimer, Jefferson, Lewis, Montgomery,
Otsego, Rensselaer, Saratoga, Schenectady, Schoharie, St. Lawrence,
Warren, Washington counties;
(e) Central, consisting of Broome, Cayuga, Chemung, Chenango, Cort-
land, Livingston, Madison, Monroe, Oneida, Onondaga, Ontario, Oswego,
Schuyler, Seneca, Steuben, Tioga, Tompkins, Wayne, Yates counties; and
(f) Western, consisting of Allegany, Cattaraugus, Chautauqua, Erie, Genesee, Niagara, Orleans, Wyoming counties.

3. Each regional advisory council shall be composed of not fewer than twenty-seven members, as determined by the commissioner and the board, as necessary to appropriately represent the diverse needs and concerns of the region. Members of a regional advisory council shall be residents of or have their principal place of business in the region served by the regional advisory council.

4. Appointment of members of the regional advisory councils.

(a) The twenty-seven members shall be appointed as follows:

(i) nine members shall be appointed by the governor;

(ii) six members shall be appointed by the governor on the recommendation of the speaker of the assembly;

(iii) six members shall be appointed by the governor on the recommendation of the temporary president of the senate;

(iv) three members shall be appointed by the governor on the recommendation of the minority leader of the assembly; and

(v) three members shall be appointed by the governor on the recommendation of the minority leader of the senate.

Where a regional advisory council has more than twenty-seven members, additional members shall be appointed and recommended by these officials in the same proportion as the twenty-seven members.

(b) Regional advisory council membership shall include but not be limited to:

(i) representatives of organizations with a regional constituency that advocate for health care consumers, older adults, and people with disabilities including organizations led by members of those groups, who shall constitute at least one third of the membership of each regional council;

(ii) representatives of professional organizations representing physicians;

(iii) representatives of professional organizations representing health care professionals other than physicians;

(iv) representatives of general hospitals, including public hospitals;

(v) representatives of community health centers;

(vi) representatives of mental health, behavioral health (including substance use), physical disability, developmental disability, rehabilitation, home care and other service providers;

(vii) representatives of women's health service providers;

(viii) representatives of health care organizations;

(ix) representatives of organized labor including representatives of health care workers;

(x) representatives of employers; and

(xi) representatives of municipal and county government.

5. Members of a regional advisory council shall be appointed for terms of three years provided, however, that of the members first appointed, one-third shall be appointed for one year terms and one-third shall be appointed for two year terms. Vacancies shall be filled in the same manner as original appointments for the remainder of any unexpired term. No person shall be a member of a regional advisory council for more than six years in any period of twelve consecutive years.

6. Members of the regional advisory councils shall serve without compensation but shall be reimbursed for their necessary and actual expenses incurred while engaged in the business of the advisory councils. The program shall provide financial support for such expenses and other expenses of the regional advisory councils.
7. Each regional advisory council shall meet at least quarterly. Each regional advisory council may form committees to assist it in its work. Members of a committee need not be members of the regional advisory council. The New York City regional advisory council shall form a committee for each borough of New York City, to assist the regional advisory council in its work as it relates particularly to that borough.

8. Each regional advisory council shall advise the commissioner, the board, the governor and the legislature on all matters relating to the development and implementation of the New York Health program.

9. Each regional advisory council shall adopt, and from time to time revise, a community health improvement plan for its region for the purpose of:

(a) promoting the delivery of health care services in the region, improving the quality and accessibility of care, including cultural competency, clinical integration of care between service providers including but not limited to physical, mental, and behavioral health, physical and developmental disability services, and long-term supports and services;

(b) facility and health services planning in the region;

(c) identifying gaps in regional health care services;

(d) promoting increased public knowledge and responsibility regarding the availability and appropriate utilization of health care services.

Each community health improvement plan shall be submitted to the commissioner and the board and shall be posted on the department’s website;

(e) identifying needs in professional and service personnel required to deliver health care services; and

(f) coordinating regional implementation of retraining and re-employment programs for impacted employees under subdivision three of section fifty-one hundred ten of this article.

10. Each regional advisory council shall hold at least four public hearings annually on matters relating to the New York Health program and the development and implementation of the community health improvement plan.

11. Each regional advisory council shall publish an annual report to the commissioner and the board on the progress of the community health improvement plan. These reports shall be posted on the department’s website.

12. All meetings of the regional advisory councils and committees shall be subject to article six of the public officers law.

§ 4. Financing of New York Health. 1. The governor shall submit to the legislature a revenue plan and legislative bills to implement the plan (referred to collectively in this section as the "revenue proposal") to provide the revenue necessary to finance the New York Health program, as created by article 51 of the public health law and all provisions of that article (referred to in this section as the "program"), taking into consideration anticipated federal revenue available for the program. The revenue proposal shall be submitted to the legislature as part of the executive budget under article VII of the state constitution, for the fiscal year commencing on the first day of April in the calendar year after this act shall become a law. In developing the revenue proposal, the governor shall consult with appropriate officials of the executive branch; the temporary president of the senate; the speaker of the assembly; the chairs of the fiscal and health committees of the senate and assembly; and representatives of business, labor, consumers and local government.
2. (a) Basic structure. The basic structure of the revenue proposal shall be as follows: Revenue for the program shall come from two taxes (referred to collectively in this section as the "taxes"). First, there shall be a progressively graduated tax on all payroll and self-employed income (referred to in this section as the "payroll tax"), paid by employers, employees and self-employed individuals. Second, there shall be a progressively graduated tax on taxable income (such as interest, dividends, and capital gains) not subject to the payroll tax (referred to in this section as the "non-payroll tax"). Income in the bracket below twenty-five thousand dollars per year shall be exempt from the taxes. Higher brackets of income subject to the taxes shall be assessed at a higher marginal rate than lower brackets. The taxes shall be set at levels anticipated to produce sufficient revenue to finance the program, to be scaled up as enrollment grows, taking into consideration anticipated federal revenue available for the program. Provision shall be made for state residents (who are eligible for the program) who are employed out-of-state, and non-residents (who are not eligible for the program) who are employed in the state.

(b) Payroll tax. The income to be subject to the payroll tax shall be all income subject to the Medicare Part A tax. The tax shall be set at a percentage of that income, which shall be progressively graduated, so the percentage is higher on higher brackets of income. For employed individuals, the employer shall pay eighty percent of the tax and the employee shall pay twenty percent of the tax, except that an employer may agree to pay all or part of the employee's share. A self-employed individual shall pay the full tax.

(c) Non-payroll income tax. There shall be a tax on income that is subject to the personal income tax under article 22 of the tax law and is not subject to the payroll tax. It shall be set at a percentage of that income, which shall be progressively graduated, so the percentage is higher on higher brackets of income.

(d) Phased-in rates. Early in the program, when enrollment is growing, the amount of the taxes shall be at an appropriate level, and shall be changed as anticipated enrollment grows, to cover the actual cost of the program. The revenue proposal shall include a mechanism for determining the rates of the taxes.

(e) Cross-border employees. (i) State residents employed out-of-state. If an individual is employed out-of-state by an employer that is subject to New York state law, the employer and employee shall be required to pay the payroll tax as to that employee as if the employment were in the state. If an individual is employed out-of-state by an employer that is not subject to New York state law, either (A) the employer and employee shall voluntarily comply with the tax or (B) the employee shall pay the tax as if he or she were self-employed.

(ii) Out-of-state residents employed in the state. (A) The payroll tax shall apply to any out-of-state resident who is employed or self-employed in the state. (B) In the case of an out-of-state resident who is employed or self-employed in the state, such individual and individual's employer shall be able to take a credit against the payroll taxes each would otherwise pay as to that individual for amounts they spend respectively on health benefits for the individual that would otherwise be covered by the program if the individual were a member of the program. For the employer, the credit shall be available regardless of the form of the health benefit (e.g., health insurance, a self-insured plan, direct services, or reimbursement for services), to make sure that the revenue proposal does not relate to employment benefits in violation of

the federal ERISA. For non-employment-based spending by the individual, the credit shall be available for and limited to spending for health coverage (not out-of-pocket health spending). The credit shall be available without regard to how little is spent or how sparse the benefit. The credit may only be taken against the payroll tax. Any excess amount may not be applied to other tax liability. The credit shall be distributed between the employer and employee in the same proportion as the spending by each for the benefit and may be applied to their respective portion of the tax. (C) If any provision of this subparagraph or any application of it shall be ruled to violate federal ERISA, the provision or the application of it shall be null and void and the ruling shall not affect any other provision or application of this section or the act that enacted it.

3. (a) The revenue proposal shall include a plan and legislative provisions for ending the requirement for local social services districts to pay part of the cost of Medicaid and replacing those payments with revenue from the taxes under the revenue proposal. (b) The taxes under this section shall not supplant the spending of other state revenue to pay for the Medicaid program as it exists as of the enactment of the revenue proposal as amended, unless the revenue proposal as amended provides otherwise.

4. To the extent that the revenue proposal differs from the terms of subdivision two or paragraph (b) of subdivision three of this section, the revenue proposal shall state how it differs from those terms and reasons for and the effects of the differences.

5. All revenue from the taxes shall be deposited in the New York Health trust fund account under section 89-j of the state finance law.

§ 5. Article 49 of the public health law is amended by adding a new title 3 to read as follows:

TITLE III
COLLECTIVE NEGOTIATIONS BY HEALTH CARE PROVIDERS WITH NEW YORK HEALTH

Section 4920. Definitions.

4921. Collective negotiation authorized.
4922. Collective negotiation requirements.
4923. Requirements for health care providers' representative.
4924. Mediation.
4925. Certain collective action prohibited.
4926. Fees.
4927. Confidentiality.
4928. Severability and construction.

§ 4920. Definitions. For purposes of this title:
1. "New York Health" means the program under article fifty-one of this chapter.
2. "Person" means an individual, association, corporation, or any other legal entity.
3. "Health care providers' representative" means a third party that is authorized by health care providers to negotiate on their behalf with New York Health over terms and conditions affecting those health care providers.
4. "Strike" means a work stoppage in part or in whole, direct or indirect, by a body of workers to gain compliance with demands made on an employer.
5. "Health care provider" means a health care provider under article fifty-one of this chapter. A health care professional as defined in article fifty-one of this chapter who practices as an employee or inde-
pendent contractor of another health care provider shall not be deemed a
health care provider for purposes of this title.

§ 4921. Collective negotiation authorized. 1. Health care providers
may meet and communicate for the purpose of collectively negotiating
with New York Health on any matter relating to New York Health, includ-
ing but not limited to rates of payment and payment methodologies.

2. Nothing in this section shall be construed to allow or authorize an
alteration of the terms of the internal and external review procedures
set forth in law.

3. Nothing in this section shall be construed to allow a strike of New
York Health by health care providers.

4. Nothing in this section shall be construed to allow or authorize
terms or conditions which would impede the ability of New York Health to
obtain or retain accreditation by the national committee for quality
assurance or a similar body or to comply with applicable state or feder-
al law.

§ 4922. Collective negotiation requirements. 1. Collective negotia-
tion rights granted by this title must conform to the following require-
ments:

(a) health care providers may communicate with other health care
providers regarding the terms and conditions to be negotiated with New
York Health;

(b) health care providers may communicate with health care providers'
representatives;

(c) a health care providers' representative is the only party author-
ized to negotiate with New York Health on behalf of the health care
providers as a group;

(d) a health care provider can be bound by the terms and conditions
negotiated by the health care providers' representatives; and

(e) in communicating or negotiating with the health care providers'
representative, New York Health is entitled to offer and provide differ-
ent terms and conditions to individual competing health care providers.

2. Nothing in this title shall affect or limit the right of a health
care provider or group of health care providers to collectively petition
a government entity for a change in a law, rule, or regulation.

3. Nothing in this title shall affect or limit collective action or
collective bargaining on the part of any health care provider with his
or her employer or any other lawful collective action or collective
bargaining.

§ 4923. Requirements for health care providers' representative. Before
engaging in collective negotiations with New York Health on behalf of
health care providers, a health care providers' representative shall
file with the commissioner, in the manner prescribed by the commissi-
oner, information identifying the representative, the representative's
plan of operation, and the representative's procedures to ensure compli-
ance with this title.

§ 4924. Mediation. 1. In the event the commissioner determines that an
impasse exists in the negotiations, the commissioner shall render
assistance as follows:

(a) to assist the parties to effect a voluntary resolution of the
negotiations, the commissioner shall appoint a mediator who is mutually
acceptable to both the health care providers' representative and the
representative of New York Health. If the mediator is successful in
resolving the impasse, then the health care providers' representative
shall proceed as set forth in this article;

(b) if an impasse continues, the commissioner shall appoint a fact-
finding board of not more than three members, who are mutually accepta-
ble to both the health care providers' representative and the representa-
tive of New York Health. The fact-finding board shall have, in
addition to the powers delegated to it by the board, the power to make
recommendations for the resolution of the dispute;
(c) the fact-finding board, acting by a majority of its members, shall
transmit its findings of fact and recommendations for resolution of the
dispute to the commissioner, and may thereafter assist the parties to
effect a voluntary resolution of the dispute. The fact-finding board
shall also share its findings of fact and recommendations with the
health care providers' representative and the representative of New York
Health. If within twenty days after the submission of the findings of
fact and recommendations, the impasse continues, the commissioner shall
order a resolution to the negotiations based upon the findings of fact
and recommendations submitted by the fact-finding board.
§ 4925. Certain collective action prohibited. 1. This title is not
intended to authorize competing health care providers to act in concert
in response to a health care providers' representative's discussions or
negotiations with New York Health except as authorized by other law.
2. No health care providers' representative shall negotiate any agree-
ment that excludes, limits the participation or reimbursement of, or
otherwise limits the scope of services to be provided by any health care
provider or group of health care providers with respect to the perform-
ance of services that are within the health care provider's lawful scope
or terms of practice, license, registration, or certificate.
§ 4926. Fees. Each person who acts as the representative of negotiat-
ing parties under this title shall pay to the department a fee to act as
a representative. The commissioner, by regulation, shall set fees in
amounts deemed reasonable and necessary to cover the costs incurred by
the department in administering this title.
§ 4927. Confidentiality. All reports and other information required to
be reported to the department under this title shall not be subject to
disclosure under article six of the public officers law.
§ 4928. Severability and construction. If any provision or application
of this title shall be held to be invalid, or to violate or be incon-
sistent with any applicable federal law or regulation, that shall not
affect other provisions or applications of this title which can be given
effect without that provision or application; and to that end, the
provisions and applications of this title are severable. The provisions
of this title shall be liberally construed to give effect to the
purposes thereof.
§ 6. Subdivision 11 of section 270 of the public health law, as
amended by section 2-a of part C of chapter 58 of the laws of 2008, is
amended to read as follows:
11. "State public health plan" means the medical assistance program
established by title eleven of article five of the social services law
(referred to in this article as "Medicaid"), the elderly pharmaceutical
insurance coverage program established by title three of article two of
the elder law (referred to in this article as "EPIC"), and the [family
health plus program established by section three hundred sixty-nine ee
of the social services law to the extent that section provides that the
program shall be subject to this article] New York Health program estab-
lished by article fifty-one of this chapter.
§ 7. The state finance law is amended by adding a new section 89-j to
read as follows:
§ 89-j. New York Health trust fund. 1. There is hereby established in
the joint custody of the state comptroller and the commissioner of taxa-
tion and finance a special revenue fund to be known as the "New York
Health trust fund", referred to in this section as "the fund". The defi-
nitions in section fifty-one hundred of the public health law shall
apply to this section.

2. The fund shall consist of:
(a) all monies obtained from taxes pursuant to legislation enacted as
proposed under section three of the New York Health act;
(b) federal payments received as a result of any waiver or other
arrangements agreed to by the United States secretary of health and
human services or other appropriate federal officials for health care
programs established under Medicare, any federally-matched public health
program, or the affordable care act;
(c) the amounts paid by the department of health that are equivalent
to those amounts that are paid on behalf of residents of this state
under Medicare, any federally-matched public health program, or the
affordable care act for health benefits which are equivalent to health
benefits covered under New York Health;
(d) federal and state funds for purposes of the provision of services
authorized under title XX of the federal social security act that would
otherwise be covered under article fifty-one of the public health law;
and
(e) state monies that would otherwise be appropriated to any govern-
mental agency, office, program, instrumentality or institution which
provides health services, for services and benefits covered under New
York Health. Payments to the fund pursuant to this paragraph shall be in
an amount equal to the money appropriated for such purposes in the
fiscal year beginning immediately preceding the effective date of the
New York Health act.

3. Monies in the fund shall only be used for purposes established
under article fifty-one of the public health law.

§ 8. Temporary commission on implementation. 1. There is hereby estab-
lished a temporary commission on implementation of the New York Health
program, referred to in this section as the commission, consisting of
fifteen members: five members, including the chair, shall be appointed
by the governor; four members shall be appointed by the temporary presi-
dent of the senate, one member shall be appointed by the senate minority
leader; four members shall be appointed by the speaker of the assembly,
and one member shall be appointed by the assembly minority leader. The
commissioner of health, the superintendent of financial services, and
the commissioner of taxation and finance, or their designees shall serve
as non-voting ex-officio members of the commission.

2. Members of the commission shall receive such assistance as may be
necessary from other state agencies and entities, and shall receive
reasonable and necessary expenses incurred in the performance of their
duties. The commission may employ staff as needed, prescribe their
duties, and fix their compensation within amounts appropriated for the
commission.

3. The commission shall examine the laws and regulations of the state
and make such recommendations as are necessary to conform the laws and
regulations of the state and article 51 of the public health law estab-
lishing the New York Health program and other provisions of law relating
to the New York Health program, and to improve and implement the
program. The commission shall report its recommendations to the governor
and the legislature. The commission shall immediately begin development
of proposals consistent with the principles of article 51 of the public
health law for provision of health care services covered under the work-
ers' compensation law; and incorporation of retiree health benefits, as
described in paragraphs (a), (b) and (c) of subdivision 8 of section
5102 of the public health law. The commission shall provide its work
product and assistance to the board established pursuant to section 5102
of the public health law upon completion of the appointment of the
board.
§ 9. Severability. If any provision or application of this act shall
be held to be invalid, or to violate or be inconsistent with any appli-
cable federal law or regulation, that shall not affect other provisions
or applications of this act which can be given effect without that
provision or application; and to that end, the provisions and applica-
tions of this act are severable.
§ 10. This act shall take effect immediately.