STATE OF NEW YORK

6861

2021-2022 Regular Sessions

IN SENATE

May 19, 2021

Introduced by Sen. MANNION -- read twice and ordered printed, and when printed to be committed to the Committee on Health

AN ACT to amend part H of chapter 59 of the laws of 2011, amending the public health law and other laws, relating to general hospital inpatient reimbursement for annual rates, in relation to supplemental Medicaid managed care payments

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

Section 1. Section 26 of part H of chapter 59 of the laws of 2011, amending the public health law and other laws, relating to targeted Medicaid reimbursement rate reductions, is amended to read as follows:

§ 26. Notwithstanding any provision of law to the contrary and subject to the availability of federal financial participation, for periods on and after April 1, 2011, clinics certified pursuant to [~~articles 16,~~] *article* 31 or 32 of the mental hygiene law shall be subject to targeted Medicaid reimbursement rate reductions in accordance with the provisions of this section. Such reductions shall be based on utilization thresholds which may be established either as provider-specific or patient-specific thresholds. Provider-specific thresholds shall be based on average patient utilization for a given provider in comparison to a peer based standard to be determined for each service. The commissioners of the office of mental health[~~, the office for persons with developmental disabilities,~~] and the office of alcoholism and substance abuse services, in consultation with the commissioner of health, are authorized to waive utilization thresholds for patients of clinics certified pursuant to article [~~16,~~] 31[~~,~~] or 32 of the mental hygiene law who are enrolled in specific treatment programs or otherwise meet criteria as may be specified by such commissioners. When applying a provider-specific threshold, rates will be reduced on a prospective basis based on the amount any provider is over the determined threshold level. Patient-specific thresholds will be based on annual thresholds deter-

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

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mined for each service over which the per visit payment for each visit in excess of the standard during a twelve month period shall be reduced by a pre-determined amount. The thresholds, peer based standards and the payment reductions shall be determined by the department of health, with the approval of the division of the budget, and in consultation with the office of mental health[~~, the office for people with developmental disabilities~~] and the office of alcoholism and substance abuse services, and any such resulting rates shall be subject to certification by the appropriate commissioners pursuant to subdivision (a) of section 43.02 of the mental hygiene law. The base period used to establish the thresholds shall be the 2009 calendar year. The total annualized reduction in payments shall be not more than $10,900,000 for Article 31 clinics[~~, not more than $2,400,000 for Article 16 clinics,~~] and not more than $13,250,000 for Article 32 clinics. The commissioner of health may promulgate regulations to implement the provisions of this section.

§ 2. This act shall take effect immediately.