STATE OF NEW YORK

8229

2023-2024 Regular Sessions

IN ASSEMBLY

November 6, 2023

Introduced by M. of A. PAULIN -- read once and referred to the Committee on Health

AN ACT to amend the public health law and the social services law, in relation to rates of payment for services under medical assistance to needy persons

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

Section 1. Section 2807 of the public health law is amended by adding a new subdivision 22 to read follows:

22. Notwithstanding any contrary provision of this section or any other law or regulation, the commissioner shall establish medical assistance rates of payment for hospital services and health-related services that are reasonably related to the costs of efficient production of such services and which are reasonable and adequate to meet the costs which must be incurred by efficiently and economically operated facilities and service providers. Such rates of payment shall not be based on information or a base year calculation which is more than four calendar years old.

§ 2. Section 2807-c of the public health law is amended by adding a new subdivision 34-a to read as follows:

34-a. The commissioner shall establish discrete rates of payment for general hospitals for payments under the medical assistance program pursuant to title eleven of article five of the social services law for persons eligible for medical assistance who are enrolled in health maintenance organizations and for payments under the family health plus program for persons enrolled in approved organizations pursuant to title eleven-D of article five of the social services law and the child health insurance plan under section twenty-five hundred eleven of this chapter which are reasonably related to the costs of efficient production of such services and which shall be reasonable and adequate to meet the costs which must be incurred by efficiently and economically operated

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

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facilities and service providers. Such rates of payment shall not be based on information or a base year calculation which is more than four calendar years old.

§ 3. Paragraph (a) of subdivision 18 of section 364-j of the social services law, as amended by chapter 649 of the laws of 1996, is amended to read as follows:

(a) The department of health may, where not inconsistent with the rate setting authority of other state agencies and subject to approval of the director of the division of the budget, develop reimbursement methodologies and fee schedules for determining the amount of payment to be made to managed care providers under the managed care program. Such reimbursement methodologies and fee schedules may include provisions for payment of managed care fees and capitation arrangements. Such reimbursement methodologies and fee schedules of payment shall be reasonably related to the costs of efficient production of such services and shall be reasonable and adequate to meet the costs which must be incurred by efficiently and economically operated facilities and service providers. Rates of payment shall not be based on information or a base year calculation which is more than four calendar years old.

§ 4. The social services law is amended by adding a new section 363-g to read as follows:

§ 363-g. Disclosure of Medicaid reimbursement methodology. The commissioner of health shall annually develop and post on the department's website a list of all Medicaid provider types with a detailed description of the Medicaid reimbursement methodology applicable to each provider type. Such description shall include information on both operating and capital reimbursement methodologies. The commissioner shall also develop and publish on the department's website a detailed yearly workplan for reimbursement modernization across Medicaid and other public insurance programs.

§ 5. This act shall take effect on the thirtieth day after it shall have become a law; provided, however, that the amendments to section 364-j of the social services law made by section three of this act shall not affect the repeal of such section and shall be deemed repealed therewith.