

# STATE OF NEW YORK

8554

## IN SENATE

February 13, 2024

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

AN ACT to amend the public health law, in relation to rates of hospital reimbursement for facilities designated by the federal department of health and human services as exempt extended neoplastic disease care hospitals

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

1 Section 1. Paragraph (e-2) of subdivision 4 of section 2807-c of the  
2 public health law is amended by adding a new subparagraph (iv-a) to read  
3 as follows:

4 (iv-a) For facilities designated by the federal department of health  
5 and human services as exempt extended neoplastic disease care hospitals  
6 as of December thirty-first, two thousand twenty-one, for which a  
7 discrete institutional cost report was filed for the two thousand twen-  
8 ty-one calendar year, shall be determined in accordance with the follow-  
9 ing:

10 (A) The operating cost component of such rates shall reflect the use  
11 of two thousand twenty-one operating costs as reported by each facility  
12 to the department and adjusted for inflation pursuant to paragraph (c)  
13 of subdivision ten of this section, as otherwise modified by any appli-  
14 cable statutes, and as further adjusted as the commissioner deems appro-  
15 priate, including transition adjustments. Such rates shall be determined  
16 on a per case basis or per diem basis, as set forth in regulations  
17 promulgated by the commissioner.

18 (B) The operating component of outpatient specialty rates of hospitals  
19 subject to this subparagraph shall reflect the use of two thousand twen-  
20 ty-one operating costs as reported to the department prior to December  
21 first, two thousand twenty-two, and shall include such adjustments as  
22 the commissioner deems appropriate.

23 (C) The base period reported operating costs used to establish inpa-  
24 tient and outpatient rates determined pursuant to this subparagraph  
25 shall be updated no less frequently than two years and the hospital  
26 shall submit such additional data as the commissioner may require to

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

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1 assist in the development of ambulatory patient groups (APGs) rates for  
2 such hospitals' outpatient specialty services.

3 (D) Notwithstanding any other provisions of law to the contrary and  
4 subject to the availability of federal financial participation, services  
5 provided by such facilities to patients enrolled in Medicaid managed  
6 care shall be paid by the Medicaid managed care plans at no less than  
7 the otherwise applicable Medicaid fee-for-services rates for inpatient  
8 and outpatient services.

9 § 2. This act shall take effect April 1, 2024. Effective immediately  
10 the commissioner of health or their designees shall make such rules and  
11 regulations, and seek any federal approvals necessary, to fully imple-  
12 ment this act on or before such effective date.