

# STATE OF NEW YORK

2359

2025-2026 Regular Sessions

## IN ASSEMBLY

January 16, 2025

Introduced by M. of A. PAULIN -- read once and referred 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-three, for which a  
7 discrete institutional cost report was filed for the two thousand twen-  
8 ty-three calendar year, shall be determined in accordance with the  
9 following:

10 (A) The operating cost component of such rates shall reflect the use  
11 of two thousand twenty-three operating costs as reported by each facili-  
12 ty to the department and adjusted for inflation pursuant to paragraph  
13 (c) of subdivision ten of this section, as otherwise modified by any  
14 applicable statutes, and as further adjusted as the commissioner deems  
15 appropriate, including transition adjustments. Such rates shall be  
16 determined on a per case basis or per diem basis, as set forth in regu-  
17 lations 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-three operating costs as reported to the department prior to December  
21 first, two thousand twenty-four, and shall include such adjustments as  
22 the commissioner deems appropriate.

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

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1 (C) The base period reported operating costs used to establish inpa-  
2 tient and outpatient rates determined pursuant to this subparagraph  
3 shall be updated no less frequently than three years and the hospital  
4 shall submit such additional data as the commissioner may require to  
5 assist in the development of ambulatory patient groups (APGs) rates for  
6 such hospitals' outpatient specialty services.

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

13 § 2. This act shall take effect April 1, 2025. Effective immediately  
14 the commissioner of health or their designees shall make such rules and  
15 regulations, and seek any federal approvals necessary, to fully imple-  
16 ment this act on or before such effective date.