§ 2802-a. Transitional care unit demonstration program. 1. Notwithstanding any other provision of law to the contrary, the commissioner is authorized to approve up to eighteen general hospitals within the state to operate transitional care units by and within such general hospitals. For purposes of this section, "transitional care" shall mean sub acute care services provided to patients of a general hospital who no longer require acute care general hospital inpatient services, but continue to need specialized medical, nursing and other hospital ancillary services and are not yet appropriate for discharge.

2. In order to receive approval from the commissioner to operate a transitional care unit and to provide transitional care services, a general hospital shall file an application on forms prescribed by or acceptable to the commissioner.

(a) The commissioner shall act upon such applications in a manner consistent with section twenty-eight hundred two of this article provided that the commissioner may not waive review and recommendation by the public health and health planning council. In the public health and health planning council's evaluation of applications and the commissioner acting upon such applications, priority shall be given to applicants who have a memorandum of understanding or other cooperative agreement with one or more skilled nursing facilities located within their service area. Further, in the public health and health planning council evaluating applications and the commissioner acting upon such applications, consideration shall also be given to the geographic distribution of applicants throughout the state, so that applications may be approved from the various geographic regions of the state.

(b) The care provided in a transitional care unit shall be limited in duration and designed to resolve a patient's sub acute care medical problems and result in the timely and appropriate discharge of such a patient to a home, residential health care facility or other appropriate setting.

(c) In order to be approved to operate a transitional care unit and to provide transitional care services, an applicant must comply with and meet all applicable requirements of and conditions of participation under title XVIII of the federal Social Security Act (Medicare).

3. The commissioner shall report to the governor and the legislature concerning the implementation of this section and the operation of transitional care units within three years after the effective date of this section.