§ 2952. Rural health network development grant program. To the extent of funds available therefor, the sum of seven million dollars shall annually be available for periods prior to January first, two thousand three, and up to six million five hundred thirty thousand dollars annually for the period January first, two thousand three through December thirty-first, two thousand four, up to seven million sixty-two thousand dollars for the period January first, two thousand five through December thirty-first, two thousand six annually, up to seven million sixty-two thousand dollars annually for the period January first, two thousand seven through December thirty-first, two thousand ten, up to one million seven hundred sixty-six thousand dollars for the period January first, two thousand eleven through March thirty-first, two thousand eleven, and within amounts appropriated for each state fiscal year on and after April first, two thousand eleven, shall be available to the commissioner from funds made available pursuant to section twenty-eight hundred seven-l of this chapter for grants pursuant to this section. 1. The commissioner shall establish a rural health network development grant program for the purpose of assisting community based health care providers, consumers and organizations in rural areas to promote more effective health care delivery through the coordination, development, planning, implementation and operation of rural health networks pursuant to this title. Such grants shall support activities and organizational costs including, but not limited to, the recruitment of qualified health care professionals, the performance of feasibility studies, the development of affiliation agreements among rural health providers, the development of managed care capacities, the expansion and integration of public and preventive health services into community based primary care systems, the integration and expansion of prehospital emergency medical services and related consulting and legal fees.

2. To be eligible to receive grant funding pursuant to this section, the applicant shall submit a network plan to the commissioner for approval; the network plan shall identify network participants and indicate how the members or participants of the rural health network intend to respond to the health care needs of the rural area, improve access to and the quality of care for residents of the community, promote the coordination of resources among providers and reduce

duplication of services while achieving cost and other operational efficiencies.

3. a. The commissioner shall make grants to rural health networks, or rural health care providers planning to develop a rural health network. The network plan submitted by a rural health network or rural health care providers planning to form a network for grant funds pursuant to this section shall be consistent with guidelines issued by the commissioner, in consultation with the New York state rural health council and the legislative commission on the development of rural resources. Such guidelines shall include, but need not be limited to, the duration of rural health network grants, appropriate funding levels and criteria for providing an appropriate geographic distribution of grantees; provided, however, that the amount of any such grant shall be based on the scope and nature of the proposed activities described in such plan and that the quality of any such plan complies with the conditions for approval pursuant to paragraph b of subdivision three of this section.

b. The commissioner may require revisions or amendments to the initial network plan prior to approval for funding, or periodic updates from an applicant to reflect the current status of a network's development or operation and to assure that the plan is implemented in accordance with its approved terms. In approving grants the commissioner shall consider the following:

(i) The specific objectives and description of the proposed network, including considerations of the existing health care services currently being delivered within the rural area, and the unmet health care needs of the community;

(ii) The degrees to which the plan demonstrates enhanced costs and service delivery efficiencies and access to necessary and high quality health care services by rural residents;

(iii) The degree to which stated objectives and the scope of the network plan may reasonably be implemented and achieved using existing and projected resources;

(iv) The degree to which information sharing, communication, and cooperation between health care providers, human service entities and

consumers would be fostered;

(v) The contribution the network would make toward the identification and development of innovative delivery systems;

(vi) The degree to which management and continuity of care would be fostered and improved;

(vii) The degree to which participating providers are represented on governing bodies of the network;

(viii) The degree to which consumers within the area served or to be served by the network are made aware of and have an effective opportunity to provide input in the creation and on-going development of a network plan; and

(ix) The degree to which providers within the area served by the network are made aware of and have an effective opportunity to participate in or become a member of the network.

c. The commissioner shall act on such application within ninety days after its receipt. In the event waivers of any regulations are requested by an applicant, the commissioner shall have an additional thirty days to act upon such application.

4. The commissioner or his or her duly authorized representative may provide or contract to provide technical assistance in the creation and implementation of rural health networks and to promote community organization, collaboration and communication in rural network development across the state. The funding for any such contract shall not be made available from funds provided for purposes of this section by section twenty-eight hundred seven-l of this chapter.

5. If the commissioner determines that a grant is being used for purposes other than those which are in conformity with this title, the commissioner may withdraw his or her approval of the project and require repayment of all or part of such grant to the state. The commissioner shall cause reports to be prepared and submitted for each project by the grantees at such times and in such manner as are consistent with the purposes of this title.

6. a. The commissioner or his or her duly authorized representative

may also, promote appropriate active state supervision necessary to promote state action immunity under the federal antitrust laws, inspect or request additional documentation to verify that a network plan is implemented in accordance with its approved terms as they relate to antitrust activity.

b. The commissioner shall review a network plan and all agreements between participating providers of a network organized pursuant to the not-for-profit corporation law at any time with respect to their effect on competition, access, and quality of care, may seek the advice of the attorney general and may require amendments to such agreements where he or she determines that the benefits of anti-competitive activity are outweighed by any disadvantages.

c. The commissioner may revoke, limit or annul approval to implement a network plan, or portions thereof, after review and a hearing, for failure to implement such plan in accordance with its terms as appropriate for the promotion of state action immunity under the federal antitrust laws.

d. The commissioner shall, at the request of any rural health network, review network agreements with respect to their effect on competition, access and quality of care, may seek the advice of the attorney general, and may require amendments to such agreements where he or she determines that the benefits of anticompetitive activity are outweighed by any disadvantage.

7. For the purpose of promoting maximum effectiveness in the utilization of state and local monies and innovative approaches, the commissioner is authorized to waive, modify or suspend the respective provisions of rules and regulations promulgated pursuant to this chapter if the commissioner determines that such waiver, modification or suspension is necessary for the successful implementation of this title and provided that the commissioner determines that the health, safety and general welfare of people receiving health care will not be impaired as a result of such waiver, modification, or suspension. Such waiver, modification or suspension may be granted for up to two years. In

addition, upon the request of a rural health network organized pursuant to the not-for-profit corporation law and approved pursuant to subdivision fourteen of section twenty-eight hundred one-a of this chapter thereto, through its network plan or its amendments, the commissioner is authorized to permit such rural health network to make applications or fulfill regulatory requirements on behalf of members of the network for purposes of, but not limited to, certificate of need, quality assurance, reimbursement, and professional credentialing and privileging.

8. The commissioner shall consult with federal, state, and local officials with respect to securing their cooperation in coordinating related programs and regulatory waivers and shall provide the legislature with recommendations to facilitate such efforts.

9. Notwithstanding any inconsistent provision of law, the commissioner may approve a rural health network, to receive directly reimbursement for the planning and coordination of services including but not limited to such experimental and other payment methods as global budget, pooling arrangements, or capitation payments for whole or in-part inpatient hospital services and ambulatory care services provided by the component entities of the network. Reimbursement including payments made by governmental agencies shall be subject to the approval of the state director of the budget and to the availability of federal financial participation pursuant to title XIX of the federal social security act in expenditures made for eligible patients. The commissioner may impose such terms and conditions as necessary and appropriate for receipt of such funds.