

## 2011-12 Executive Budget Amendments

### **Inserts for Amendments to Senate S2809-A; Assembly A4009-A (Health and Mental Hygiene Article VII Bill)**

#### Insert A

and to amend the public health law, in relation to general hospital inpatient reimbursement for annual rates; to amend chapter 1 of the laws of 1999 amending the public health law and other laws relating to enacting the New York Health Care Reform Act of 2000, in relation to rates of payment for residential health care facilities; to amend the public health law, in relation to establishing ceiling limitations for certain rates of payment; to repeal certain provisions of the social services law relating to prescription drug payments; to amend the social services law, in relation to a study to determine costs incurred by public school districts for certain medical care, services and supplies; to amend the public health law, in relation to calculation of capital costs and to repeal certain provisions of such law relating thereto; to amend the education law, in relation to immunizations; to amend the public health law, in relation to the pharmacy and therapeutics committee and the preferred drug program; and to repeal certain provisions of such law relating thereto; to amend the social services law and the public health law, in relation to covered part D drugs, limited coverage for formula therapy, prescription footwear, speech therapy, physical therapy and occupational therapy, payment for home health care nursing services, and coverage for smoking cessation counseling services, the furnishing of medical assistance to applicants with responsible relatives, and the commissioner of health's authority to negotiate agreements resolving multiple pending rate appeals; to repeal subdivision 12 of section 272 of the public health law relating to authorization under the preferred drug program for anti-psychotics, anti-depressants, anti-rejection drugs for transplants and anti-retrovirals used in the treatment of HIV and AIDS; to amend the public health law, in relation to temporary operator certificates for general hospitals or diagnostic and treatment centers; to amend the social services law, in relation to health home services; to amend the public health law, in relation to managed long term care plans; to amend the social services law, in relation to insurance co-payments; to amend the public health law, in relation to providing palliative care support for patients with advanced life limiting conditions and illnesses; to amend the social services law, in relation to provisions of home health care services, to establish a workgroup to develop a plan and draft legislation for the purpose of operating and managing public nursing homes; to amend the public health law, in relation to encouraging cooperative, collaborative and integrative arrangements between health care providers, payers, and others; to amend the social services law, in relation to definition of estate; to amend the civil practice law and rules, in relation to damage awards and to repeal certain provisions of such law relating thereto; to amend the mental hygiene law, in relation to compliance with operational

standards by hospitals and providers of services in hospitals; to amend the public health law, in relation to serious event reporting; to amend the general municipal law, in relation to including a hospital and continuing care retirement community within the definition of project and defining hospital; to amend chapter 66 of the laws of 1994, amending the public health law, the general municipal law and the insurance law relating to the financing of life care communities, in relation to repealing the application deadline for eligibility for assistance from an industrial development agency; to amend the social services law, in relation to limiting the reporting of death by the operator of an adult home or residence, to define certain terms as used in the social services law, and to require preclaim review for participating providers of medical assistance program items and services; to amend the public health law, and part B of chapter 58 of the laws of 2010, amending chapter 474 of the laws of 1996 amending the education law and other laws relating to rates for residential healthcare facilities and other laws relating to Medicaid payments, in relation to seeking federal approvals to establish payment methodologies with account able care organizations, and to amend the mental hygiene law, in relation to entities subject to the visitation, examination, inspection, and investigation; to amend the social services law, in relation to medical assistance for needy persons and to repeal certain provisions of such law relating thereto; to amend the tax law, in relation to increasing credits for long-term care insurance; to amend the social services law, in relation to the character and adequacy of assistance; and providing for the repeal of certain provisions upon expiration thereof

#### INSERT B

§4-a. Subdivision 2-c of section 2808 of the public health law is REPEALED and a new subdivision 2-c is added, to read as follows:

2-c. (a) Notwithstanding any inconsistent provision of this section or any other contrary provision of law and subject to the availability of federal financial participation, the non-capital component of rates of payment by governmental agencies for inpatient services provided by residential health care facilities on and after July first, two thousand eleven shall reflect a direct statewide price component, and indirect statewide price component, and a facility specific non-comparable component, utilizing allowable operating costs for a base year as determined by the commissioner by regulation.

(b) The direct and indirect statewide price components shall be adjusted by a wage equalization factor and the direct statewide price component shall be subject to a case mix adjustment utilizing the patients that are eligible for medical assistance pursuant to tile eleven of article five of the social services law.

(c) The non-capital component of the rates for (i) AIDS facilities or discrete AIDS units within facilities, (ii) discrete units for residents receiving care in a long-term inpatient rehabilitation program for traumatic brain injured persons, (iii) discrete

units providing specialized programs for residents requiring behavioral interventions, (iv) discrete units for long-term ventilator dependent residents, and (v) facilities or discrete units within facilities that provide extensive nursing, medical, psychological and counseling support services solely to children shall be established pursuant to regulations promulgated pursuant to this subdivision.

(d) The commissioner shall promulgate regulations, and may promulgate emergency regulations, to implement the provisions of this subdivision and such regulations may also include, but not be limited to, provisions for rate adjustments or payment enhancements to facilitate the transition of facilities to the rate-setting methodology established by this subdivision and for facilitating quality improvements in residential health care facilities.