2013-14 NEW YORK STATE EXECUTIVE BUDGET

HEALTH AND MENTAL HYGIENE
ARTICLE VII LEGISLATION

MEMORANDUM IN SUPPORT

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A BUDGET BILL submitted by the Governor in Accordance with Article VII of the Constitution

AN ACT to amend chapter 59 of the laws of 2011, amending the public health law and other laws relating to general hospital reimbursement for annual rates, in relation to the cap on local Medicaid expenditures; to amend the public health law, in relation to general hospital inpatient reimbursement; to amend the social services law, in relation to the medical assistance information and payment system; to amend the social services law, in relation to certain contracts entered into by the commissioner of health for the purpose of implementing the Medicaid redesign team initiatives; to amend the public health law, in relation to the preferred drug program; to amend the public health law, in relation to antipsychotic therapeutic drugs; to amend the social services law, in relation to reducing pharmacy reimbursement for name brand drugs; to amend the public health law, in relation to eliminating the summary posting requirement for the pharmacy and therapeutic committee; to amend the social services law, in relation to early refill of prescriptions; to amend the social services law, in relation to authorizing the commissioner of health to implement an incontinence supply utilization management program; to amend the social services law, in relation to certain individual psychotherapy services; to amend the social services law, in relation to the funding of health home infrastructure development; to amend the public health law, in relation to general hospital inpatient reimbursement; to amend the social services law, in relation to managed care programs; to amend section 2 of part H of chapter 111 of the laws of 2010, relating to increasing Medicaid payments to providers through managed

care organizations and providing equivalent fees through an ambulatory patient group methodology, in relation to the effectiveness thereof; to amend the public health law, in relation to rates of payment for residential health care facilities and in relation to rates of reimbursement for inpatient detoxification and withdrawal services; to amend the public health law, in relation to hospital inpatient base years; to amend the public health law, in relation to the Medicaid managed care inpatient psychiatric care default rate; to amend the public health law, in relation to the Medicaid managed care default rate; to amend the public health law, in relation to moving rate setting for child health plus to the department of health; to amend the social services law and the public health law, in relation to requiring the use of an enrollment broker for counties that are mandated Medicaid managed care and managed long term care; to amend the public health law, in relation to repealing the twentieth day of the month enrollment cut-off for managed long term care enrollees; to amend the public health law, in relation to the nursing home financially disadvantaged program; to amend the public health law, in relation to eliminating the recruitment and retention attestation requirement for certain certified home health agencies; to amend the public health law, in relation to extending the office of the Medicaid inspector general's power to audit rebasing rates; to amend the public health law, in relation to rebasing transition payments; to amend the public health law, in relation to capital cost reimbursement for nursing homes; to amend the public health law, in relation to eliminating the bed hold requirement; to amend the public health law, in relation to authorizing upper payment limits for certain nursing homes; to amend the public health law, in relation to rates for specialty nursing homes; to amend the social services law, in relation to eliminating spousal refusal of

medical care; to amend the social services law, in relation to eligibility for Medicaid; to amend the social services law, in relation to treatment of income and resources of institutionalized persons; to amend the public health law, in relation to certain payments for certain home care agencies and services; to amend the social services law, in relation to Medicaid eligibility; to amend subdivision (a) of section 90 of part H of chapter 59 of the laws of 2011, amending the public health law and other laws relating to general hospital inpatient reimbursement, in relation to the effectiveness thereof; to amend subdivision 1 of section 92 of part H of chapter 59 of the laws of 2011, amending the public health law and other laws relating to known and projected department of health state funds Medicaid expenditures, in relation to the effectiveness thereof; in relation to eliminating the 2013-2014 trend factor and thereafter; to repeal certain provisions of the social services law and the public health law relating to managed care programs; and to repeal certain provisions of the public health law and the social services law relating to the pharmacy and therapeutics committee; providing for the repeal of certain provisions upon expiration thereof (Part A); to amend the public health law, in relation to payments to hospital assessments; to amend part C of chapter 58 of the laws of 2009 amending the public health law relating to payment by governmental agencies for general hospital inpatient services, in relation to the effectiveness of eligibility for medical assistance and the family health plus program; to amend chapter 474 of the laws of 1996, amending the education law and other laws relating to rates for residential healthcare facilities, in relation to reimbursements; to amend chapter 884 of the laws of 1990, amending the public health law relating to authorizing bad debt and charity care allowances for certified home

health agencies, in relation to the effectiveness thereof; to amend the long term care integration and finance act of 1997, in relation to extending the expiration of operating demonstrations operating a managed long term care plan; to amend chapter 81 of the laws of 1995, amending the public health law and other laws relating to medical reimbursement and welfare reform, in relation to reimbursements and the effectiveness thereof; to amend the public health law, in relation to capital related inpatient expenses; to amend part C of chapter 58 of the laws of 2007, amending the social services law and other laws relating to enacting the major components of legislation necessary to implement the health and mental hygiene budget for the 2007-2008 state fiscal year, in relation to rates of payment by state governmental agencies and the effectiveness of certain provisions of such chapter; to amend the social services law, in relation to reports on chronic illness demonstration projects; to amend chapter 451 of the laws of 2007, amending the public health law, the social services law and the insurance law, relating to providing enhanced consumer and provider protections, in relation to extending the effectiveness of certain provisions thereof; to amend the public health law, in relation to rates of payment for long term home health care programs; to amend chapter 2 of the laws of 1998, amending the public health law and other laws relating to expanding the child health insurance plan, in relation to the effectiveness of certain provisions thereof; to amend chapter 426 of the laws of 1983, amending the public health law relating to professional misconduct proceedings and chapter 582 of the laws of 1984, amending the public health law relating to regulating activities of physicians, in relation to making such provisions permanent; to amend the public health law, in relation to extending a demonstration

program for physicians suffering from alcoholism, drug abuse or mental illness; to amend part X2 of chapter 62 of the laws of 2003 amending the public health law relating to allowing the use of funds of the office of professional medical conduct for activities of the patient health information and quality improvement act of 2000, in relation to the effectiveness of certain provisions thereof; to repeal subdivision 8 of section 364-l of the social services law relating thereto; to repeal certain provisions of chapter 81 of the laws of 1995 amending the public health law and other laws relating to medical reimbursement and welfare relating to the effectiveness thereof (Part B); to amend the public health law, in relation to indigent care (Part C); to amend the social services law, in relation to eligibility conditions; to amend the social services law, in relation to permitting online and telephone Medicaid applications; to amend the social services law, in relation to allowing administrative renewals and self-attestation of residency; to amend the social services law, in relation to ending applications for family health plus; to amend the social services law, in relation to modified adjusted gross income and Medicaid eligibility groups; to amend the public health law, in relation to establishing methodology for modified adjusted gross income; to amend the public health law, in relation to centralizing child health plus eligibility determinations; to amend the public health law, in relation to requiring audit standards for eligibility; to amend the public health law, in relation to residency and income attestation and verification for child health plus; to amend the public health law, in relation to eliminating temporary enrollment in child health plus; to amend the public health law, in relation to expanding the child health plus social security number requirement to lawfully residing children; to amend the public health law, in relation to modified adjusted gross income under child

health plus; to amend the public health law, in relation to personal interviews under child health plus; to amend the social services law, in relation to amendment of contracts awarded by the commissioner of health; to amend the insurance law, in relation to clarifying the identity of persons to whom insurance licensing requirements apply; to amend the insurance law, in relation to coverage limitations requirements and student accident and health insurance; to amend the insurance law, in relation to standardization of individual enrollee direct payment contracts; to amend the insurance law, in relation to ensuring that group and individual insurance policy provisions conform to applicable requirements of federal law and to make conforming changes; to repeal sections 369-ee and 369-ff of the social services law, relating to the family health plus program; to repeal certain other provisions of the social services law relating thereto; to repeal certain provisions of the insurance law relating thereto; providing for the repeal of certain provisions upon expiration thereof (Part D); to amend the public health law and the insurance law, in relation to the early intervention program for infants and toddlers with disabilities and their families; to amend the public health law, in relation to the general public health work program; to amend chapter 577 of the laws of 2008 amending the public health law, relating to expedited partner therapy for persons infected with chlamydia trachomatis, in relation to the effectiveness of such chapter; to amend the public health law, in relation to outcome based contracting and outcome based health planning; to amend the public health law, the mental hygiene law and the executive law, in relation to consolidating the excess medical malpractice liability coverage pool; to amend the insurance law, in relation to the appointment of members of the board of the New York state health foundation and the

investment of funds; to amend the insurance law and the general municipal law, in relation to malpractice and professional misconduct; to amend the administrative code of the city of New York, in relation to the definition of a certified first responder; to amend the workers' compensation law, in relation to an injury incurred by an emergency medical technician; to amend the education law and the state finance law, in relation to medical malpractice reform; and to repeal sections 3002, 3002-a, 3003-a, 3005-b, 3009, 3017 and articles 30-B and 30-C of the public health law relating to emergency medical services; to amend chapter 420 of the laws of 2002 amending the education law relating to the profession of social work; chapter 676 of the laws of 2002 amending the education law relating to the practice of psychology; and chapter 130 of the laws of 2010 amending the education law and other laws relating to the registration of entities providing certain professional services and the licensure of certain professions, in relation to reporting requirements and expiration dates; and to amend the public health law, in relation to consolidating the excess medical malpractice liability coverage pool; and to repeal section 18 of chapter 266 of the laws of 1986, amending the civil practice law and rules and other laws relating to medical and dental malpractice, relating thereto; to repeal certain provisions of the public health law relating to state aid for certain public health programs and provisions relating to sexually transmitted diseases (Part E); to amend the mental hygiene law, in relation to the addition to the methadone registry of dosage and such other information as is necessary to facilitate disaster management (Part F); to amend the mental hygiene law, in relation to state aid funding authorization of services funded by the office of alcoholism and substance abuse services; to repeal article 26 of such law relating thereto (Part G); to

amend the mental hygiene law and chapter 56 of the laws of 2012, amending the mental hygiene law relating to the closure and the reduction in size of certain facilities serving persons with mental illness, in relation to references to certain former children's psychiatric centers in the city of New York, and in relation to the expiration and repeal of certain provisions thereof; to authorize the office of mental health to close, consolidate, reduce, transfer and otherwise redesign its programs; to amend chapter 62 of the laws of 2003, amending the mental hygiene law and the state finance law relating to the community mental health support and workforce reinvestment program, the membership of subcommittees for mental health of community services boards and the duties of such subcommittees and creating the community mental health and workforce reinvestment account, in relation to extending such provisions relating thereto (Part H); to amend the mental hygiene law, in relation to the recovery of exempt income by the office of mental health for community residential programs (Part I); to amend the mental hygiene law, in relation to vesting all authority to appoint and remove officers and employees of the office of mental health (Part J); to amend the mental hygiene law, in relation to an annual examination and notice of rights provided to respondent sex offenders who are confined in a secure treatment facility (Part K); to amend the mental hygiene law and the education law, in relation to creating mental health incident review panels (Part L); to repeal certain provisions of the mental hygiene law and certain provisions of chapter 723 of the laws of 1989, amending the mental hygiene law and other laws relating to the establishment of comprehensive psychiatric emergency programs, relating to eliminating the annual reports on the comprehensive psychiatric emergency program; family care; and the confinement, care and treatment of persons

with developmental disabilities (Part M); and to amend chapter 57 of the laws of 2006, relating to establishing a cost of living adjustment for designated human services programs, in relation to foregoing such adjustment during the 2013-2014 state fiscal year (Part N)

PURPOSE: This bill contains provisions needed to implement the Health and Mental Hygiene portions of the 2013-14 Executive Budget.

This memorandum describes Parts A through N of the bill which are described wholly within the parts listed below.

Part A – Make statutory changes necessary to continue implementing Medicaid Redesign Team recommendations.

Purpose:

This bill would make statutory changes necessary to continue implementing Medicaid Redesign Team (MRT) recommendations.

Statement in Support, Summary of Provisions, Existing Law, and Prior Legislative History:

Section 1 of the bill would amend L. 2011, c. 59, Part H, § 90, to extend the two percent across-the-board reduction of Medicaid payments for two years through March 31, 2015.

Section 2 of the bill would amend L. 2011, c. 59, Part H, § 91, to modify the Medicaid State funds cap calculation to allow for the inclusion of the operational costs of the Office of Health Insurance Programs under the Medicaid Spending Cap. These costs would not be subject to annual consumer price index adjustments.

Section 3 of the bill would amend L. 2011, c. 59, Part H, § 92, to extend the Medicaid Spending Cap for one year through March 31, 2015.

Sections 4 of the bill would amend Public Health Law (PHL) § 2807-c to permanently continue the elimination of trend factor adjustments in Medicaid provider reimbursement rates.

Section 5 of the bill would amend Social Services Law (SSL) § 367-b to allow the Department of Health (DOH) to use one or more fiscal intermediaries to pay claims and issue payments for services on an emergency basis in the event that a fiscal intermediary or agent cannot issue payments.

Sections 6 and 7 of the bill would amend SSL § 365-l and 368-d to allow DOH to amend certain existing contracts that implement actions recommended by the MRT without competitive bid for purpose of implementing related MRT initiatives.

Sections 8 and 9 of the bill are intentionally omitted.

Sections 10 and 11 of the bill would repeal SSL § 364-j and amend PHL § 273 to eliminate “prescriber prevails” provisions related to prior authorization requirements for prescription drugs.

Section 12 of the bill would amend SSL § 365-a to authorize DOH to require prior authorization for the refill of a prescription drug when the patient should still have more than a six-day supply of the previously dispensed amount remaining based on normal use. In addition, the section would allow DOH to deny prior authorization for opioid prescriptions in excess of four prescriptions in a 30-day period, upon determining that the prescription is not medically necessary and after allowing the prescriber a reasonable opportunity to justify the refill.

Section 13 of the bill would amend SSL § 367-a to reduce the fee-for-service pharmacy brand reimbursement rate to the average wholesale price less 17.6 percent.

Sections 14 through 20 of the bill would repeal PHL §§ 270 and amend PHL §§ 272, 274, 277 and SSL § 369-bb to merge the Pharmacy and Therapeutics Committee with the Drug Utilization Review Board (DUR) and modify the membership of the DUR accordingly. These changes also would permit the Commissioner of Health (Commissioner) to require prior authorization of drugs eligible for reimbursement by State public health plans unless the pharmaceutical manufacturers agreed to provide minimum supplemental rebates.

Section 21 of the bill would amend SSL § 365-a to authorize the Commissioner to implement an incontinence supply management program to reduce costs without limiting access through the existing provider network.

Section 22 of the bill would amend SSL § 365-a to authorize reimbursement of individual psychotherapy services provided by certified social workers for children and those requiring such services as a result of pregnancy or childbirth.

Section 23 of the bill would amend SSL § 365-l to authorize the Commissioner to invest up to $15 million in health home infrastructure development.

Section 24 of the bill would amend SSL § 365-a to provide additional funding to promote the delivery of integrated mental health, substance abuse, and physical health services in a single location.

Section 25 of the bill would amend PHL § 2807-c(4)(1) to refer to the DOH website for the current diagnostic related groups (DRGs) listing for inpatient detox DRGs subject to separate reimbursement.

Section 26 of the bill would amend PHL § 2807-c(35) to provide for an updated base year effective January 1, 2014, for inpatient hospital services, to allow calculation on a calendar year basis rather than starting December 1, 2013.

Sections 27 through 29 of the bill would amend PHL § 2807-c(4)(e-1)(i) and (e-2)(vii) and add a new PHL § 2807-c(4)(1)(v) to authorize the Commissioner to issue regulations providing for base year updates for specialty hospitals.

Section 30 of the bill would amend PHL § 2807-c(4)(e-2)(iv) to allow children's specialty hospital outpatient rates to be calculated by the Commissioner pursuant to regulations.

Section 31 of the bill would add a new PHL § 2807-c(1)(a-2)(iii) to authorize the Commissioner to issue regulations governing when the new inpatient psychiatric reform rate methodology will apply to Medicaid managed care default rates.

Section 32 would amend PHL § 2807-c(1)(a-2)(i) to exclude certain capital adjustments from the calculation of managed care default rates to avoid unnecessary retroactive impacts on Medicaid managed care rates.

Section 33 of the bill would amend PHL § 2807-c(8) to authorize the to establish capital reimbursement methodologies through regulations for inpatient and outpatient services, including emergency services, consistent with the transition to managed care.

Section 34 of the bill would amend SSL § 364-i to clarify that Medicaid services shall not be authorized or provided prior to a determination of eligibility.

Section 35 of the bill would require managed care contracts with nursing homes to support standard rates of compensation which are sufficient to ensure the retention of a qualified workforce capable of providing high quality care.

Section 35-a of the bill would amend SSL §364-j(1)(b)(i) to authorize a special needs managed care plan or comprehensive HIV special needs plan to provide for covered comprehensive health services on a full capitation basis.

Section 36 of the bill would amend SSL § 364-j(1)(c), (m) and (p) to include special needs managed care plans in the definition of "managed care program" and define a "credentialed alcoholism and substance abuse counselor" as an individual credentialed by the Office of Alcoholism and Substance Abuse Services (OASAS).

Section 37 of the bill would amend SSL § 364-j(2)(c) to refer to special needs managed care plans more broadly, rather than simply mental health special needs plans, for flexibility in applying for federal waivers to promote care management.

Section 38 of the bill would amend SSL § 364-j(3) to allow additional services to be provided by Medicaid managed care plans, and for additional populations to be required to enroll in Medicaid managed care, upon the Commissioner establishing program features and reimbursement rates.

Section 39 of the bill would amend SSL § 364-j(4) to require managed care providers to allow enrollees to access appropriately certified chemical dependence treatment services.

Section 40 of the bill would amend SSL § 364-j(5) to require the managed care program to include comprehensive HIV special needs plans and special needs managed care plans in the selection of qualified managed care providers.

Section 41 of the bill would amend SSL § 364-j(6) to eliminate a reference to “mental health special needs plan” or “comprehensive HIV special needs plan provider” with respect to unallowable practices.

Section 42 of the bill would amend SSL § 364-j(17) to provide that the furnishing of certain services shall be effective if, and as long as applicable, federal financial participation is available.

Section 43 of the bill would amend SSL § 364-j(20) to replace “mental health special needs plan” with "special needs managed care plan."

Section 44 of the bill would amend SSL § 364-j(23) to require DOH to consult with the Office of Mental Health (OMH) and OASAS when necessary to appoint temporary management of a managed care provider.

Section 45 of the bill would amend SSL § 365-m to allow DOH, OMH and OASAS to designate certain special needs managed care plans to manage the behavioral and physical health of medical assistance enrollees with significant behavioral health needs.

Section 46 of the bill would amend PHL § 4401 to eliminate the term “specialized managed care plan” from those that are required to obtain a certificate of authority to operate a managed care plan.

Section 47 of the bill would amend PHL § 4403-d to eliminate the term “specialized managed care plans” from those that are a required to obtain a certificate of authority to operate a managed care plan.

Section 48 of the bill would amend PHL § 4403-f to amend the list of persons or groups that are not required to enter into a managed long term care plan or other specialized care coordination model.

Section 48-a of the bill would authorize the transfer of funds by OASAS to DOH for purposes of increasing Medicaid payments to managed care organizations for the purpose of chemical dependency services.

Section 49 of the bill would amend L. 2010, c. 111, Part H, § 2, to provide a sunset date of March 31, 2105, for previously enacted statutory provisions allowing the transfer of

funds by OMH to DOH for purposes of increasing Medicaid payments to managed care organizations for outpatient mental health services provided by hospital-based and free-standing clinics.

Sections 50 and 51 of the bill would amend PHL § 2511 to provide for the transition of rate setting for the Child Health Plus program from the Department of Financial Services to DOH.

Sections 52 and 53 of the bill would amend SSL § 364-j(4)(e)(ii) and PHL § 4403-f(7)(b) to authorize DOH to require counties which implemented mandatory managed care to use the enrollment counseling and enrollment services for which DOH has contracted.

Section 54 of the bill would amend PHL § 4403-f(7)(g) to allow DOH to set the cutoff date for monthly enrollment in a managed long term care plan.

Sections 55 through 57 of the bill would amend PHL § 3614 to eliminate the attestation requirements for certain certified home health care providers receiving worker recruitment and retention and recruitment, training and retention payments, consistent with the transition to managed long-term care.

Section 58 of the bill would amend PHL § 2808 to sunset payments for financially disadvantaged nursing homes effective December 31, 2012, so that such funding can be redirected to nursing homes through vital access provider payments.

Section 59 of the bill would amend PHL § 2808(2-b)(d) to extend audit authority for calendar year 2002 cost reports filed by nursing homes through December 31, 2018.

Sections 60 and 61 of the bill would amend PHL § 2808(2-b)(a) and (b) to eliminate the requirement that certain rate adjustments for nursing homes be subject to reconciliation.

Section 62 of the bill would amend PHL § 2808 to authorize DOH to establish capital reimbursement methodologies for nursing homes through regulation.

Sections 63 and 64 of the bill would amend PHL § 2808(12) to provide for additional flexibility in the calculation of upper payment limit distributions for public nursing homes.

Section 65 of the bill would amend PHL § 4403-f(6) to eliminate the cap on the maximum number of managed long-term care plans that can be authorized.

Section 66 of the bill would amend PHL § 2808(2-c) to develop a pricing reimbursement methodology for specialty nursing home facilities.

Section 67 of the bill would amend SSL § 366(3) to require spousal support for the costs of community-based long-term care.

Section 68 of the bill would amend SSL § 366-c(2) to apply spousal protections to all managed long-term care enrollees.

Sections 69 and 70 of the bill would amend PHL § 3614(6) and SSL § 461-l to authorize capital debt reimbursement for certain adult homes which convert to assisted living programs.

Section 71 of the bill would amend SSL § 366(14) to extend certain income disregards related to costs for eligible adult home residents who transition into managed long term care plans.

Section 72 of the bill would add a new SSL § 364-j(27) to allow the Office for People with Developmental Disabilities (OPWDD) to perform a Fully Integrated Duals Advantage program in order to provide comprehensive health services to targeted populations of Medicare/Medicaid dually eligible persons.

Section 73 through 80 of the bill would amend PHL § 4403, add a new PHL § 4403-g and 4403(8) and amend SSL §§ 364-j and 365-a to establish Developmental Disability Individual Support and Care Coordination Organizations and authorize managed care plans to provide services operated, certified, funded, authorized or approved through OPWDD, with certain protections in place to recognize the unique needs of individuals with developmental disabilities.

Sections 81 through 84 of the bill set forth time frames of notice, authority to promulgate emergency regulations, severability clause, and effective dates.

Budget Implications:

Enactment of this bill is necessary to implement the 2013-14 Executive Budget and the State's multi-year Financial Plan by keeping overall Medicaid spending within DOH within capped levels, which are indexed to the ten-year rolling average of the medical component of the CPI as proscribed in current statute.

Effective Date:

This bill would take effect April 1, 2013, except that sections 10, 11, 12 and 13 would take effect July 1, 2013.

Part B - Extend provisions of the Public Health, Social Services and Mental Hygiene Laws to preserve previously enacted Medicaid savings.

Purpose:

This bill would maintain Financial Plan savings by continuing various Medicaid and health savings initiatives that were previously authorized in statute.

Statement in Support, Summary of Provisions, Existing Law, and Prior Legislative History:

Section 1 of the bill would amend Chapter 58 of the Laws of 2009, Part C, § 129(f), to extend authorization for Patient Centered Medical Homes for three years, through April 1, 2016.

Section 2 of the bill would amend Chapter 474 of the Laws of 1996, § 212(1)(a), to permanently extend authorization to make "intergovernmental transfer" ("IGT") payments to non-New York City public hospitals.

Section 3 of the bill would amend Chapter 884 of the Laws of 1990, § 11, to extend authorization for bad debt and charity care costs as reported by certified home health agencies and diagnostic and treatment centers for five years, through June 30, 2018.

Section 4 of the bill would amend Chapter 81 of the Laws of 1995, § 246(2), to permanently extend provisions relating to Medicaid inpatient capital cost reimbursement, such as reducing capital over-budgeting.

Section 5 of the bill would amend Public Health Law ("PHL") § 2807-d(2)(b)(vi), to permanently extend the 6 percent nursing home reimbursable cash assessment.

Section 6 of the bill would amend Chapter 659 of the Laws of 1997, § 88, to permanently extend authorization for the continued operation of managed long term care ("MLTC") operating demonstrations known as "Project Eldercare."

Section 7 of the bill would amend PHL § 2807-c(35)(b)(v) to extend authorization to achieve savings associated with reducing potentially preventable readmissions and potentially preventable negative outcomes for one year.

Section 8 of the bill would amend Chapter 58 of the Laws of 2007, Part C, § 93(2), to extend the Chronic Illness Demonstration Project for one year, through March 31, 2014.

Section 8-a of the bill would repeal Social Services Law § 364-l(8) to eliminate a reporting requirement for the Chronic Illness Demonstration Project.

Section 9 of the bill would amend Chapter 474 of the Laws of 1996, § 194, to permanently continue the exclusion of the 1996-97 trend factor from nursing home and inpatient rates.

Section 10 of the bill would amend Chapter 58 of the Laws of 2007, Part C, § 89-a(1), to permanently continue the 0.25 percent trend factor reduction for hospitals and nursing homes.

Sections 11, 12, 13, 14 and 14-a of the bill would amend Chapter 81 of the Laws of 1995, § 64(1)(f), (3)(b)(ii), (4)(b)(iii) and (5)(b), and Chapter 474 of the Laws of 1996, §

228, to permanently extend the requirement that nursing homes, hospitals, certified home health care and long term care home health care providers maximize Medicare revenues.

Sections 15 and 16 of the bill would amend Chapter 81 of the Laws of 1995, §§ 64-b and 246(5-a), to remove a $1.5 million reconciliation limit for the certified home health care agency administrative and general cap for five years, through March 31, 2018.

Section 17 of the bill would amend Chapter 451 of the Laws of 2007, § 20(1), to extend the requirement that parties to a contract between a hospital and a managed care organization continue to abide by the terms of the contract for two months from the effective date of contract termination or non-renewal, unless certain circumstances are met, through June 30, 2015.

Section 18 of the bill would amend PHL § 3614(7-a) to permanently extend a limitation on the reimbursement of the long term care home health program administrative and general costs to a statewide average.

Section 19 of the bill would amend Chapter 2 of the Laws of 1998, § 47(3), (4) and (5), to permanently extend 1998 Child Health Plus income and benefit expansions.

Section 20 of the bill would amend Chapter 58 of the Laws of 2007, Part C, § 93(6-a), to extend authorization for spousal budgeting in long term care waiver programs for five years, through December 31, 2018.

Section 21 of the bill would repeal Chapter 81 of the Laws of 1995, § 246(12), permanently continue the statutory requirement that establishes limited licensed home care service agencies in adult homes or enriched housing programs as providers of personal care and limited medical services.

Section 22 of the bill would amend Chapter 426 of the Laws of 1983, § 5, to permanently extend exemptions related to professional conduct proceedings to provide immunity for physicians from medical conduct reporting requirements, when information is received solely from their participation on a committee related to physicians suffering from addiction or mental illness.

Sections 22, 23 and 24 of the bill would amend Chapter 426 of the Laws of 1983, § 5, Chapter 582 of the Laws of 1984, § 5, and PHL § 230(11)(c)(ii) to permanently extend exemptions related to professional conduct proceedings to provide immunity for physicians from medical conduct reporting requirements, when information is received solely from their participation on a committee related to physicians suffering from addiction or mental illness.

Section 25 of the bill would amend Chapter 62 of the Laws of 2003, Part X2, § 5, to extend for two years the authority to use Office of Professional Medical Conduct funding for patient safety activities.

Sections 26 and 27 of the bill set forth provisions regarding time frames for notice and severability.

Section 28 of the bill sets forth the effective date.

Budget Implications:

Enactment of this bill is necessary to implement the 2013-14 Executive Budget because it maintains a balanced State Financial Plan and preserves savings totaling $842.1 million annually.

Effective Date:

This bill would take effect April 1, 2013.

Part C - Revise the methodology for distributing Indigent Care Pool ("ICP") funds to general hospitals, including Federal Disproportionate Share Hospital ("DSH") payments.

Purpose:

This bill would revise the methodology for distributing Indigent Care Pool ("ICP") funds to general hospitals, including Federal Disproportionate Share Hospital ("DSH") payments, to: (1) ensure that the allocation of ICP funds is simplified, transparent and equitable; (2) comply with Federal changes to the DSH program, mitigating the potential reduction in funds to the State as a result of such changes and protecting access to care by indigent persons; and (3) improve compliance with Public Health Law ("PHL") § 2807-k (9-a), known as the Financial Assistance Law ("FAL").

Statement in Support, Summary of Provisions, Existing Law, and Prior Legislative History:

Section 1 of the bill would add a new PHL § 2807-k(5-d) to require the Department of Health ("DOH") to promulgate regulations establishing a new ICP distribution methodology for periods on and after January 1, 2013, through December 31, 2015. For each of those years, the methodology would require distribution of $139.4 million to major public general hospitals and $994.9 million to private hospitals, allocated according to the "uncompensated care need amount." It also would establish a transition pool for the purpose of ensuring that no facility has reduced ICP payments greater than set percentages specified in regulations, as compared to the average distribution that each such facility received for the three prior calendar years. These funds would be generated with an additional $25 million and by redistributing funds over three years from those hospitals that experience an increase in distributions from those that experience a decrease.

This new subdivision would also provide that, effective January, 2014 one percent of the funds available for distribution would be reserved and set aside in a "Financial Assistance Compliance Pool." Funds would be released to individual hospitals based on their substantial compliance with regulations implementing the FAL.

Section 2 of the bill would amend PHL § 2807-c(14-f) to conform the indigent care adjustment distributions to the new methodology for the "uncompensated care need amount."

Section 3 of the bill would amend PHL § 2807(2-a) to reduce Hospital Outpatient Ambulatory Patient Group payments by an aggregate of $25 million annually to fund Indigent Care Transition Pool Payments.

Section 4 of the bill sets forth the effective date.

Budget Implications:

Enactment of this bill is necessary to implement the 2013-14 Executive Budget, the State's multi-year Financial Plan, and to mitigate potential losses in Federal DSH funding. The bill would shift $25 million in gross ($12.5 million General Fund) Medicaid spending to HCRA Fund indigent care spending, but otherwise is fiscally neutral.

Effective Date:

This bill would take effect immediately upon enactment; provided, however, that sections 1 and 2 would be deemed to have been in full force and effect on January 1, 2013.

Part D - Amend State law to conform to the requirements of the federal Affordable Care Act.

Purpose:

This bill would make amend State law to conform to the requirements of the federal Patient Protection and Affordable Care Act, known as the "Affordable Care Act" (ACA).

Statement in Support, Summary of Provisions, Existing Law, and Prior Legislative History:

Section 1 of the bill would repeal Social Services Law (SSL) § 366(1) and replace it with a new § 366(1) that sets forth the Medicaid eligibility categories that will exist as of January 1, 2014, when the Medicaid requirements of the ACA take effect. The new subdivision would identify the categories of individuals who will have their financial eligibility determined based on their modified adjusted gross income ("MAGI"), in

accordance with the new federal requirements, and the categories of individuals whose financial eligibility will be determined under the current rules. The new subdivision also would specify which eligible individuals will receive the current Medicaid benefit package, and which will receive "benchmark coverage" under the new federal requirements. Finally, the new subdivision would define terms such as "benchmark coverage," "caretaker relative," "family size," "federal poverty line," "household," "MAGI (Modified Adjusted Gross Income)," "MAGI-based income," "MAGI household income," and "standard coverage."

Section 2 of the bill would repeal SSL § 366(4) and add a new § 366(4) updating current Medicaid provisions related to transitional medical assistance, pregnant women and children, continuous coverage for adults, breast and cervical cancer treatment and colon and prostate cancer treatment to conform to federal ACA requirements.

Sections 3, 4 and 5 of the bill would amend SSL § 364-i(4), (5) and (6) to base presumptive Medicaid eligibility for pregnant women, children, and persons in need of treatment for breast, cervical, colon, or prostate cancer on MAGI household income.

Section 6 of the bill would amend SSL § 365-a(1) and (2) to define the Medicaid benchmark benefit to include the current Medicaid benefit package, with the exception of institutional long term care services, plus any additional federally required benefits.

Section 7 of the bill would amend SSL § 366-a(1) to allow online and phone Medicaid applications.

Sections 8 and 9 of the bill would amend SSL § 366-a(2) and (3) to increase the extent to which Medicaid applications may be submitted to and processed by the Department of Health (DOH) or its agent.

Section 10 of the bill would amend SSL § 366-a(5)(b) and (c) to require DOH to recertify Medicaid eligibility, whenever possible, based on reliable information possessed or available to DOH. However, if DOH or its agent is unable to renew eligibility based on available information, the recipient will be required to supply only such information as is reasonably necessary to determine continued eligibility for medical assistance.

Section 11 of the bill would repeal SSL § 366-a(5)(d) to eliminate documentation requirements that are inconsistent with federal ACA provisions requiring self-attestation of certain information used to determine Medicaid eligibility.

Section 12 of the bill would amend SSL § 366-a(5)(e) to provide that the Commissioner of Health (Commissioner) will only request additional information from a Medicaid applicant or recipient when information supplied by the applicant or recipient is not reasonably compatible with information obtained by the Commissioner from other sources.

Section 13 of the bill would repeal SSL § 364-j(11) to eliminate the guarantee of Medicaid payment of six months of premiums to a Medicaid managed care plan with respect to an individual who becomes ineligible for Medicaid prior to the end of the first six months of enrollment with the plan.

Section 14 of the bill would amend SSL § 369-ee(2)(a)(v)(d), restricting applications to enroll in the Family Health Plus program to those received through December 31, 2013.

Section 14-a of the bill would add new SSL § 369-ee(5)(d) to provide that Family Health Plus coverage for individuals enrolled as of January 1, 2014, will terminate once such individuals obtain coverage through the New York Health Benefit Exchange (Exchange), on December 31, 2014, or on such date as federal financial participation is no longer available for Family Health Plus, whichever is earliest.

Section 15 of the bill would repeal SSL § 369-ee and 369-ff to eliminate the Family Health Plus program and the Family Health Plus employer buy-in program, effective January 1, 2015.

Section 16 of the bill would add a new SSL § 367-a(3)(e) to provide for the payment of premiums and cost-sharing obligations for individuals who enroll in a qualified health plan (QHP) at the silver level through the Exchange, if they were also enrolled in the Family Health Plus program at its termination or at the time of enrollment in the QHP and have MAGI household income in excess of 133 percent, but less than 150 percent, of the federal poverty level.

Section 17 of the bill would add a new Public Health Law (PHL) § 2510(13) to define household income for purposes of determining eligibility for the Child Health Plus program.

Section 18 of the bill would add new PHL § 2510(14) and (15) to clarify that the “State Enrollment Center” makes eligibility determinations for all insurance affordability programs, including the Child Health Plus program, as the centralized system.

Sections 19 and 20 of the bill would amend PHL § 2511(2) to allow the State Enrollment Center to dis-enroll a child from Child Health Plus if the child’s household does not provide income documentation required by request of the State Enrollment Center in a timely manner, and clarify that the State Enrollment Center must maintain confidentiality of records supplied.

Section 21 of the bill would amend PHL § 2511(4) to require households to report to the State Enrollment Center within 30 days if there are any changes in New York State residency or health care coverage that may make a child ineligible for subsidy payments.

Section 22 of the bill would amend PHL § 2511(5-a) to require the State Enrollment Center to review all information of Child Health Plus program applicants for the purpose of making eligibility determinations.

Section 23 of the bill would amend PHL § 2511(11) to discontinue the need for plans to report enrollee demographic information once the State Enrollment Center is implemented.

Sections 24 and 25 of the bill would amend PHL § 2511(12) and (12-a) to discontinue the requirement for audits of plan eligibility determinations.

Section 26 of the bill would amend PHL § 2511(2)(f) to define rules for electronic verification of income and residency of an applicant for the Child Health Plus program.

Section 27 would amend PHL § 2511(2)(g) to eliminate temporary enrollment in the Child Health Plus program.

Section 28 of the bill would amend PHL § 2511(2-b) to require a household whose members are lawfully residing in the country to provide a social security number for children enrolled in the Child Health Plus program.

Sections 29 through 32 of the bill would amend PHL §§ 2510(9) and 2511(2)(a), (2)(d) and (18) to modify Child Health Plus program eligibility categories to conform to MAGI.

Section 33 of the bill would amend PHL § 2511(9) to remove the necessity of personal interviews for recertification of the Child Health Plus eligibility.

Section 33-a of the bill would amend SSL § 365-n(5) to include amendment of existing contracts as necessary to comply with the requirements of the ACA.

Sections 34 through 37 of the bill would amend Insurance Law (IL) §§ 2101(a), (c) and (k) and 2102 (b)(4) to exempt navigators from the definitions of “insurance agent,” “insurance broker,” “insurance producers,” and “insurance consultant.”

Sections 38 through 40 of the bill would amend IL §§ 3216(i)(25)(B), 3221(l)(17)(B) and 4303(ee)(2) by replacing the existing $45,000 annual benefit limit for applied behavior analysis for individuals diagnosed with autism spectrum disorder with an annual benefit limit of 680 hours of treatment.

Section 41 of the bill would add a new IL § 3240 to define student accident and health insurance, disallow pre-existing condition exclusions, include essential health benefits, to specify appropriate reasons for termination, to allow the Superintendent of Financial Services (Superintendent) to promulgate regulations, to set the ratio of benefits to premiums at 82 percent, and to require insurers and corporations to annually report claims experience and other data to the Superintendent.

Sections 42 through 46 would amend IL §§ 3216, 4304, 4321 and 4322 and add a new IL § 4328 to provide that policies meeting the requirements of the ACA shall be offered by all health maintenance organizations (HMOs) rather than the standardized health insurance contracts currently required. HMOs may choose to provide this coverage through the Exchange, the market outside the Exchange, or both. HMOs that satisfy this requirement through the Exchange must provide coverage on a limited basis outside of the Exchange for those that are not eligible to purchase coverage through the Exchange. Not-for-profit corporations and commercial insurers offering coverage in the individual market must also comply with the requirements of the ACA on the same basis as HMOs.

Sections 47 through 52 would amend IL §§ 3221, 4304 and 4305 to bring health insurance conversion policies into compliance with the ACA.

Sections 53 through 55 would amend IL §§ 3216, 3221 and 4303 to provide that small group policies that are not "grandfathered health plans" must provide essential health benefits required by the ACA and that optional "make available" benefits do not need to be offered in the health benefit exchange or outside of the health benefit exchange if they are incorporated into the essential health benefits required by the ACA.

Section 56 of the bill would amend IL § 4326 to eliminate the Healthy NY program for qualified individuals and qualified small employers who are sole proprietors. This section also would end all Healthy NY contracts, including grandfathered contracts, for qualified small employers and transitions qualified small employers to ACA compliant plans that offer the essential health benefits package at a permissible actuarial value. It also would require the Superintendent to standardize the benefit package and cost sharing requirements for such plans.

Section 57 of the bill would add a new IL § 4326-a to end Healthy NY coverage for individual and sole proprietor enrollees on December 31, 2013, and require 180 days' notice of program discontinuance. This section also would discontinue qualified small employer contracts that do not offer coverage for essential health benefits and requires enrollees to be transitioned to a plan that complies with ACA.

Section 58 of the bill would amend IL § 4327 to eliminate the individual stop loss fund for the Healthy NY program.

Section 59 of the bill would amend IL § 4235(d)(1) to provide that the current definition of employee does not apply to insurance plans that offer group hospital, medical or other types of comprehensive expense reimbursed health insurance.

Section 60 of the bill would add a new IL § 4235(d)(3) to define "employee" in accordance with the definition found in the ACA, 42 U.S.C. § 300gg-91(d)(5) and to define "full time employee" as an employee who is employed on average for at least 30 hours of service per week.

Sections 61 and 62 of the bill would amend IL §§ 3231 and 4308 to amend the reporting date for medical loss ratios to make said date consistent with federal reporting requirements.

Section 63 of the bill would add a new IL § 3233(d) to authorize the Superintendent to suspend or terminate any risk-adjustment mechanism under this section should a sufficient federal risk-adjustment mechanism be implemented to avoid a duplicative mechanism.

Sections 64, 65, 67 and 68 of the bill would amend IL § 3221(p) and 4305(j) to establish an alternate process for insurers or corporations which cease to offer group or blanket policies of hospital, surgical, medical expense insurance and instead will be offering a group or blanket policy of hospital, surgical, medical expense insurance that complies with the ACA.

Section 66 of the bill would amend IL § 4304(c) to make technical corrections to correct erroneous cross-references to other sections of law.

Section 69 of the bill would amend IL § 3231 to align group size requirements for small groups to conform with requirements under federal law, correct language regarding pre-existing condition limitations, subject certain insurance products to enrollment periods in conformance with federal law, amend language to conform with pooling requirements. In addition, this section would specify new requirements for premium rating tiers and relativities and require standardized rating regions.

Section 70 of the bill would amend IL § 3231(g) to require that non-employer based groups and Professional Employer Organizations (“PEOs”), must rate separately for individuals, individual proprietors and small employer groups.

Section 71 of the bill would amend IL § 3231(i) to eliminate the special community rating provision applicable to individual proprietors starting on January 1, 2014.

Section 72 of the bill would amend IL § 4317 to align group size requirements for small groups to conform with requirements under federal law, correct language regarding pre-existing condition limitations, and subject certain insurance products to enrollment periods in conformance with federal law, amend language to conform with pooling requirements. In addition, this section would specify new requirements for premium rating tiers and relativities and require standardized rating regions. This section would also specify new rating requirements for individual proprietors and certain members of association groups to comply with federal law.

Sections 73 through 76 of the bill set forth time frames of notice, authority for emergency rulemaking, and effective dates.

Budget Implications:

Enactment of this bill is necessary to implement the 2013-14 Executive Budget and meet the requirements of the federal Patient Protection and Affordable Care Act, known as the Affordable Care Act or ACA. These changes are critical to the Medicaid Financial Plan and managing spending within the State funds cap. Conforming eligibility levels in Medicaid and Child Health Plus with federal rules is essential to meeting the requirements for certain enhanced federal funding levels in Medicaid and Child Health Plus authorized by the ACA. The elimination of Family Health Plus is expected to result in State share savings of $39 million in SFY 2014-15. Additionally, this bill would increase the number of insured New Yorkers who will pay premiums, generating premium taxes and other health care assessments and reducing the need for public support for uncompensated care.

Effective Date:

This bill would take effect immediately and would be deemed to be in full force and effect on and after January 1, 2013, except that: (1) §§ 38, 39, 40, 41, 47, 48, 49, 50, 51, 52, 53, 54, and 55 would take effect January 1, 2014, and would apply to all policies and contracts issued, renewed, modified, altered or amended on or after such date; (2) §§ 42, 43, 44, 45 and 46 of the bill would apply to all policies and contracts issued, renewed, modified, altered or amended on or after October 1, 2013; (3) § 56 would take effect January 1, 2014; (4) §§ 15 and 58 would take effect January 1, 2015; (5) §§ 59 and 60 would take effect January 1, 2016, and would apply to all policies and contracts issued, renewed, modified, altered or amended on or after such date; (6) §§ 14 and 14-a would take effect immediately and would be deemed to be in full force and effect on and after April 1, 2013; and (7) the amendments to PHL § 2511(2)(e) and (f) made by §§ 19 and 26 of the bill would take effect January 1, 2014, or upon implementation of the ACA, whichever is later.

Part E - Improve the State's health care system by: reforming the Early Intervention and the General Public Health Work programs; establishing a new outcome-based contracting and planning initiative for public health programs; streamlining and rationalizing the health planning process; promoting primary care through scope of practice changes; supporting innovative models of care and financing; and rationalizing the State-funded excess medical malpractice insurance pool.

Purpose:

This bill would: (1) reform the Early Intervention (EI) program by integrating covered EI services into health insurance networks and, in conformance with recent changes to federal regulations that allow for greater flexibility in eligibility determinations, streamlining the eligibility process to decrease costs and promote more timely entry into the program for eligible children; (2) enhance the General Public Health Work (GPHW)

program by promoting State health priorities, providing fiscal incentives to improve outcomes and reducing burdens on the State and local governments in administering this program; (3) institute a new outcome-based contracting and planning initiative to permit the Department of Health (DOH) to better administer and target funding to produce improved outcomes and meet emergent needs; (4) streamline and rationalize the health planning processes for health care services and facilities and emergency medical services; (5) promote primary care by enhancing the scope of practice for certain practitioners and permitting operation of retail clinics; (6) support innovative models of care and financing; and (7) rationalize the State-funded excess medical malpractice insurance pool.

Statement in Support, Summary of Provisions, Existing Law, and Prior Legislative History:

Early Intervention

Section 1 of the bill would amend PHL § 2541(9) and (10) to revise the definition of "evaluation" and "evaluator" and define the term "partial evaluation."

Section 2 of the bill would add new PHL § 2541 (13-b) and (15-a) to define the terms "multidisciplinary" and "screening."

Section 3 of the bill would amend PHL § 2542(3) to require persons who refer children to the EI program to inform parents that for children with a diagnosed physical or mental condition with a high probability of resulting in a developmental delay, eligibility for the EI program shall be established through a records review as set forth in PHL § 2544(5), amended by § 4 of the bill.

Section 4 of the bill would renumber several provisions of the PHL and amend PHL § 2544(1) to clarify that each child thought to be an eligible child is entitled to an evaluation conducted in accordance with the provisions set forth in the statute.

Section 4 also would amend PHL § 2544(2) to require initial service coordinators to inform parents that for children with a diagnosed physical or mental condition with a high probability of resulting in a developmental delay, eligibility for the EI program shall be established through a medical records review as set forth in PHL § 2544(5).

Section 4 also would amend PHL § 2544(3) to require screenings to be conducted using standardized screening instruments approved by DOH, unless the evaluator provides a written statement why such screening instruments are not appropriate or available for the child. If, based on such screening, a child is not suspected of having a disability, then an evaluation would not be required, unless requested by the parents. If the screening indicates that an evaluation is required or the parents request an evaluation, the evaluation would be initiated. The screening component, which is required in some states and used by most, would not delay development or implementation of the IFSP.

Federal and state law requires that once a referral is made, the eligibility process must be completed and the IFSP meeting held within 45 days.

Section 4 also would amend PHL § 2544(4) to require that evaluations be conducted using standardized evaluation instruments approved by DOH, unless the evaluator provides a written statement why such evaluation instruments are not appropriate or available for the child. If the child is found to be eligible, the evaluation would continue with an assessment of child's strengths and needs in each of the developmental areas and services appropriate to meet those needs and other relevant considerations.

Section 4 also would add a new PHL § 2544(5) to provide that for children with a diagnosed physical or mental condition with a high probability of resulting in a developmental delay, eligibility for the EI program shall be established using medical or other records. Such record review process is consistent with recent revisions to regulations issued under the federal Individuals with Disabilities Education Act (IDEA). If a child is found eligible pursuant to such review, he or she would receive the assessment set forth in PHL § 2544(4).

Section 4 also would add a new PHL § 2544(6) to provide that if a child who received an evaluation, was found ineligible, and was referred again due to the same delay in a single developmental area more than three and less than six months later, the child would receive a partial evaluation to assess the same developmental delay in lieu of a second full evaluation that looked at all the developmental areas. However, if there is a new concern in that same developmental area, or the delay is in more than one developmental area, or there is a significant change in overall development before six months has passed, the child would receive another full evaluation. This is consistent with the practice in other states and with federal regulations.

Section 5 of the bill would amend PHL § 2545(1) and (2) to allow a representative of a covered child's third party payor, including a Health Maintenance Organizations (HMO), Medicaid, and Child Health Plus, to attend the Individualized Family Service Plan (IFSP) meeting. It further provides that the meeting date and time will be chosen by the EI official and that the representative can participate via a conference call or other means.

Section 6 of the bill would amend PHL § 2545(10) to ensure timely implementation of the IFSP.

Section 7 of the bill would add a new PHL § 2545-a to require that for a child with third party insurance, a provider approved by DOH and within the insurer's network be assigned to render the services to the child unless certain conditions are met. This would apply to new children referred to the program on or after January 1, 2014. This section also states that evaluators and providers must maintain contracts or agreements with an adequate number of insurers.

Section 8 of the bill would amend PHL § 2557 to structure the payment process for children without health insurance coverage.

Section 9 of the bill would amend PHL § 2559 related to payment for the EI program from health insurers. Rates paid by insurers would be negotiated between the insurer and the provider unless the provider is not part of the network, in which case payment would be made in accordance with the out of network coverage rate. The payment negotiated would be payment in full and there would be no balance billing.

Section 10 of the bill would amend PHL § 2510 to require coverage of EI services by Child Health Plus as defined by the Commissioner of Health (Commissioner).

Section 11 of the bill would amend PHL § 4403 to require third party payors to make available an adequate number of network providers qualified to perform EI services consistent with the needs of the EI program enrollment.

Section 12 of the bill would add a new PHL § 4406(6) to prohibit third party payors from denying valid insurance claims solely on the basis that the service was provided under EI. Additionally, covered EI services would not be counted toward an established maximum annual or lifetime monetary limit, but would be subject to an insurer's policy or visit limitations. Insurance providers would have to provide municipalities and service coordinators with information on the extent of benefits within 15 days, and must also provide municipalities and service coordinators with a list, updated quarterly, of its network providers who are also approved under the EI program.

Section 13 of the bill would amend Insurance Law § 3235-a to authorize insurers to negotiate rates for payment to providers. Payments to out of network providers would be required to be paid at the out of network rate. Additionally, insurance providers would have to provide municipalities and service coordinators with information on the extent of benefits within 15 days and a list, updated quarterly, of its network providers who are also approved under the EI program.

General Public Health Work

Sections 14 through 19 and §§ 21 through 30 of the bill would streamline the process by which counties apply for GPHW funding and would update the core public health service requirements for which funding are available. This would include redefining the core public health services by making chronic disease prevention and emergency preparedness and response independent core services, eliminating health education as a core service, and integrating health education into each of the core services.

Section 20 of the bill would amend PHL § 605 to increase the State base grant amount, currently the greater of $550,000 or 55 cents per capita, to the greater of $650,000 or 65 cents per capita.

Section 31 of the bill would add a new PHL § 619-a to establish a new statewide incentive performance program for GPHW activities and provide up to $1 million annually for this purpose.

Section 32 through 41 of the bill would update language throughout PHL Article 23 to update provisions regarding sexually transmitted diseases ("STDs") to conform to current clinical terminology and public health practice, and to authorize counties to seek third party coverage or indemnification for STD diagnosis and treatment services rendered, where appropriate.

Outcome Based Health Planning

Section 42 of the bill would create a new PHL Article 12-A, entitled "Outcome Based Contracting and Outcome Based Health Planning," consisting of several new sections described below.

PHL § 1202 would set forth legislative findings establishing that the purpose of new Article 12-A is the consolidation of public health programs to provide DOH with the flexibility to promote better health outcomes, target resources effectively and promptly address existing and new or emerging health issues.

PHL §1203 would establish outcome based contracting and planning and would authorize the Commissioner to make grants, awards and disbursements on a competitive basis, pursuant to requests for application or proposal processes covering each of six areas. In addition, the Commissioner could continue existing contracts and agreements if they meet the other requirements of Article 12-A.

PHL § 1204 would establish six outcome based areas and authorize DOH to develop and support various approaches for the purpose of promoting health in integrated care management settings. The six programmatic areas are as follows:

- Chronic Disease Prevention and Treatment: to implement evidence and best practice approaches with an emphasis on preventive care and healthier environments.

- Environmental Health and Infectious Disease: to minimize risks to population health posed by environmental factors and infectious disease and implement evidence and best practice approaches with an emphasis on prevention of exposure.

- Maternal and Child Health Outcomes: to prevent and address those priority adverse maternal and child health and nutrition outcomes, emphasizing the importance of preventive care.

- HIV, AIDS, Hepatitis C and STDs: to implement evidence and best practice based approaches to HIV, AIDS, Hepatitis C and STD prevention and care.

- Health Quality and Outcomes: to support core priority initiatives that address improved population health outcomes, patient safety and quality.

- Workforce Development: to better address the goals of improving care, reducing costs and preparing for the increased demand for services resulting from the implementation of the federal health care reform law (Affordable Care Act).

Health Planning

Section 43 of the bill would amend PHL § 2802 to streamline the Certificate of Need (CON) planning process for the establishment and construction of health care services and facilities and rationalize standards used by the Public Health and Health Planning Council (PHHPC) provisions in considering prospective facility operators.

Sections 50 and 51 of the bill would add a new PHL § 2806-a and amend Mental Hygiene Law § 32.20 to allow the Commissioner to establish a temporary operator of an adult care facility, a general hospital, a diagnostic and treatment center, or a chemical dependence treatment program certified by the Office of Alcoholism and Substance Abuse (OASAS) on a temporary basis to preserve the best interests of the residents or patients and community served by the facility, when a statement of deficiencies has been issued by DOH for that facility and upon a determination by the Commissioner that significant management failures exist in the facility.

Sections 52 through 86 of the bill would amend PHL Article 30 to reform the overall planning process for emergency medical services (EMS). In particular, the bill would consolidate into a single State Emergency Medical Services Advisory Board (SEMSAB) the four existing statewide bodes: (1) the State Emergency Medical Services Council (SEMSCO); (2) the State Emergency Medical Advisory Committee (SEMAC), established within SEMSCO; (3) the State Trauma Advisory Committee (STAC); and (4) the Emergency Medical Services for Children Council (EMS-C). This new board would be medically driven, assist in reviewing review standards and quality improvement guidelines, and making recommendations to the Commissioner. Further, SEMSAB would be authorized to form technical advisory groups to address issued currently under the purview of SEMAC, SAC and EMS-C. In addition, the 18 Regional Emergency Medical Services Councils (REMSCOs) would be consolidated into 10 units.

Primary Care

Section 87 of the bill would amend Education Law § 6908(1)(a)(iv) to authorize a demonstration program to allow home health aides, while supervised by a professional nurse, to administer medication that is routine and premeasured.

Section 88 of the bill would add new Education Law § 6908(1)(i) to authorize a certified advanced home care aide to provide nursing services when such services are provided to a self-directing individual, and such aide is assigned by and such services are performed while supervised by a registered professional nurse.

Section 89 of the bill would add new PHL § 3612 to authorize the Commissioner to certify advanced home care aides and promulgate regulations establishing the minimum training and qualifications of such advanced home care aides.

Section 90 of the bill would amend Education Law § 6605-b(1) to clarify that a registered dental hygienist may not administer or monitor nitrous oxide analgesia or local infiltration anesthesia except under certain specified conditions.

Section 91 of the bill would amend Education Law § 6606(1) to authorize a registered dental hygienist working for a hospital to practice pursuant to a collaborative arrangement with a licensed dentist pursuant to regulations promulgated under PHL Article 28.

Section 92 of the bill would amend Education Law § 6608 to repeal language providing that a registered dental hygienist may perform dental supportive services only under a dentist's supervision in conformance with the other changes made in the bill.

Section 93 of the bill would amend Education Law § 6611(7) and (10) to clarify that a registered dental hygienist who x-rays the mouth or teeth of a patient during the performance of dental services must work under the direct supervision of a dentist. This section would also require a registered dental hygienist who practices in collaboration with a licensed dentist for a hospital to be certified in cardiopulmonary resuscitation ("CPR").

Section 94 of the bill would amend Education Law § 903(2) to authorize a registered dental hygienist to sign a dental health certificate, thereby certifying the dental health of students in public schools. This section would also add dental practices and registered dental hygienists to the current list of dental services provided on a free or reduced cost basis that schools must make available upon request.

Section 95 of the bill would amend Education Law § 6902(3) to eliminate the requirements for written collaboration agreements and written practice protocols between certified nurse practitioners and licensed physicians for nurse practitioners providing only primary care services, if they demonstrate that such agreements and protocols are not feasible.

Section 96 of the bill would amend Education Law § 6542(3) and (5) to revise the number of physician assistants that can be supervised by a physician from two to four in the physician's private practice and from supervising four to six assistants when such physician is employed by or renders services to the Department of Corrections and Community Supervision (DOCCS).

Section 97 of the bill would require radiologic technologists licensed in New York who are either licensed or seeking licensure in another state to immediately report to DOH any out-of-state criminal convictions or disciplinary actions.

Sections 98 through 100 of the bill would amend L. 2002, c. 420 and repeal L. 2002, c. 676, § 17-a(b), to make permanent the exemption from social work and mental health licensure for individuals working in programs that are regulated, operated, funded or approved by the Office of Mental Health, DOH, the State Office for the Aging, the Office of Children and Family Services, DOCCS, OASAS, and the Office for People with Developmental Disabilities, and/or local governmental units or social services districts.

Section 101 of the bill would add a new PHL § 2801-a(17) to establish the authority to promulgate regulations for the oversight of diagnostic or treatment centers established to provide health care services within a retail business operation.

New Models of Care and Financing

Section 102 and 103 of the bill are intentionally omitted.

Section 104 of the bill would add a new PHL § 2801-a(18) authorizing the Commissioner to establish a pilot program under which PHHPC would approve one business corporation in Kings County and another elsewhere in the State allowing increased capital investment in health care facilities.

Section 105 of the bill is intentionally omitted.

Excess Medical Malpractice Pool

Section 106 through 108 of the bill would limit the number of excess medical malpractice policies purchased for physicians using State funds to the number of policies for which the payment of actuarially sound rates can be supported by the amount appropriated in the budget, granting priority to the highest risk specialties. Refocusing the priority of the excess pool in the manner will allow for a reduction in the overall appropriation from previous years.

Sections through 109 through 118 of the bill are intentionally omitted.

Sections 119 through 122 of the bill set forth time frames of notice, authority to promulgate emergency regulations, severability clause, and effective dates.

Budget Implications:

Enactment of this bill is necessary to implement the 2013-14 Executive Budget to achieve total savings of $52.4 million in Fiscal Year (FY) 2014 and $57.3 million in FY 2015, as detailed below.

- $0.9 million savings in FY 2014 ($3.6 million in FY 2015) associated with the EI program from streamlining certain eligibility determinations;

- $1.2 million in costs in FY 2014 ($2.5 million in FY 2015) associated with integrating covered EI program services into the managed care delivery program;

- $3.5 million savings in FY 2015 associated with GPHW savings associated with reducing reimbursement for certain services offset by the cost of increasing the base grant to counties and providing an annual performance incentive;

- $40.0 million in annual savings starting in FY 2014 associated with consolidating various programs within the local assistance schedule into six health programmatic areas; and

- $12.7 million in savings associated with the rationalization of State-funded excess medical malpractice insurance coverage.

Further, this bill avoids a $325 million annual cost resulting from new licensure requirements for the State and entities licensed and regulated by the State.

Effective Date:

This bill would take effect April 1, 2013, with the following exceptions: (1) PHL § 2544(2)(a), as amended by § 4 of the bill, would take effect January 1, 2014; (2) PHL § 2545(10), as amended by § 6 of the bill, would take effect at the same time as Chapter 56 of the Laws of 2012, Part A, § 2-a; (3) PHL § 2545-a(2), as added by § 7 of the bill, and PHL § 4006(6)(g), as added by § 12 of the bill, would take effect October 1, 2013; (4) PHL § 4406(6)(b), as added by § 13 of the bill, and Insurance Law § 3235-a, as amended by § 13 of the bill, would take effect April 1, 2013; (5) PHL § 4406(6)(f), as added by § 12 of the bill, would take effect January 1, 2014; (6) Insurance Law § 3235-a(f), as added by § 13 of the bill, would take effect January 1, 2014; (7) §§ 5, 9, 10, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 26, 27, 28, 29 and 30 would take effect January 1; 2014; and (8) §§ 87, 88 and 89 would take effect April 1, 2014.

Part F - Require that the Methadone Registry include client dosage information to assist in facilitating disaster management.

Purpose:

To require that the Methadone Registry collect and maintain data regarding dosage delivery for patients enrolled in opioid treatment programs.

Statement in Support, Summary of Provisions, Existing Law, and Prior Legislative History:

This bill requires the Methadone Registry to incorporate client dosing information on individual patients enrolled in opioid treatment programs. This will ensure that treatment services to such patients will not be adversely impacted in the event of an emergency or program closure.

Budget Implications:

While there are no immediate fiscal implications to the State, this bill is intended to facilitate more efficient and effective services, while avoiding costs that could arise due to improper client dosing during a temporary or permanent program closure.

Effective Date:

This bill would take effect on April 1, 2013.

Part G - Clarify that OASAS can continue to fund provider programs via direct contracts or through the State Aid Funding Authorization process.

Purpose:

This bill would clarify that the Office of Alcoholism and Substance Abuse Services (OASAS) can continue its current method of funding provider programs either through direct contracts or via the State Aid Funding Authorization (SAFA) process, whereby funds are directly allocated to counties.

Statement in Support, Summary of Provisions, Existing Law, and Prior Legislative History:

This bill will address OSC concerns by streamlining the Mental Hygiene Law (MHL) in relation to the funding of all services regulated by OASAS. Specifically, it amends Article 25 and repeals Article 26 to codify in statute the current process of State Aid funding, and relationships between local governments, voluntary agencies, and OASAS.

Section 1 of the bill repeals Article 26 of the MHL.

Section 2 amends the title of Article 25, consistent with the creation of a single Article relating to funding of all OASAS services.

Section 3 amends MHL §25.01 to update definitions consistent with the current funding process and to conform to other statutory and policy changes applicable to state aid funding of substance abuse services, which have been implemented since 1992.

Section 4 updates process descriptions regarding financial support and disbursement of funds and clarifies maintenance of effort obligations of local governments.

Sections 5, 6, 7, 8, 10, 11 and 12 make corresponding changes to terminology and conform language.

Section 9 updates the process description of distribution of state aid to local governments to clarify the relationship to state finance law, and contractual or other relationships and obligations between local governments, voluntary agencies and OASAS regarding distribution of state aid.

Section 13 amends §14.18 of the MHL to remove reference to Article 26, which is repealed by this bill.

Section 14 of the bill provides for an effective date of April 1, 2013.

Budget Implications:

Absent this bill, OASAS would need to hire two additional State contract staff, at an annual cost of $210,000, to meet the new county contracting requirements imposed by OSC. Additionally, counties would experience increased administrative costs related to contract development and execution.

Effective Date:

This bill would take effect on April 1, 2013; provided, however, that any rules or regulations necessary to implement the bill will have been promulgated prior to such effective date.

Part H - Continue criteria and appropriate prior notice to ensure the efficient operation of hospitals by the Office of Mental Health; extend the community reinvestment program.

Purpose:

This bill would continue the criteria authorized in Chapter 56 of the Laws of 2012 for the Commissioner of the Office of Mental Health (OMH) to identify potential closures, consolidations, mergers, reductions, transfers, or redesign of services of hospitals, facilities, and programs operated by OMH, including the closure of wards or the conversion of beds to transitional placement programs. The legislation continues the requirement in Chapter 56 of the Laws of 2012 that OMH provide 75 days prior notice for facility closures and 45 days prior notice for ward closures or conversions, and makes that notice standard permanent. This requirement facilitates timely placement of individuals in the most integrated setting. This bill extends Section 41.55 of the Mental

Hygiene Law (MHL). It also makes technical corrections to the language authorizing the New York City Children's Center (NYCCC) in Chapter 56 of the Laws of 2012.

Statement in Support, Summary of Provisions, Existing Law, and Prior Legislative History:

This bill would continue the existing flexibility for the Commissioner of OMH to reduce inpatient capacity, and to implement other reductions and actions as necessary for the cost-effective and efficient operation of hospitals, facilities and programs, consistent with Federal Olmstead requirements and Executive Order 84. This continued flexibility would help redirect funding to enhance community-based mental health services.

Determinations regarding the closure of beds shall be made by the Commissioner of OMH based on facility-specific criteria, including, but not limited to: what services are provided; long term capital needs; proximity to other facilities that can meet anticipated service needs; and what community mental health services exist in the catchment area.

OMH shall provide notice to the Legislature when implementing a closure or consolidation (75 days for a closure and 45 days for a ward closure or conversion) and post a notice on the OMH public website.

The Community Mental Health Reinvestment program and the community services boards authorized under Section 41.11 of the MHL would both be reauthorized for one year.

This bill also makes technical amendments to Chapter 56 of the Laws of 2012 to change the provision in section one of Part O pertaining to the NYCCC from consolidated to unconsolidated law.

Budget Implications:

Enactment of this bill is necessary to implement the 2013-14 Executive Budget and provide the flexibility needed to meet the federal Olmstead requirement to serve individuals in the most integrated setting possible.

Effective Date:

This bill would take effect on April 1, 2013.

Part I - Authorize the Office of Mental Health (OMH) to continue to recover Medicaid exempt income from providers of community residences.

Purpose:

This bill would continue and permanently clarify OMH's authority to recover Medicaid exempt income from providers consistent with legislation enacted in prior years and a recent court decision.

Statement in Support, Summary of Provisions, Existing Law, and Prior Legislative History:

This bill amends section 41.44 of the Mental Hygiene Law to continue and permanently clarify the authority of the Commissioner of OMH to recoup Medicaid exempt income from providers of community residences licensed by OMH. Legislation enacted in prior years clarified OMH's statutory authority to recoup exempt income for specific time periods.

This proposal allows OMH to recover an amount equal to fifty percent of the Medicaid revenue received by providers that exceeds the fixed amount of annual budgeted Medicaid revenue, as established by OMH. This authority is consistent with contractual agreements between OMH and residential providers. This legislation is necessary to continue existing practice and avoid a loss of $3 million in annual exempt income recoveries.

Budget Implications:

Enactment of this bill is necessary to implement the 2013-14 Executive Budget and will avoid a potential loss of $3 million in recoveries on an annual basis.

Effective Date:

This bill would take effect immediately upon enactment.

Part J - Streamline the organizational structure at the Office of Mental Health (OMH) by vesting statewide appointing authority with the Commissioner of OMH.

Purpose:

This bill would give the Commissioner of OMH statewide appointing authority concerning the assignment and reassignment of staff as needed to ensure the continuity of services provided to patients by OMH.

Statement in Support, Summary of Provisions, Existing Law, and Prior Legislative History:

This bill would amend an antiquated system and ensure that the appointing authority for all positions previously under the jurisdiction of twenty-four separate facility directors will reside with the OMH Commissioner. This is a new bill that is designed to streamline decision-making and better align responsibility to best serve individuals with mental illness. Similar appointing authority was authorized for the Commissioner of the Office of People with Developmental Disabilities (OPWDD) under Sections 2 and 3 of Part J of Chapter 56 of the Laws of 2012, and is common with most well-run organizations.

Section one of the bill would amend subdivision (a) of Section 7.19 of the Mental Hygiene Law (MHL) to establish the Commissioner as the appointing authority for all OMH employees.

Section two would amend subdivision (a) of Section 7.21 of the MHL to transfer the authority of OMH facility directors to appoint and remove facility employees to the OMH Commissioner.

Budget Implications:

Enactment of this bill is necessary to implement the 2013-14 Executive Budget because it would provide the necessary flexibility to ensure that OMH can adequately staff hospitals and state run programs, while ensuring a consistent and holistic approach to meeting the needs of the individuals it serves.

Effective Date:

This would bill take effect on April 1, 2013.

Part K - Clarify the date when annual examinations and notice of rights are provided to sex offenders confined in a secure treatment facility.

Purpose:

This bill would amend Mental Hygiene Law (MHL) § 10.09 to clarify that annual reviews for sex offenders must be completed within one year of the date on which the court last ordered or confirmed the need for continued confinement.

Statement in Support, Summary of Provisions, Existing Law, and Prior Legislative History:

Changes made to MHL § 10.09 in the 2012 Enacted Budget directed annual reviews for sex offenders no later than one year after the date on which the supreme or county court judge last ordered or confirmed the need for continued confinement. However,

other new language suggesting that the date for the annual examination also could be calculated from the date when the respondent waived the right to petition for discharge, "whichever is later," has resulted in confusion and inconsistent determinations of the annual review dates. Some courts have mistakenly set annual review dates calculated from the date of the MHL § 10.09(g) waiver, even if the court's order or confirmation was made after that date.

This proposal would resolve this confusion in several ways. First, it would amend MHL § 10.09(a) to provide that the Commissioner of the Office of Mental Hygiene (OMH) must provide the annual notice of the respondent's right to petition for discharge no later than 11 months after the date of the last court order or confirmation of the need for continued confinement. Second, it would amend MHL § 10.09(b) to clarify that the required annual examination of the respondent's mental condition would be calculated from the date on which the court last ordered or confirmed the need for continued confinement. Third, it would amend MHL § 10.09(c) to provide that the due date of the Commissioner's annual notice and report to the court shall likewise be calculated from the date of the last court order or confirmation.

OMH psychiatric examiners completed 145 annual reviews in 2011. It is estimated that approximately 170 reviews were done in 2012. On average, each annual review takes seven days to complete, including preparation and delivery of court testimony. Eliminating premature reviews will free up psychiatric examiners to provide services for confined sex offenders. At the same time, staff will still retain the option to review a respondent at any time, regardless of the timing of the last review. Respondents also will retain the ability to file a writ of habeas corpus to challenge their continued confinement.

Budget Implications:

Enactment of this bill is necessary to implement the 2013-14 Executive Budget and to create operational efficiencies for OMH.

Effective Date:

This bill would take effect immediately and shall be deemed to have been in full force and effect on and after April 1, 2013.

Part L - Improve the State and local response to violent incidents involving persons with mental illness through the establishment of mental health incident review panels.

Purpose:

This bill would authorize the Commissioner of the Office of Mental Health (OMH) to convene panels of State and local officials to review violent incidents involving persons with mental illness who either harm others or are themselves harmed. Such panels must include mental health officials, but may also include members from local law enforcement and social service agencies. To encourage candid assessments of systemic or other problems that led to the incident under review, the information obtained by the review panel will be deemed confidential. Such panels also shall have access to all information, records, documentation and reports otherwise made confidential by the provisions of Section 2805-m of the Public Health Law. The OMH Commissioner must make an annual report to the Legislature and the Governor summarizing the findings and recommendations made by the review panels.

Statement in Support, Summary of Provisions, Existing Law, and Prior Legislative History:

This bill adds a new Section 31.37 to the Mental Hygiene Law (MHL) to authorize the Commissioner of OMH to include local and state officials with varied backgrounds in review panels, which will permit more effective and comprehensive evaluations of any gaps or failures that may have contributed to a violent incident in the community involving a person with a mental illness. These reviews will result in policy recommendations to help prevent future occurrences and to enhance public safety.

The bill would amend Section 33.13 of the MHL and Section 6527 of the Education Law to extend quality assurance privileges to the review panels. The assurance of confidentiality will promote objective and comprehensive incident reviews, since panel members may frankly and freely discuss and analyze any errors or shortcomings in the mental health and/or criminal justice system that may have led to the incident's occurrence, thus leading to both improved quality of care for persons with mental illness and enhanced protection for the public. Such confidentiality provisions are already authorized for the inpatient incident reviews required under Section 29.29 of the MHL, for child fatality reviews conducted pursuant to Section 422-h of the Social Services Law and for the new domestic violent fatality review teams established pursuant to Chapter 491 of the Laws of 2012.

Budget Implications:

Enactment of this bill is necessary to implement the 2013-14 Executive Budget because it would improve OMH's current incident reporting procedures within existing resources.

Effective Date:

This bill would take effect sixty days after enactment.

Part M - Eliminate redundant reports prepared by the Office of Mental Health (OMH) and the Office for People with Developmental Disabilities (OPWDD).

Purpose:

This bill would repeal the statutory requirements for the annual comprehensive psychiatric emergency (CPEP) and family care reports required to be submitted by the Office of Mental Health (OMH) and the Office for People With Developmental Disabilities (OPWDD), as well as the annual abuse and neglect of adults with developmental disabilities report submitted by OPWDD and the Office of Children and Family Services (OCFS), to the Governor and the Legislature.

Statement in Support, Summary of Provisions, Existing Law, and Prior Legislative History:

This bill would repeal mandated reports for the Family Care and CPEP programs, which were established in 1975 and 1989 respectively, and the mandated report of abuse and neglect of adults with developmental disabilities, which was established in 2005. There has been ample time to evaluate the operation of these programs. Additionally, information in these mandated reports is duplicative of that included in other documents and presentations that OMH and OPWDD annually provide to the Governor and the Legislature, such as the 5.07 Plan Report. Reports of abuse and neglect to individuals with developmental disabilities will be handled by the newly formed Justice Center for the Protection of People with Special Needs.

Section one of this bill would repeal the requirement under Chapter 723 of the Laws of 1989 for the annual report to the Governor and the Legislature on the CPEP.

Section two would repeal the requirement under subdivision (c) of Section 7.15 of the Mental Hygiene Law for an annual report on the activities of the family care homes and other community residences provided by OMH.

Section three would repeal the requirement under subdivision (c) of Section 13.15 of the Mental Hygiene Law for an annual report on the activities of family care homes and other community residences provided by OPWDD.

Section four would repeal the requirement under paragraph (3) of subdivision (d) of Section 16.19 of the Mental Hygiene Law for an annual report of any instances of abuse and neglect to adults with developmental disabilities.

Budget Implications:

Enactment of this bill is necessary to implement the 2013-14 Executive Budget and will result in annualized savings of $50,000 from the production costs and support staff time associated with these reports.

Effective Date:

This bill would take effect on April 1, 2013.

Part N - Establish a one-year deferral of the Human Services Cost-of-Living Adjustment.

Purpose:

This bill would defer the Human Services Cost-of-Living Adjustment (COLA) for FY 2014 and extend the adjustment for an additional year, through March 31, 2017.

Statement in Support, Summary of Provisions, Existing Law, and Prior Legislative History:

This bill would defer the FY 2014 COLA for designated Human Services programs under the auspices of several State agencies, including the Office for People with Developmental Disabilities, Office of Mental Health, Office of Alcoholism and Substance Abuse Services, the Department of Health, the State Office for the Aging, and the Office of Children and Family Services.

Additionally, this bill seeks to honor the State's commitment to support the COLA for three years by continuing the adjustment for one additional year, through FY 2017.

Budget Implications:

Deferring the formula for the FY 2014 Human Services COLA will result in State savings of $44 million in FY 2014.

Effective Date:

This bill would take effect on April 1, 2013.

The provisions of this act shall take effect immediately, provided, however, that the applicable effective date of each part of this act shall be as specifically set forth in the last section of such part.