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

AN ACT to authorize a Medicaid across the board reduction (Part __);

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

PART __

Section 1. (a) Notwithstanding any other provision of law to the contrary, for the state fiscal years beginning April 1, 2019 and ending on March 31, 2021, all Medicaid payments made for services provided on and after April 1, 2019, shall, except as hereinafter provided, be subject to a uniform reduction and such reduction shall be applied, to the extent practicable, in equal amounts during the fiscal year, provided, however, that an alternative method may be considered at the discretion of the commissioner of health and the director of the budget based upon consultation with the health care industry including but not limited to, a uniform reduction in Medicaid rates of payments or other reductions provided that any method selected achieves up to $190,200,000 in Medicaid state share savings in state fiscal year 2019-2020 and up to $190,200,000 in state fiscal year 2020-2021, except as hereinafter provided, for services provided on and after April 1, 2019 through March 31, 2021. Any alternative methods to achieve the reduction must be provided in writing and shall be filed with the senate finance committee and the assembly ways and means committee not less than thirty days before the date on which implementation is expected to begin. Nothing in
this section shall be deemed to prevent all or part of such alternative reduction plan from taking effect retroactively, to the extent permitted by the federal centers for medicare and Medicaid services.

(b) The following types of appropriations shall be exempt from reductions pursuant to this section:

(i) any reductions that would violate federal law including, but not limited to, payments required pursuant to the federal medicare program;

(ii) any reductions related to direct payments pursuant to article 32, article 31 and article 16 of the mental hygiene law;

(iii) payments the state is obligated to make pursuant to court orders or judgments;

(iv) payments for which the non-federal share does not reflect any state funding; and

(v) at the discretion of the commissioner of health and the director of the budget, payments with regard to which it is determined by the commissioner of health and the director of the budget that application of reductions pursuant to this section would result, by operation of federal law, in a lower federal medical assistance percentage applicable to such payments.

(c) Reductions to Medicaid payments or Medicaid rates of payments made pursuant to this section shall be subject to the receipt of all necessary federal approvals.

§ 2. This act shall take effect immediately.