

**SFY 2016-17 Executive Budget
 Health/Mental Hygiene Summary**

SECTOR	INITIATIVE	DESCRIPTION
Multiple-Sectors		
	Global Spending Cap	Extends the current Medicaid Global Cap for one year through SFY 2017-18, indexed at a rate of 3.4%
	NYC Medicaid Share	Re-institutes NYC's contribution toward financing growth in Medicaid expenses beginning at \$180 million and increasing to \$476 million in 2018 and \$129 million annually thereafter
	Minimum Wage	<p>Proposes to increase the minimum wage in NYC from \$9 per hour to:</p> <ul style="list-style-type: none"> • \$10.50 on July 31, 2016; • \$12.00 on December 31, 2016; • \$13.50 on December 31, 2016; and • \$15.00 on December 31, 2018. <p>In the Rest of the State, the minimum wage would increase from \$9 per hour to:</p> <ul style="list-style-type: none"> • \$9.75 on July 31, 2016; • \$10.75 on December 31, 2016;

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		<ul style="list-style-type: none"> • \$11.75 on December 31, 2017; • \$12.75 on December 31, 2018; • \$13.75 on December 31, 2019; • \$14.50 on December 31, 2020; and • \$15.00 on July 1, 2021.
	Capital Restructuring Financing Program (CRFP)	Re-appropriates \$1.2 billion for CRFP
	Health Care Transformation Program	<p>Redirects last year's \$300 million appropriation for Oneida County to provide:</p> <ul style="list-style-type: none"> • \$195 million to be used statewide for replacement of inefficient and outdated facilities as part of a merger, acquisition, consolidation or other restructuring that is part of a transformation plan to create a financially sustainable system; Eligible facilities include hospitals, residential health care facilities, D&TCs, mental health clinics, primary care providers and home care providers; • \$100 million for economic development at Nano Utica; and • \$5 million for the purchase of mammography equipped vehicles
	VAP Funding	Includes \$212 in Vital Access Provider (VAP) Funding
	Cost of Living Adjustment	Includes a 0.2% Cost of Living Adjustment/Medicaid Trend for Health/Human Services agency providers
	SHIN-NY	Provides \$30 million in continued SHIN-NY funding
	All Payer Database	Provides \$10 million in continued funding for the All Payer Database (APD)

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Hospitals/Healthcare Facilities		
	Intergovernmental Transfers (IGT) and DSH (Disproportionate Share Hospital) Payments	Permanently extends NYSDOH authority to make IGT/DSH payments to public hospitals outside New York City, Nassau, Westchester and Erie Counties
	Hospital Behavioral Rates	Permanently extends annual reimbursement method for hospitals for behavioral rates
Ambulatory Care		
	"Limited Services" Clinics	<p>Authorizes the establishment and regulation of "Limited Services Clinics" within retail establishments such as pharmacies, stores and shopping malls. The proposal differs from prior years by requiring clinics to operate in medically underserved areas, requiring NYS DOH to determine whether a clinic has fulfilled its commitment to operate in a medically underserved area prior to approving additional clinics, and allowing a D&TC, community health center, or FQHC to operate a limited service clinic. In addition, clinics may not discriminate based on source of payment and would be prohibited from treating any patient for the same condition or illness more than 3 times a year.</p> <p>The following provisions would apply to limited services clinics:</p> <ul style="list-style-type: none"> • Require such entities to have principal stockholders and members which demonstrate sufficient experience and expertise in delivering high quality health care services as determined by PHHPC. • Require PHHPC to adopt rules and regulations relating to the establishment of limited services clinics, including

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		<p>transfer of ownership, oversight, and character and competence qualifications.</p> <ul style="list-style-type: none"> Exempt operators from statutory requirements relating to a finding of public need, the review of character and competence of stockholders and members, the disposition of stock and voting rights, and corporate ownership of stock and membership. <p>Requires NYSDOH regulations on operational and physical plant requirements and for promoting and strengthening primary care by requiring clinics to: inquire of each patient whether they have a primary care provider (PCP); maintain and update a list of local PCPs and provide the list to each patient who indicates that they do not have a PCP; refer patients to PCPs or other health care providers as appropriate.</p>
	School-Based Health Centers Funding	School-Based Health Centers are funded at last year's level of \$21 million
	Health Homes Funding	Includes \$105 million in funding for health home services and expenses including establishment and infrastructure costs
	Health Homes Criminal Justice Pilot Program	Proposes to change funding for this program to lump sum payments or adjusted rates of payment to providers (rather than grants) as determined by NYSDOH for spending the \$5 million; Specifies that rate adjustments could be made to health homes participating in a criminal justice pilot program with the purpose of enrolling incarcerated individuals with serious mental illness, two or more chronic conditions, including substance abuse disorders, or HIV/AIDS, into the health home
	Primary Care Medical Homes	Permanently extends the Primary Care Medical Home (PCMH) program

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Long Term Care/ Home Care		
	Transportation Reimbursement Managed Long Term Care (MLTC)	Removes reimbursement for transportation services from MLTC capitated rates (excluding PACE plans) and the management of trips will be performed by a contractor procured by the State
	MLTC Eligibility	Restricts eligibility for MLTC to enrollees who require nursing home level care. Existing MLTC members will be allowed to remain in the program
	Medicaid Spousal Support	Makes changes so a spouse of a Medicaid enrollee would no longer be able to refuse to provide financial support for the enrollee's care and services; Proposes to increase the required threshold of spousal financial contributions consistent with federal law
Housing/ Adult Homes		
	Housing and Services for the Homeless	Provides a \$20 billion commitment over five years for Housing and Services for those who are homeless or at risk for homelessness
	Supported Housing for those in Adult Homes	Provides \$38 million for supported housing and services for individuals with mental illnesses who currently live in adult homes
	Affordable Housing for DD population	Provides \$15 million (\$10 million in new funding through the Office for People with Developmental Disabilities (OPWDD) for Affordable Housing
	Temporary Operators of Adult Homes	Permanently extends authorization of temporary operators of adult homes
Physicians/Workforce		

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	Excess Malpractice Program	Reduces program funding by \$25 million to \$102,400,000; Proposes a new distribution formula for the program which will exclude “low risk” physicians. The Department of Financial Services (DFS) is authorized to rank the specialty and geographic location of physicians by risk level to determine the allocation of funds from the excess liability pool
	Physician Loan Forgiveness	Continues Doctors Across NY loan forgiveness funding at \$3,705,000
	Physician Practice Support	Continues Physician Practice Support funding at \$4,360,000
	AHEC	Continues Area Health Education Center (AHEC) system funding at 2,077,000
	Licensure Exemption	Extends through July 1, 2021 the exemption from licensure for individuals working in certain programs regulated/funded by OMH, OPWDD, OASAS, NYSDOH, SOFA, OCFS, DOCCS, OTDA and local governments/social service districts
Pharmacy/ Pharmaceuticals		
	Manufacturer Reporting/Rebates	Authorizes the Commissioner of Health to require drug manufacturer reporting of their costs to research, develop, and market certain high cost specialty drugs as well as the prices they charge to pharmacies and others here and outside the country, the average rebates/discounts paid and average profit margin; Using data collected, the Department of Health (NYSDOH) would set a ceiling price for the new high cost blockbuster drugs as determined by the State’s actuary and the state could require drug manufacturers to provide additional rebates to the NYSDOH for such drugs when prices exceed the ceilings that are set
	Pharmacy Reimbursement Changes	Proposes to give the NYSDOH authority over Fee for Service(FFS) pharmacy reimbursement in the case of drugs designated as

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		"specialty drugs" by one or more managed care plan; For such "specialty drugs" the reimbursement to pharmacies would not exceed the amount managed care plans pay for the drug as determined by NYSDOH using managed care encounter data
	Prior Authorization Pre-DUR Board Evaluation	Authorizes the Commissioner of Health to require prior authorization for fee-for service drugs meeting the Clinical Drug Review Program criteria prior to obtaining the Drug Utilization Review Board's evaluation and recommendation
	Prescriber Prevails	Proposes to eliminate "prescriber prevails" under both FFS and Medicaid managed care for all drug classes except atypical antipsychotics and antidepressants; Currently prescriber prevails applies to all drug classes under FFS and nine classes in managed care
	Rebates on Generics	Authorizes the Commissioner of Health to apply the Federally established Consumer Price Index (CPI) penalty for generic drugs on manufacturers for generic drugs when prices increase at a rate greater than the rate of inflation
	NYSDOH Rebate Negotiations	Allows the Commissioner of Health to continue to negotiate directly with pharmaceutical manufacturers for supplemental rebates outside of the Preferred Drug Program on fee for-service utilization for antiretrovirals and hepatitis C agents as well
	Prior Authorization for Opioids	Requires managed care organizations to implement prior authorization of opioid analgesic refills exceeding four prescriptions in thirty days, consistent with existing fee for service policy
	Overdose Prevention	As part of his Budget address, the Governor said he seeks to add 1,000 pharmacies to the NYSDOH Opioid Overdose Prevention program in 2016 and plans to introduce legislation permitting

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		any pharmacist to administer naloxone (narcan) in the event of an overdose
	Needles/Syringe Program	As part of his Budget address, the Governor proposed to remove limitations on the Expanded Syringe Access Program (ESAP) including limiting the 10-syringe purchase limit, allowing for syringe exchange, and lifting limits on pharmacies which prohibit their advertising ESAP
	MC Plan Penalties	Institutes tiered penalties for the submission of late and/or inaccurate encounter data for Managed Care Organizations to ensure the collection of pharmacy rebates and timely rate setting
Behavioral Health		
	VAP Funding for BH	Includes \$50 million in VAP funding for behavioral health providers
	Community Reinvestment	Includes \$16 million for community reinvestment based on regional needs; Funding is from state hospital bed reductions
	Funding for Non-Residential Programs/ OMH Demonstration Programs	Increases funding for non-residential mental health programs by \$20 million including funding for two demonstration programs overseen by OMH through the Research Foundation of Mental Hygiene
	Children's Mental Health Services	Commits \$7.5 million in new funding for expanded children's mental health services (with growth in funding to \$30 million in SFY 2017-18)- funding provided within the Medicaid global cap
	Raise the Age	Commits \$1 million in funding for OMH to implement Raise the Age to hire 9 FTE
	Opioid/Heroin Funding	Commits \$6 million in new funding to address the opioid/heroin epidemic by re-directing existing OASAS funding

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	Synthetic Drug Testing	Commits \$2 million in new capital funding to purchase synthetic drug testing devices to be used by the State Police and local law enforcement officials
	OASAS Provider Rate Enhancement	Commits \$7 million as a Medicaid rate enhancement for OASAS providers transitioning into managed care- funded within the Medicaid global cap
	SNPs	Authorizes continued operation of Special Needs Plans (SNPs) serving those with mental illnesses or HIV (was set to expire March 31, 2016)
	Medicaid Exempt Income	Extends OMH authority to recover Medicaid exempt income from providers through June 30, 2019
	Comprehensive Psychiatric Emergency Program (CPEP)	Extends the Comprehensive Psychiatric Emergency Program (CPEP) through July 1, 2020
	Restoration to Competency	Authorizes OMH to permit "Restoration to Competency" within jail-based residential settings; Such Restorations are currently only authorized at OMH psychiatric centers, OPWDD developmental centers, psychiatric units at Article 28 hospitals and on an outpatient basis in the community setting
	OMH/OPWDD Temporary Operators	Provides OMH and OPWDD authority to appoint temporary operators for the continued operation of programs and services where the established operator is unable/unwilling to continue operating it
	OMH Facility Clinical Record Sharing	Permits OMH operated/licensed facilities to share clinical records with managed care organizations, behavioral health organizations, health homes and other NYSDOH authorized entities providing or coordinating health services for Medicaid patients
	OASAS-Integrated Health Facilities	Authorizes OASAS-licensed treatment facilities (DSRIP-like integrated health facilities) to also operate traditional health care clinics and remain eligible for DASNY financing

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Developmental Disabilities/ Early Intervention		
	Early Intervention	Contains significant changes to the Early Intervention (EI) program. It would establish a new eligibility process, require EI providers to submit all claims within 90 days or they will not be reimbursed, and impose requirements on health care insurers to pay EI claims promptly and to provide greater coverage of EI services. Two new and separate eligibility processes are set forth: one for children who are referred to the program who have a diagnosed physical or mental condition with a high probability of resulting in a developmental delay, and another for children who have no diagnosis. Children who have no diagnosis will be screened utilizing a standardized instrument approved by NYS DOH and will not receive a full evaluation unless requested by the parent. Eligibility for children who have a diagnosis will be conducted by a medical records review. It also allows for one individual to evaluate all five developmental domains.
	Person-Center Services	Provides \$30 million in state funding (\$120 million total with federal funding) for new Person-Centered DD Services for up to 6,000 individuals including certified and non-certified residential services, day supports, employment and respite services
	Transition to Community	Provides \$24 million for Transition Funding for individuals moving from institutions to integrated community-based support systems
	DD Crisis Services	Provides \$15 million for DD Crisis Services by expanding the START model to other OPWDD regions (currently it is used in Region 1 and Region 3)
	Affordable Housing for DD population	Provides \$15 million (\$10 million capital) in new funding through the Office for People with Developmental Disabilities (OPWDD) for Affordable Housing

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	OMH/OPWDD Temporary Operators	Provides OMH and OPWDD authority to appoint temporary operators for the continued operation of programs and services where the established operator is unable/unwilling to continue operating it
Special Education/Preschool		
	School District Waivers	Authorizes the Commissioner of SED to grant a waiver for any requirement imposed on a local school district, approved private school, or BOCES upon a finding that the waiver will result in implementation of an innovative special education program that is consistent with applicable federal requirements, and will enhance student achievement and/or opportunities for placement in regular classes and programs
	Teacher Recruitment and Retention	Continues \$2 million for Teacher recruitment and retention in 4410 preschool and in 853 school age programs
Public Health		
	Cancer Funding	Commits \$91 million in funding for a six-point plan on breast cancer screening, services and research including mobile mammography vans, patient navigators, venture capital funding for breast cancer research, a public awareness campaign and other initiatives; Continues funding for the Cancer Services program at a level of approx.. \$25.3 million
	Hypertension Funding	Continues funding for the Hypertension program at a level of \$864,000
	Obesity/Diabetes Funding	Continues funding for the Obesity/Diabetes prevention program at a level of \$7,463,000
	Tobacco Control Funding	Continues funding for the Tobacco Control and Prevention program at a level of \$39.3 million

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	Access to Healthy Foods	\$7 million in federal funding announced by the Governor for four organizations in Upstate regions to prevent and control obesity, diabetes, heart disease and stroke including increasing availability of healthy foods in small retail stores; \$100 million provided for a DOS Downtown Initiative which may include funding for healthy food financing in identified regions (more details on this proposal to come)
	Spinal Cord Injury Research Funding	Includes \$8.5 million in funding for the Spinal Cord Injury Research program
	Stem Cell Research Funding	Includes \$44.8 million in funding for the Stem Cell Research program
	Alzheimer's Caregiver Support Funding	Provides \$25 million for Alzheimer's Caregivers Support
	HIV/AIDS Funding	Includes \$40 million in new HIV/AIDS funding and commits a total of \$200 million in funding over five years
Insurance		
	Medicare Part C	Makes changes to ensure that the Medicaid program will not pay any portion of costs associated with Medicare Part C (Medicare Advantage) claims when the total payment to the provider would be greater than the Medicaid rate of payment
	NY Health Benefit Exchange	Provides a total of \$484 million in funding for New York's Health Benefit Exchange
	Workers Compensation	Includes a proposal to make significant changes to the Workers' Compensation Program including: <ul style="list-style-type: none"> • Defines acupuncturists, chiropractors, nurse practitioners, occupational therapists, physical therapists, physicians, physicians' assistants, podiatrists and social workers as providers.

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		<ul style="list-style-type: none"> • Authorizes treatment by physical therapists, occupational therapists and acupuncturists when such treatment is prescribed by a physician. • Prohibits physical therapists, occupational therapists and acupuncturists from serving as independent medical examiners or witnesses for the purpose of establishing disability or causal relationship of a condition to an accident or occupational disease. • Removes role of local medical societies in recommending and removing authorized providers. • Requires providers to adhere to authorization agreements with the WCB Chair, in order to participate in the system. • Authorizes the chair to remove providers that violate authorization agreements or fail to provide competent care. • Increases the time injured workers must remain in their employers' PPO network from 30 to 120 days.