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**SFY 2021-22 Executive Budget
Health/Mental Hygiene Budget Summary**

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Proposal	Description	Location in Budget	Savings/Cost if Any/ Known
<i>MULTIPLE SECTORS</i>			
Global Spending Cap	Extension of the Medicaid global spending cap through SFY 2023	Health Article VII, Part A	
Across the Board 1% Medicaid Cuts	Pending federal funding, DOB proposes an Across the Board 1% Medicaid Cut to keep Medicaid spending within the Global Cap	NYS FY 2022 Financial Plan	\$600 million in FY 2022
Local Aid Payment Withholds	<p>The 20% local aid payment withholds enacted in June 2020 were initiated to ensure that up to \$8.2 billion in local aid payments could be withheld permanently, if needed, by the end of SFY 2021.</p> <p>These local assistance reductions are no longer necessary at this level due to an improved financial picture, the availability of Coronavirus Relief resources, and the extension of the higher Federal matching rate on Medicaid expenditures through June 30, 2021.</p> <p>DOB now expects to reduce most local aid payments by a total of 5% from the Enacted Budget estimate, rather than the 20% anticipated in the Mid-Year Update</p>	NYS FY 2022 Financial Plan	

Proposal	Description	Location in Budget	Savings/Cost if Any/ Known
	and executed to date. Amounts that have been withheld in excess of the 5% are expected to be reconciled and repaid in the final quarter of FY 2021.		
State Takeover of Local Medicaid Costs	The State takeover capped local districts' Medicaid costs at calendar year 2015 levels and is expected to cost the State \$1.5 billion in FY 2022, growing to \$2 billion in FY 2025. The State takeover is projected to save local districts a total of \$4.8 billion in FY 2022, roughly \$2.4 billion for counties outside New York City and \$2.4 billion for New York City.	NYS FY 2022 Financial Plan	Cost of \$1.5 billion in FY 2022
DSRIP	Continuation of flexibilities and DSRIP regulatory waiver authority by DOH, OMH, OASAS, and OPWDD through April 1, 2024	Health Article VII, Part S	
Minimum Wage Funding	\$2 billion reimbursement to providers for increased minimum wage costs, an increase of about \$370 million from FY 2021	NYS FY 2022 Financial Plan	Cost of \$2 Billion (outside Medicaid Global Cap)

Proposal	Description	Location in Budget	Savings/Cost if Any/ Known
1115 Medicaid Waiver	Seeks Extension and Submission of a new 1115 Medicaid Waiver	Administrative	
Telehealth	<p>Authorization of Telehealth Services as follows:</p> <p>Definition: References varying sections of existing public health and insurance law definitions and which define a wide range of telehealth providers. The telehealth definitions in insurance law is "<i>the use of electronic information and communication technologies by a health care provider to deliver health care services to an insured individual while such individual is located at a site that is different from the site where the health care provider is located.</i>"</p> <p>The public health law definition is "<i>the use of electronic information and communication technologies by telehealth providers to deliver health care services, which shall include the assessment, diagnosis, consultation, treatment, education, care management and/or self-management of a patient</i>" and states that</p>	Health Article VII, Part F	\$39.5 million in savings in FY 2022 and \$58 million in FY 2023

Proposal	Description	Location in Budget	Savings/Cost if Any/ Known
	<p>audio only is only eligible under Medicaid and Child Health Plus only pursuant to DOH regulations that have not yet been released.</p> <p>Location: Removes location requirements for individual receiving telehealth services.</p> <p>Single Statewide Consent: Establishes interoperability of health information exchanges with SHIN-NY and requires qualified entities to permit access to all of a patient's information by all SHIN-NY participants or anyone else authorized to access such information after consent is obtained using a single statewide SHIN-NY consent form approved by DOH.</p> <p>Interstate Licensure: Creates an interstate licensure program with other northeast and contiguous states pursuant to regulations promulgated by SED, in consultation with the commissioners of DOH, OMH, OASAS and OPWDD on a final basis by 3/31/22; They will take into account consideration of the need for</p>		

Proposal	Description	Location in Budget	Savings/Cost if Any/ Known
	<p>specialty practice areas with historical access issues.</p> <p>Network Adequacy: Requires state regulated health insurers to have an adequate network of telehealth providers to meet the needs of individuals for services when medically appropriate.</p> <p>Disclosure: Requires health providers and hospitals to disclose if they offer telehealth services to patients in writing or through websites.</p>		
NYS of Health	Authorization of DOH/DFS to seek a federal waiver for the NYS Health Marketplace	Health Article VII, Part I	
Human Services COLA	Human Services COLA is deferred through SFY 2022 (relates to SOFA, OCFS, OPWDD, OASAS and OMH)	Aid to Localities, Various Agency	
General Works	Limits state funding for general health	Health Article VII, Part L	Savings of \$20 million in FY 2022

Proposal	Description	Location in Budget	Savings/Cost if Any/ Known
	works programs to 10%		and \$38.5 million in FY 2023
Medical Respite Pilot	Creation of a Medical Respite Pilot for those who lack safe housing and could receive low intensity care through such a service to avoid hospitalizations	Health Article VII, Part G	\$1.3 million in savings for FY 2022 and \$1.7 million in savings for FY 2023
Essential Community Provider/VAP Funding	Continues level funding of \$132 million	Aid to Localities, Department of Health	
Health Homes	Includes \$524.01 million for Health Homes	Aid to Localities, Department of Health	
SHIN-NY	Continues level funding of \$30 million	Capital Projects, Department of Health	
All Payers Database	Continues level funding of \$10 million	Capital Projects, Department of Health	
Healthcare Transformation Grants	Extends the re-appropriation of capital funding for healthcare providers, including funds from Statewide III, for which the RFA has not yet been released	Capital Projects	

Proposal	Description	Location in Budget	Savings/Cost if Any/ Known
Elimination of Barriers for Gender Designation on Identity Documents and Name Changes for Transgender and Gender Non-conforming New Yorkers	<p>This proposal makes several amendments to the Civil Rights Law to eliminate barriers in the legal name change process by removing requirements that name changes be published in a newspaper and establishes a reasonable standard for the sealing of name change records when requested. Additionally, this bill will remove barriers to ensuring that a person’s gender identity is accurately reflected on an identity document.</p>	Health Article VII Part R	N/A
Cannabis Regulation and Taxation Act	<p>This bill would create and amend existing laws to legalize adult-use cannabis, consolidate governance of all forms of cannabis and create a regulatory structure to oversee the licensure, cultivation, production, distribution, sale and taxation of cannabis within New York State.</p> <p>This bill would establish the Office of Cannabis Management (OCM) within the Division of Alcohol Beverage Control, governed by a five-member Cannabis Control Board overseeing the Medical Cannabis Program, the regulation of cannabinoid hemp (CBD products), and</p>	Revenue Article VII, Part H	<p>This proposal would increase revenue by \$20 million in FY 2022, \$118 million in FY 2023, \$162 million in FY 2024, \$252 million in FY 2025, \$350 million in FY 2026, and \$374 million in FY 2027.</p>

Proposal	Description	Location in Budget	Savings/Cost if Any/ Known
	<p>the cultivation, processing, manufacturing, distribution and sale of cannabis products for adults over 21 years of age under a two-tier market structure, prohibiting vertical integration.</p> <p>Wholesale taxes on adult-use cannabis products will be based on the THC content of cannabis products and will vary depending on product category. A second tax of 10.25% will be administered on the retail sale of the products.</p> <p>Beginning in FY 2023 revenues shall be first distributed to the Cannabis Social Equity Fund in the amount of \$100 million over four years and \$50 million thereafter.</p>		
<p>Statutory Extenders</p>	<p>Includes the following extenders:</p> <ul style="list-style-type: none"> • Extends the authorization of bad debt and charity care allowances for certified home health agencies through June 30, 2023. • Extends a limitation on the reimbursement of certified home health agencies and long term home 	<p>Health Article VII Part S</p>	

Proposal	Description	Location in Budget	Savings/Cost if Any/ Known
	<p>health care programs administrative and general costs to not exceed a Statewide average through March 31, 2023.</p> <ul style="list-style-type: none"> • Extends the elimination of the trend factor for service for general hospital and nursing home reimbursement through March 31, 2023. • Extends authorization related to the financing of certain health care capital improvements through March 31, 2023. • Extends increased reimbursement rates for the Medical Indemnity Fund enrollees through March 31, 2022. • Extends the authority of the Commissioner of Health to issue certificates of public advantage through December 31, 2024. • Extends the health facility cash assessment program through March 31, 2023. 		
Paid Leave for COVID-19 Vaccine	Proposes to require public and private employers to allow employees four hours		

Proposal	Description	Location in Budget	Savings/Cost if Any/ Known
	of paid leave for up to two COVID-19 vaccinations		
<i>HOSPITALS</i>			
Hospitals	Reduce Capital Rate Add-On by additional 5% for inpatient services Discontinue State-funded Indigent Care Pool payments to public hospitals	Health Article VII, Part D	\$74 million State share savings in FY 2022 and \$82 million in FY 2023.
<i>LONG TERM CARE/ HOME CARE/ NURSING HOMES</i>			
Workforce Retraining and Retention	Workforce Retraining and Retention	Health Article VII, Part E	25% or \$45 million annually (in addition to 25% cut in FY 20-21)
Adult Home Advocacy Program	Eliminates the requirement for the Justice Center to administer an Adult Home Advocacy Program	Health Article VII, Part EE	
Discontinue MMC and MLTC Quality Pool Payments	The Executive proposes to discontinue the remaining MMC and MLTC Quality Pool payments, effective April 1, 2021. Last	Administrative	\$103.5 million for MLTCs, \$60 m for MMC

Proposal	Description	Location in Budget	Savings/Cost if Any/ Known
	year, the enacted budget reduced MMC quality payments by 50% and MLTC quality payments by 25%.		
Electronic Visitation Verification	The Executive Budget projects \$40 million in savings from the newly implemented EVV program	Continuation of FY 2021 enacted budget.	\$40 million
Enhanced Quality of Adult Living (EQUAL)	The proposed Executive Budget discontinues funding and support for the EQUAL program	Health Article VII, Part O	Savings of \$3.9 million in FY 2022 and fully annualized for both EQUAL and Enriched Housing
Enriched Housing Program	The proposed Executive Budget discontinues operating subsidies provided to certain Adult Care Facilities licensed as an Enriched Housing Program	Health Article VII, Part O	Savings of \$3.9 million in FY 2022 and fully annualized for both EQUAL and Enriched Housing
<i>PHYSICIANS/ HEALTHCARE PROVIDERS</i>			
Excess Malpractice Program	The program is extended through June 30, 2022 but the budget reduced the appropriation by more than a half of the	Health Article VII, Part K	Savings of \$51.1 million in FY 2022 and \$25.5 million

Proposal	Description	Location in Budget	Savings/Cost if Any/ Known
	<p>final budget last year (from \$105 million to \$51 million). Also it changes the program by requiring that payments are split as two installments over two fiscal years rather than one annual payment.</p> <p>During the policy period an eligible physician or dentist must pay half of the premium amount. At the conclusion of the policy period, the state (DFS & DOH) will pay 25% of the premium amount, and the remaining 25% the following year and only if there are sufficient funds in the pool. Failure to pay an amount equal to 50% of the premium by the conclusion of the policy period, will result in cancellation of coverage making it null and void.</p>		in FY 2023
<p>Office of Professional Misconduct</p>	<p>Criminal Background Check. Requires a fingerprint-based criminal history background check prior to licensure.</p> <p>Due Process. Allows for immediate publication of charges upon investigative requests, and eliminates the current 90-day threshold. Allows DOH Commissioner</p>	Health Article VII, Part Q	None

Proposal	Description	Location in Budget	Savings/Cost if Any/ Known
	<p>to disclose information about OPMC investigations and removes provisions restricting such action to a public health threat. Allows for publication of Administrative Warnings and Consultations.</p> <p>Misconduct Definition. Changes the definition of “professional misconduct” to include complaints resolved by stipulation or agreement prior to an adjudicatory proceeding. Provides that harassment of a patient’s caregiver or surrogate is professional misconduct.</p> <p>Notification of Crime. Licensee must notify DOH within 24 hours of being charged with a crime.</p> <p>Hearings. Extends service and hearing dates from 90 to 180 days and extends the threshold from 10 to 30 days so that the Commissioner of DOH can take summary action against a licensee who engages in conduct that is a risk to the health of the people.</p>		

Proposal	Description	Location in Budget	Savings/Cost if Any/ Known
	<p>Licensure. Eliminates indefinite licensure and requires maintenance of registration with DOH over two consecutive registration periods.</p> <p>Hospital Reports. Requires hospitals to report to DOH when there are quality of care concerns.</p>		
Doctors Across New York	Funds the program at \$7,252,000, a reduction from \$9,065,000 in funding in the final state budget for SFY 2020-21	Aid to Localities, Department of Health	\$1.8 million
Empire Clinical Research Investigator Program (ECRIP)	The Executive Budget proposes to eliminate the ECRIP to generate \$3.45 million in savings, annually. ECRIP provides grants to teaching hospitals to promote training of physicians in biomedical research.	Health Article VII, Part M	\$3.45 million in savings annually.
Nurse Practitioner Modernization	Extends the Nurse Practitioner Modernization Act through 2027	Health Article VII, Part S	

Proposal	Description	Location in Budget	Savings/Cost if Any/ Known
<i>PHARMACY/PHARMACEUTICALS</i>			
Medicaid OTC Coverage	Giving NYSDOH authority to modify the list of OTCs covered by Medicaid	Health Article VII, Part B	\$15.4 million in FY 2022, \$44.27 million in FY 2023 (savings due to this and reduce OTC coverage)
Prescriber Prevails	Elimination of "prescriber prevails" in Medicaid Fee for Service and Managed Care for all drug classes	Health Article VII, Part B	\$15.4 million in FY 2022, \$44.27 million in FY 2023 (savings due to this and reduce OTC coverage)
340B Drug Fund	Creation of a 340B drug fund to reinvest \$102 million annually in savings from the pharmacy drug carve out taking effect 4/1/21 for entities that are non-profit or publicly sponsored D&TCs that provide comprehensive healthcare services enrolled in the 340B program in the year 2020	Health Article VII, Part C	\$17.6 million investment in FY 2023
PBM Regulation	Includes a proposal to regulate pharmacy benefit managers (PBMs), initially through registration and later licensure creating	Health Article VII, Part J	

Proposal	Description	Location in Budget	Savings/Cost if Any/ Known
	standards and reporting requirements similar to prior year Executive budget proposals		
Collaborative Drug Therapy Management/ Pharmacist Expansions	<p>Authorizes pharmacists to direct limited services labs, and order/ administer CLIA-waived tests.</p> <p>Authorizes pharmacists to act as referring healthcare providers for diabetes self-management and asthma self-management training in insurance law.</p> <p>Authorizes certified pharmacists to administer CDC ACIP-recommended vaccines for adults aged 18 and older.</p> <p>Expands current Collaborative Drug Therapy Management (CDTM) law authorizing CDTM with a nurse practitioner in addition to a physician, add to the definition of facility for where CDTM agreements are authorized to include any article 28 facility (hospital) or other entity that provides direct patient care under a medical director, and adding</p>	Health Article VII, Part P	

Proposal	Description	Location in Budget	Savings/Cost if Any/ Known
	<p>physician/ nurse practitioner practice site, codifies CDTM qualifications in law, and clarifies that a CDTM-certified pharmacist may practice as an independent provider or employee of a pharmacy or other health care provider.</p>		
<p>Eliminate e-Prescribing Exemptions</p>	<p>Eliminates prescriber exemptions to the mandatory ePrescribing law including:</p> <ul style="list-style-type: none"> • Veterinarians; • Practitioners who received waivers from DOH; and • Practitioners who issue less than 25 prescriptions in a 12-month period. <p>Exceptions remain in place for temporary technological or electrical failure, emergency situations as determined by DOH, in cases where it risks health or safety of a patient, and out of state pharmacies.</p>	<p>Health Article VII, Part N</p>	<p>State savings of \$500,000 in FY 2022 and \$1.2 million in FY 2023</p>
<i>BEHAVIORAL HEALTH</i>			
<p>Payee Representative</p>	<p>Extends through 6/30/24, ability for OMH & OPWDD facility directors to serve as</p>	<p>Health Article VII, Part T</p>	<p>Avoid revenue loss of \$7 million from</p>

Proposal	Description	Location in Budget	Savings/Cost if Any/ Known
	representative payee for a residents care and treatment		OMH and \$63 million from OPWDD
Temporary Operators	Extends the ability of OMH & OPWDD to appoint temporary operators through 3/31/25	Health Article VII, Part U	
Specialized Psych Units	Extends the demonstration for children and adult specialized inpatient psychiatric units through 3/31/24	Health Article VII, Part V	
Community Re-Investment	<p>Extends community investment from psych center inpatient bed closures through 3/31/24</p> <p>Provides OMH with flexibility to suspend for one year community reinvestment requirements from facility closures to generate \$30M in savings in SFY 22</p>	Health Article VII, Parts W & X	Savings of \$30 million in FY 22
CASACs	Includes the ability of OASAS to develop and implement a scope of practice for addiction professionals including	Health Article VII, Part Y	Fiscal impact is \$90,000 per one FTE in FY 22

Proposal	Description	Location in Budget	Savings/Cost if Any/ Known
	Credentialed Alcoholism and Substance Abuse Counselors (CASACs), and certified recovery peer advocates; Allows OASAS to set fees for the ongoing certification, credentialing and oversight activities of the agency		
OMH Enforcement	Authorizes OMH to establish a schedule of fees for providers' failure to comply with operating certificate requirements and laws; OMH may also charge fees for applications for operating certificates	Health Article VII, Part Z	Savings of \$500,000 in FY 22
Crisis Stabilization Centers	<p>Creates Crisis Stabilization Centers, jointly licensed under OMH and OASAS under a new Article 36 of mental hygiene law.</p> <p>Such Centers would be eligible for Medicaid coverage under social services law and would be made available to law enforcement, the courts or directors of community services to take individuals to on a 24/7/365 basis without referral.</p>	Health Article VII, Part AA, Subpart A	

Proposal	Description	Location in Budget	Savings/Cost if Any/ Known
Kendra's Law	Renews Assisted Outpatient Treatment Orders per Kendra's Law when an individual cannot be located or has experienced a substantial increase in symptoms within 6 months of expiration of the order; Provides for judicial discretion	Health Article VII, Part AA, Subpart B	
Involuntary Commitment	Adds new criteria to the definition of "likelihood to result in serious harm" to allow involuntary commitment upon a finding that an individual is experiencing complete neglect of basic needs	Health Article VII, Part AA, Subpart C	
Office of Addiction and Mental Health Services	Creates the Office of Addiction and Mental Health Services (OAMHS) integrating OMH and OASAS under one Commissioner appointed by the Governor; Provides for an annual report regarding expenditures for mental health and addiction services, and subsequent recommendations to be made to the Governor and Legislature	Health Article VII, Part CC	

Proposal	Description	Location in Budget	Savings/Cost if Any/ Known
Integrated Outpatient Services	Authorizes integrated licensure for comprehensive outpatient services of integrated physical and behavioral health programs; Expands the definition of facility or provider agency to include licensed comprehensive outpatient service center which can be licensed as a physical health services provider under public health law, as a licensed mental health provider or licensed methadone provider under mental hygiene law, through a newly established integrated framework	Health Article VII, Part DD	
Behavioral Health VAP	Continues level funding of \$50 million	Aid to Localities, Department of Health	
OMH Funding	All funds spending for OMH services is reduced by \$30.3 million from SFY 2021	Budget Briefing Book	
Minimum Wage Funding for OMH Providers	\$5.1 million is provided for minimum wage funding under OMH	Aid to Localities, OMH	
OASAS Funding	All funds spending for OASAS services is increased by \$25.3 million from SFY 2021	Budget Briefing Book	

Proposal	Description	Location in Budget	Savings/Cost if Any/ Known
Minimum Wage Funding for OASAS Providers	\$1.8 million is provided for minimum wage funding under OASAS	Aid to Localities, OASAS	
<i>DEVELOPMENTAL DISABILITIES</i>			
NYS Institute for Basic Research in DD	Combines the responsibilities of the NYS Institute for Basic Research in Developmental Disabilities currently in OPWDD with the NYS Psychiatric Institute under OMH	Health Article VII, Part BB	
OPWDD Medicaid Rate Reduction	A 1% Medicaid rate reduction for OPWDD providers	Administrative	\$24.6 million
OPWDD Managed Care Transition	Continue to assess the potential effectiveness of the proposed delivery system for appropriate care in the most cost-effective manner	Budget Briefing Book	
Minimum Wage Funding for OPWDD Providers	\$31.6 million is provided for minimum wage funding under OPWDD	Aid to Localities, OPWDD	
OPWDD Funding	All funds spending for OPWDD services is increased by \$107.6 million from SFY	Budget Briefing Book	

Proposal	Description	Location in Budget	Savings/Cost if Any/ Known
	2021		
<i>SPECIAL EDUCATION</i>			
School District Waivers	The proposed State Budget that would allow a local school district, approved private school, or Board of Cooperative Education Services (BOCES) to submit a waiver to SED for an exemption from any State requirements in law or regulation that govern the duties and responsibilities of school districts and SED with respect to children with handicapping conditions.	Education Article VII	
<i>PUBLIC HEALTH</i>			
School-Based Health Centers	Continues level funding of \$ 17,098,000 for School-Based Health Centers	Aid to Localities, Department of Health	
Tobacco Control Program	Funds the state's tobacco control program at \$26,515,000, a reduction from last year's level of \$33,144,000	Aid to Localities, Department of Health	
Cancer Services Program	Continues level funding of \$19.8 million	Aid to Localities, Department of	

Proposal	Description	Location in Budget	Savings/Cost if Any/ Known
		Health	
Diabetes & Obesity Prevention Funding	Diabetes & Obesity Prevention funding provided at \$4,776,000, a reduction from last year's level of \$ 5,970,000	Aid to Localities, Department of Health	
Spinal Cord Injury Research Fund Account	The Budget phases out the program by sun-setting the authority for the Spinal Cord Injury Research Board to recommend grants, effective April 1, 2021. Current contracts will be continued through their December 1, 2024 expiration date	Aid to Localities, Department of Health	This proposal would result in \$8.5 million in savings.
Stem Cell Funding	Budget phases out the authority for the Empire Stem Cell Board to recommend grants, effective April 1, 2021. Current contracts will be continued through their December 1, 2025 expiration date	Aid to Localities, Department of Health	This proposal would result in \$44.8 million in savings.
<i>INSURANCE</i>			
Essential Plan	Elimination of \$20 premium cost for the Essential Plan for individuals between 150-200% of the FPL (400,000 individuals)	Health Article VII, Part H	Investment of nearly \$100 million in FY 2022

Proposal	Description	Location in Budget	Savings/Cost if Any/ Known
MMC Rate Reductions	Includes premium rate reductions related to reduced service usage due to COVID for Medicaid Managed Care and Managed Long Term Care Plans	Financial Plan	\$87.15 million (MMC) and \$40 million (MLTC)