



**Communication.  
Teamwork.  
Results.**

One Commerce Plaza  
Suite 402  
Albany, NY 12210  
Phone: 518.465.7330  
Fax: 518.465.0273  
Website: lobbywr.com

**ROBERT REID | SHAUNEEN MCNALLY | MARCY SAVAGE | PADRAIC BAMBRICK | KELLY FORSTER | KAYLA BOGDANOWICZ**

**SFY 2019-20 State Budget  
Health/Mental Hygiene Executive Budget  
April 1, 2019**

**Contents**

**Multiple-Sectors ..... 2**

**Hospitals/Healthcare Facilities ..... 13**

**Long Term Care/Home Care/ Nursing Homes ..... 16**

**Physicians/ Healthcare Providers ..... 18**

**Pharmacy/ Pharmaceuticals..... 18**

**Behavioral Health ..... 26**

**Developmental Disabilities/ Early Intervention ..... 32**

**Special Education..... 34**

**Public Health ..... 34**

**Transportation ..... 38**

**Insurance ..... 39**

<b>SECTOR</b>	<b>INITIATIVE</b>	<b>EXECUTIVE BUDGET</b>	<b>FINAL BUDGET</b>
<b>Multiple-Sectors</b>	<b>Proposal</b>		
	<b>Medicaid Global Cap</b>	Proposes to extend the Medicaid Global Spending Cap through SFY 2020-21 at a rate of 3.2%.	ACCEPTS
	<b>Health Exchange</b>	Codifies the “NY State of Health,” Health Exchange in statute and proposes to provide \$575 million in total funding for its operation.	ACCEPTS
	<b>Health Care Facility Transformation III</b>	Proposes to use \$300 million of the \$525 million provided in last year’s budget to issue more awards by May 1, 2019 based on applications already submitted under Statewide II.  A new RFP would be issued in 2019 for the remaining \$225 million.	ACCEPTS
	<b>Essential Community Provider/VAP Funding</b>	Includes \$132 million for Essential Community Providers and Vital Access Provider (VAP) services.	ACCEPTS
	<b>Cost of Living Adjustments (COLA)</b>	Defers the 2.9% human services COLA one year through SFY 2020 (March 31, 2020). Saves \$142 million.	ACCEPTS deferral

SECTOR	INITIATIVE	EXECUTIVE BUDGET	FINAL BUDGET
	<b>Health Homes</b>	<p>Provides \$656 million for services and expenses for health homes</p> <p>Proposes a health home rate reduction of \$5 million</p>	<p>MODIFIES to include \$636 million (reduction of \$20 million)</p> <p>Includes rate reduction of \$5 million</p>
	<b>SHIN-NY</b>	<p>\$30 million is allocated for the SHIN-NY. The funding is directed to the New York eHealth Collaborative, which will administer the funding for the SHIN-NY and Qualified Entities – formerly known as Regional Health Information Organizations (RHIOs).</p>	ACCEPTS
	<b>All Payer Database</b>	<p>Proposes \$10 million for the operation of the All Payer Database (APD).</p>	ACCEPTS
	<b>Medical Marijuana Program</b>	<p>Proposes \$9.8 million for the State’s Medical Marijuana Program and relocates the program to the Office of Cannabis Management within the Division of Alcohol Beverage Control.</p>	ACCEPTS \$9.8 million for the “Medical Cannabis Program”
	<b>Adult Regulated Cannabis Program</b>	<p>Establishes a regulated adult-use cannabis program and creates the Office of Cannabis Management (OCM) within the Division of Alcohol Beverage Control, creating a consolidated governance of adult-use, medical, and industrial hemp. Led by an executive director, the OCM would be authorized to:</p>	REJECTS

SECTOR	INITIATIVE	EXECUTIVE BUDGET	FINAL BUDGET
		<ul style="list-style-type: none"> <li>• Review and seal past marijuana convictions. The executive director will also be authorized to issue low interest loans to “qualified social equity applicants” that are seeking licenses to grow/distribute or sell marijuana.</li> <li>• The medical marijuana program will allow vertical integration, in which individual companies will be permitted to grow, distribute and sell medical marijuana products.</li> <li>• The recreational program will require separate licensing programs for marijuana growers, distributors and retailers, with a ban on growers also opening retail shops. Those companies who already participate in the medical program will be permitted to participate in a competitive bidding process for recreational licenses.</li> <li>• Impose a 20 percent state tax and 2 percent local tax on the sale of the drug from wholesalers to retailers, plus a per-gram tax on growers. It is</li> </ul>	

SECTOR	INITIATIVE	EXECUTIVE BUDGET	FINAL BUDGET
		<p>anticipated that in 2020 these taxes will generate \$83 million in revenue and \$300 million every subsequent year.</p> <ul style="list-style-type: none"> <li>• Allow counties and large cities to ban marijuana sales within their boundaries.</li> <li>• Ban marijuana sales to anyone under the age of 21.</li> <li>• Home-grow of marijuana plants will only be permitted for those enrolled in the medical marijuana program who are 21 years or older and will be limited to no more than four plants.</li> </ul> <p>If enacted, most provisions would take effect immediately, however, legal sales wouldn't begin until April 1, 2020, at the earliest.</p>	
	<p><b>Office of the Medicaid Inspector General (OMIG) Authority</b></p>	<p>Expands the authority of the Office of the Medicaid Inspector General (OMIG) by authorizing OMIG to conduct periodic reviews of managed care plans to ensure adherence to program integrity obligations. OMIG is required to publish a list of contractual obligations subject to review and how such obligations will be evaluated by</p>	<p>ACCEPTS and includes a modification which clarifies that recoveries may not be made against the property or estate of an individual.</p>

SECTOR	INITIATIVE	EXECUTIVE BUDGET	FINAL BUDGET
		<p>OMIG. If OMIG determines that a managed care provider has not met its program integrity obligations, OMIG is authorized to recover up to 2 percent of the Medicaid premiums for the period under review. The language also clarifies that payments to Managed Care Providers including MLTC as Medicaid payments for the purposes of recouping payments to providers. All recoveries are to be taken from the administrative component of the Medicaid premium and may be recovered by OMIG in the same manner as it recovers overpayments (i.e., withholding). Providers that are subject to audit under this provision are entitled to receive a draft and final audit report and to request a hearing in accordance with OMIG regulations.</p> <p>It is anticipated that these initiatives, combined with OMIG's ongoing audit and recovery activities will save \$4.1 million in FY 2020 and \$8.7 million in savings in FY 2021.</p>	
	<p><b>Medicaid Payment of Medicare Part-B Deductibles</b></p>	<p>Proposes to limit Medicaid payments for Medicare Part-B deductibles to no more than the amount that Medicaid</p>	<p>REJECTS</p>

SECTOR	INITIATIVE	EXECUTIVE BUDGET	FINAL BUDGET
		would pay for services to a non-dual eligible Medicaid member.	
	<b>Medicaid Payment of Medicare Coinsurance</b>	Proposes to limit Medicaid payments for Medicare Part B coinsurance for ambulance and psychologist services to no more than the amount that would be paid for a non-dual eligible member.	REJECTS
	<b>Women's/Reproductive Health Proposals</b>	<p>Includes the following proposals in Executive Budget:</p> <p>Comprehensive Contraceptive Coverage Act</p> <ul style="list-style-type: none"> <li>• Would codify insurance coverage of all FDA approved contraceptive drugs, including emergency contraception and over the counter drugs. Where the FDA has approved one or more equivalent versions of contraceptives, coverage is only required for one version, so long as there is no cost sharing. Required coverage includes: emergency contraception without cost sharing when provided through a prescription or non-patient specific order;</li> </ul>	<p>MODIFIES previously enacted Comprehensive Contraceptive Coverage Act; REJECTS RHA and Maternal Mortality as passed as stand alone legislation earlier this session.</p> <p>Includes \$4 million to help address maternal mortality.</p>

SECTOR	INITIATIVE	EXECUTIVE BUDGET	FINAL BUDGET
		<p>twelve months of contraception; voluntary sterilization procedures for both men and women; patient counseling about contraception; any follow-up care related to the covered contraception.</p> <ul style="list-style-type: none"> <li>• Allows for dispensing of up to 12 months of contraception.</li> </ul> <p>Codify Roe v. Wade/ Reproductive Health Act into State Law stating:</p> <ul style="list-style-type: none"> <li>• An abortion may be performed by a licensed, certified or authorized practitioner within 24 weeks from commencement of pregnancy, or there is an absence of fetal viability, or at any time when necessary to protect a patient's life or health.</li> <li>• Requires that when an abortion is performed after the 12<sup>th</sup> week of pregnancy it shall be performed only in a hospital on an inpatient basis.</li> <li>• Makes it a Class A misdemeanor to sell or distribute any recipe, drug or medicine for the prevention of conception to a minor under</li> </ul>	

SECTOR	INITIATIVE	EXECUTIVE BUDGET	FINAL BUDGET
		<p>age 16 unless done by a licensed pharmacist, and prohibits advertisement of such within the pharmacy.</p> <ul style="list-style-type: none"> <li>Removes related references in Penal Law.</li> </ul> <p>Establish the Maternal Mortality Review Board</p> <ul style="list-style-type: none"> <li>Would establish the Maternal Mortality and Review Board, consisting of fifteen multidisciplinary experts appointed by the Commissioner of Health, responsible for review and assessment of cause of death and factors leading to maternal death, Severe Maternal Morbidity and racial disparities in maternal outcomes. The Board will collect and review confidential information and develop recommendations for the Commissioner to improve care and management.</li> </ul>	

SECTOR	INITIATIVE	EXECUTIVE BUDGET	FINAL BUDGET
	<b>Universal Health Care Commission</b>	Establishes a Commission on universal access to health care to be supported by Department of Health and Department of Financial Services, and comprised of health policy and insurance experts to develop options for achieving universal access to high-quality, affordable health care in New York. This review process will consider all options for advancing access to care. The Commission would report its findings December 1, 2019.	REJECTS
	<b>Statutory Extenders</b>	Proposes to extend various provisions of law as follows: <ul style="list-style-type: none"> <li>• Medicaid coverage to children who are 19 or 20 years old living with their parents through October 1, 2024.</li> <li>• Authorization of Bad Debt and Charity Care Allowances for Certified Home Health Agencies (CHHAs) through June 30, 2024.</li> <li>• Statewide Patient Centered Medical Home program through April 1, 2024;</li> <li>• Authority for increased certificates of operation and submission of waivers by DOH</li> </ul>	MODIFIES certain extension dates. <ul style="list-style-type: none"> <li>• Medicaid coverage to children who are 19 or 20 years old living with their parents through October 1, 2024.</li> <li>• Authorization of Bad Debt and Charity Care Allowances for Certified Home Health Agencies (CHHAs) through June 30, 2021.</li> <li>• Statewide Patient Centered Medical Home program through April 1, 2022;</li> <li>• Authority for increased certificates of operation and submission of waivers by DOH for the Medicaid</li> </ul>

SECTOR	INITIATIVE	EXECUTIVE BUDGET	FINAL BUDGET
		<p>for the Medicaid Managed-Long Term Care program through April 1, 2024.</p> <ul style="list-style-type: none"> <li>• 1996-97 trend factor projections or adjustments for nursing home and inpatients rates through March 31, 2024.</li> <li>• Limitation on the reimbursement of CHHAs and Long Term Home Health Care programs administrative and general costs to not exceed a statewide average through March 31, 2024.</li> <li>• Elimination of general hospital trend factor through March 31, 2024.</li> <li>• Authorization of episodic payment per 60 day period of care for CHHAs through March 31, 2024.</li> <li>• Hospital capital methodology currently in use through March 31, 2024.</li> <li>• Adjusted rates paid to Article 31 and 32 providers to align with the current Medicaid APG methodology through March 31, 2022.</li> <li>• Commissioner of Mental Health’s authority, in</li> </ul>	<p>Managed-Long Term Care program through April 1, 2024.</p> <ul style="list-style-type: none"> <li>• 1996-97 trend factor projections or adjustments for nursing home and inpatients rates through March 31, 2021.</li> <li>• Limitation on the reimbursement of CHHAs and Long Term Home Health Care programs administrative and general costs to not exceed a statewide average through March 31, 2021.</li> <li>• Elimination of general hospital trend factor through March 31, 2021.</li> <li>• Authorization of episodic payment per 60 day period of care for CHHAs through March 31, 2023.</li> <li>• Hospital capital methodology currently in use through March 31, 2021.</li> <li>• Adjusted rates paid to Article 31 and 32 providers to align with the current Medicaid APG methodology through March 31, 2023.</li> <li>• Commissioner of Mental Health’s authority, in</li> </ul>

SECTOR	INITIATIVE	EXECUTIVE BUDGET	FINAL BUDGET
		consultation with DOH, to certify Mental Health Special Needs Plans through March 31, 2025.	consultation with DOH, to certify Mental Health Special Needs Plans through March 31, 2025.
	<b>Across the Board Medicaid Cuts</b>	Includes a proposal to authorizes across the board uniform reductions in Medicaid claims, with certain exemptions, for the period April 1, 2019 to March 31, 2021 to achieve reductions of up to \$190.2 million in Medicaid state share savings in SFY 2019-20 and SFY 2020-2021. 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 that achieves comparable savings. The reductions will not impact payments required by federal law such a Federally Qualified Health Centers (FQHCs), hospice or pursuant to the federal medicare program, or direct payments authorized under the Mental Hygiene Law for providers under article 16, 31 or 32.	REJECTS the original proposal. MODIFIES to provide that DOB and the State Health Commissioner MAY use a payment reduction plan to make across the board reductions to State Medicaid spending by \$190. 2 million in SFY 2019-20 and 2020-21 if necessary.

SECTOR	INITIATIVE	EXECUTIVE BUDGET	FINAL BUDGET
<b>Hospitals/Healthcare Facilities</b>			
	<b>Grants to Academic Centers of Excellence</b>	Proposes to eliminate \$24.5 million in funding to Major Academic Centers of Excellence at five hospitals.	ACCEPTS
	<b>Extension of DSRIP Regulatory Waiver Authority</b>	Proposes to extend the regulatory authority of the commissioners of DOH, OMH, and OASAS to waive regulations to allow providers who are involved in DSRIP projects, or who would like to scale and replicate the ideas of a DSRIP program, provided that such waivers do not impact patient safety.	MODIFIES by adding notice requirement on any regulatory action granting a waiver with description posted on agency website.
	<b>Hospital Inpatient Psychiatric Rates</b>	Proposes to provide DOH with the discretion to revise hospital inpatient rates and allow for alternatives to the All Patients Refined Diagnosis related (DRG) classification system.	MODIFIES by requiring consultation with industry representatives in establishing rates.
	<b>Rate Adjustments Linked to Hospital Performance</b>	Proposed to implement facility specific reductions in inpatient payments for lower performance on a mix of potentially avoidable inpatient services and reinvest a portion of the savings in primary care, maternity, and other ambulatory services.	REJECTS

SECTOR	INITIATIVE	EXECUTIVE BUDGET	FINAL BUDGET
		<p>The proposed increase to the practitioner fee schedule would be for both office and institutional places of service for the usual primary care codes (99201-99205 and 99211-99215) + Maternity + other high priority ambulatory. The goal is to lift us from 40-50% of Medicare (where we are now depending on code and setting) to 100 percent of Medicare over three years (60 percent year one, 80 percent year two, 100 percent year three). This would apply to docs, NPs and Midwives. NPs and Midwives would be paid 85% of the increased physician rates as is currently the case.</p>	
	<p><b>Hospital/ ED Opioid Requirements</b></p>	<p>Proposes to eliminate the current exemption in the Public Health Law for a prescriber in a hospital emergency department to check the Prescription Monitoring Program (PMP) when prescribing a controlled substance for less than a 5 day supply.</p> <p>Proposes to require hospital emergency departments to have policies and procedures in place for providing medication assisted-treatment (MAT) prior to patient discharge. This includes policies and procedures and</p>	<p>REJECTS eliminating exemption for emergency departments to consult PMP</p> <p>ACCEPTS MAT prior to patient discharge</p>

SECTOR	INITIATIVE	EXECUTIVE BUDGET	FINAL BUDGET
		treatment protocols for the appropriate use of buprenorphine, prior to discharge, or referral protocols for evaluation of medication-assisted treatment when initiation in an emergency department is not feasible.	
	<b>Indigent Care Pool Payments</b>		INCLUDES proposal to extend current payment structure through 2020.
	<b>Hospital/Nursing Home Staffing Study</b>	N/A	INCLUDES a proposal for DOH to conduct a study on the use of staffing enhancements to improve patient safety and quality of care. DOH must consider minimum staffing levels, other staffing enhancements, and patient quality improvement initiatives for registered nurses, licensed practical nurses, and certified nurse aides. DOH must engage stakeholders, including the statewide hospital and nursing home associations, direct health care workers, and patient and community advocates. The study must commence no later than May 1, 2019, and DOH must report its recommendations to the Senate and Assembly no later than December 31, 2019.

SECTOR	INITIATIVE	EXECUTIVE BUDGET	FINAL BUDGET
<p align="center"><b>Long Term Care/Home Care/ Nursing Homes</b></p>			
	<p><b>Spousal Refusal</b></p>	<p>Conform NY to Federal Spousal Impoverishment Provisions by eliminating spousal refusal.</p>	<p>REJECTS proposal to eliminate right to spousal refusal</p>
	<p><b>CDPAP (Consumer Directed Personal Assistance Program) – Consolidation</b></p>	<p>Repeals existing law and replaces it with new language governing the CDPAS program to consolidate FIs and establish uniform reimbursement for CDPAS services. Effective immediately, requirements for FIs to receive authorization from NYSDOH and limitations on advertising by FIs would be repealed. Beginning January 1, 2020, entities authorized to provide FI services would be limited to those that have a contract with NYSDOH per an application process and entities that were FIs beginning on or before January 1, 2012. Ultimately limiting to a single statewide FI with a regional presence.</p>	<p>MODIFIES Amends law governing CDPAP program which would limit Fiscal Intermediaries (FIs) by requiring a procurement process limited to independent living centers or Fiscal Intermediaries established prior to January 1, 2012. This would be effective 1/1/2020. The amendments also allow establishment of a Per Member Per Month (PMPM) payment methodology. Also provides that a representative stakeholder workgroup shall be established to develop best practices, criteria for selection of FIs, service differentiation under the program, etc. no later than 5/15/19.</p>
	<p><b>Personal Care Management</b></p>	<p>Administrative Actions seek to generate \$50 million through better managing utilization of personal care.</p>	<p>ACCEPTS, will be allowed administratively</p>

SECTOR	INITIATIVE	EXECUTIVE BUDGET	FINAL BUDGET
	<b>National Provider Identifier (NPI) for Home Care Workers</b>	Each home care worker will have to obtain an individual NPI from the National Provider Plan and Provider Enumeration System (NPPES) which will provide the public with their contact information.	REJECTS
	<b>Episodic Payment for CHHAs</b>	Extends the Episodic Rates of Payment through 4/1/2024.	MODIFIES Extends until through 3/31/2023.
	<b>Home Health Aide Registry</b>	Appropriates \$1.8 million for the Registry.	ACCEPTS
	<b>Bad Debt, Charity Care and Admin Cap on CHHAS</b>	All are extended until 2024.	ACCEPTS
	<b>Electronic Visit Verification</b>	\$10 million appropriation matched by Federal monies to implement this program for in-home services under the Medicaid program.	ACCEPTS
	<b>Private Pay Option for State Office of Aging Programs</b>	Under the proposal, persons would be eligible to purchase SOFA programs through Private Pay with incomes over 400% of poverty.	ACCEPTS
	<b>Managed Long Term Care Extender</b>	Extends the Program through 2024.	ACCEPTS
	<b>Traumatic Brain Injury (TBI)</b>	Moves the TBI program under the Medicaid Global Cap.	ACCEPTS, will be allowed administratively

SECTOR	INITIATIVE	EXECUTIVE BUDGET	FINAL BUDGET
<b>Physicians/ Healthcare Providers</b>			
	<b>Excess Medical Malpractice Program</b>	Extends the Excess program for one year through June 30, 2020 and includes level funding of \$127.4 million.	ACCEPTS
	<b>Doctors Across NY (DANY) Funding</b>	Includes \$9,065,000 in funding for physician loan forgiveness and practice support under DANY.	ACCEPTS
	<b>Ban Conversion Therapy for Minors</b>	Proposes to expand the definition of professional misconduct for professions licensed under the education law to include engaging in, advertising for, or allowing someone under one's direction or oversight to engage in conversion therapy with a patient under the age of eighteen years.	REJECTS; Passed as stand alone legislation earlier in the session
<b>Pharmacy/ Pharmaceuticals</b>			
	<b>Co-Payments</b>	Increases the co-pay amount for non-prescription drugs and OTCs covered by Medicaid from 50 cents to \$1;	REJECTS

SECTOR	INITIATIVE	EXECUTIVE BUDGET	FINAL BUDGET
		Gives DOH authority to modify the list of covered OTCs/non-prescription drugs.	
	<b>Prescriber Prevails</b>	Eliminates prescriber's right of final determination in both Medicaid FFS and MMC allowing DOH to determine whether prescriber's justification for use is clinically supported.	REJECTS
	<b>Medicaid Drug Cap</b>	<p>Extends the Medicaid Drug Cap through SFY 2021;</p> <p>Proposes changes to Drug Cap to accelerate rebate negotiations and collections (Allowing DOH to use established cost effectiveness thresholds like research by other states, the federal government, other nations, third party payers and multi-state coalitions, for drugs identified as piercing the cap as a basis for target rebate amount prior to DURB referral, removing prohibition on high cost drugs being referred to the DURB if there is an existing supplemental rebate in place, and eliminating the rebate adjustment when manufacturers are given "credit" for other rebates received by DOH).</p>	ACCEPTS with some modifications around the basis used for determining rebates for effectiveness in treating conditions/quality of life/if drug reduced need for other medical care

SECTOR	INITIATIVE	EXECUTIVE BUDGET	FINAL BUDGET
		<p>If DURB recommends a target rebate for a drug, DOH is authorized to negotiate with the drug manufacturer for a supplemental rebate paid on the first day of the state fiscal year during which the rebate was required.</p> <p>Also the reporting period is changed so DOH would report to the DURB by July 1st each year on the savings achieved through the drug cap in the prior fiscal year.</p>	
	<p><b>Pharmacy Benefit Manager (PBM) Regulation</b></p>	<p>Includes a detailed proposal to regulate PBMs, as follows:</p> <ul style="list-style-type: none"> <li>• Defines “Controlling Person” of PBM, “Health insurer,” “PBM services,” and “PBM.”</li> <li>• Requires the PBMs be initially registered with the State Department of Financial Services (DFS) through 2020 including paying a fee and following minimum standards established in regulation by DFS, in consultation with DOH.</li> <li>• PBMs must follow annual reporting requirements due July 1<sup>st</sup> each year beginning in 2020 including disclosure of any financial incentive or benefit</li> </ul>	<p>REJECTS</p>

SECTOR	INITIATIVE	EXECUTIVE BUDGET	FINAL BUDGET
		<p>for promoting the use of certain drugs or other arrangements affecting health insurers, their insureds and any other information related to the business, financial condition or market conduct of the PBM. Quarterly or other statement filings may also be required.</p> <ul style="list-style-type: none"> <li>• On or after January 1, 2021, PBMs would have to be licensed by DFS, pay a fee and follow minimum standards (against conflicts of interest, deceptive practices, anti-competitive practices, unfair claims practices and others protecting consumers) set forth by DFS, in consultation with DOH, in regulation. Licensure is subject to renewal every other year.</li> <li>• Penalties and/or registration/licensure revocation are included for violating the above requirements. Hearing rights included.</li> <li>• PBMs are also required to be assessment by DFS for the operating expenses of the</li> </ul>	

SECTOR	INITIATIVE	EXECUTIVE BUDGET	FINAL BUDGET
		<p>department solely attributable to regulating PBMs.</p>	
	<p><b>Limitations on PBM Spread Pricing in MMC</b></p>	<p>Requires contracts between MMC plans and PBMs to be limited to the actual ingredient costs, a dispensing fee and an administrative fee for each claim processed.</p> <p>DOH may establish a maximum admin fee.</p> <p>PBMs must also identify all sources of income related to the provision of PBM services on behalf of the health plan, including any discounts, supplemental rebates, and any portion of such income passed through to the health care plan in full to reduce the reportable ingredient cost.</p> <p>The PBM is prohibited from retaining any portion of spread pricing (any amount charged or claimed by the PBM in excess of the amount paid to pharmacies on behalf of the health plan less an admin fee. Any excess shall be remitted to the health plan on a quarterly basis.</p>	<p>ACCEPTS with some modifications to include greater reporting requirements by PBMs and strengthened authority by DOH including a requirement for contracts or other arrangements subject to the provisions must be submitted to DOH for review/approval by July 1, 2019.</p>

SECTOR	INITIATIVE	EXECUTIVE BUDGET	FINAL BUDGET
		<p>DOH may develop regulations to establish additional standards for such contracts.</p> <p>Health plans must provide evidence of compliance to DOH within 90 days and again within 120 days of the effective date (April 1, 2019). No enforcement actions shall be taken within 180 days of the effective date.</p>	
	<b>Fentanyl Analogs</b>	Includes fentanyl analogs as controlled substances in NY law.	REJECTS
	<b>Opioid Excise Tax</b>	Includes a proposal creating an excise tax on the sale of opioids. The proposal includes a series of definitions including one for opioids ( <i>"Opioid" shall mean an "opiate" as defined by subdivision twenty- three of section thirty-three hundred two of the public health law and any natural, synthetic, or semisynthetic "narcotic drug" as defined by subdivision twenty-two of such section that has agonist, partial agonist, or agonist/antagonist morphine-like activities or effects similar to natural opium alkaloids, and any derivative, congener, or combination thereof listed in schedules II-V of section thirty-three hundred six of the public health law. The term</i>	<p>MODIFIES by:</p> <p>While continuing to impose the tax on the first sale of an opioid in the state by registrants (manufacturers, wholesalers, outsourcing facilities), it adds to the list of what is exempt from the tax article 40 hospice providers and article 32 substance use disorder treatment providers, in addition to the already exempted buprenorphine, methadone and morphine products.</p> <p>It strikes the line in the proposal which expressly allowed registrants</p>

SECTOR	INITIATIVE	EXECUTIVE BUDGET	FINAL BUDGET
		<p><i>"opioid" shall not mean buprenorphine, methadone, or morphine.)</i></p> <p>The proposal imposes an excise tax on the first sale of any opioid in the state at the following rates:</p> <ul style="list-style-type: none"> <li>• A quarter of a cent per morphine milligram equivalent (MME) where the wholesale acquisition cost (WAC) is less than 50 cents; or</li> <li>• One and one-half cents per MME where the WAC is 50 cents or more.</li> </ul> <p>Sale does not include the dispensing of an opioid pursuant to a prescription to an ultimate consumer. The tax is to be charged against and paid by the registrant (<i>defined as "Registrant" shall mean any person, firm, corporation or association required to be registered with the education department as a wholesaler, manufacturer, or outsourcing facility pursuant to section sixty-eight hundred eight or section sixty-eight hundred eight-b of the education law, as well as any person, firm, corporation or association that would be required to</i></p>	<p><i>to pass the economic incidence of the tax down to a purchaser.</i></p> <p>It tightens the language defining "sale" to say that sale shall not include either the dispensing of an opioid unit pursuant to a prescription to an ultimate consumer or the transfer of title to an opioid unit from an in-state manufacturer to a purchaser outside the state if it will be used outside the state.</p> <p>Adding language to the effective date section of the 2018 law (struck down by the courts) which took effect July 1, 2018 and expires June 30, 2024 stating that the act shall only apply to the sale and distribution of opioids in the state of New York on or before December 31, 2018. The new law takes effect July 1, 2019.</p> <p>Language is included in a separate section of the budget stating that it is the intent of the Legislature, subject to approval by DOB that no less than \$100 million of existing revenue be made available annually to support programs operated by OASAS or related provider agencies for opioid</p>

SECTOR	INITIATIVE	EXECUTIVE BUDGET	FINAL BUDGET
		<p><i>be registered with the education department as a wholesaler, manufacturer, or outsourcing facility pursuant to such section sixty-eight hundred eight-b but for the exception in subdivision two of such section; and any person, firm, corporation or association required to be registered with the health department as a manufacturer or distributor of a controlled substance pursuant to section thirty-three hundred ten of the public health law) making the first sale, and shall accrue at the time of such sale. <u>The economic incidence of the tax imposed may be passed to the purchaser.</u> Burden of proving that any sale is not the first sale in the state shall be upon a registrant.</i></p> <p>First payments of tax owed shall be due by registrant to the state on January 20, 2020 for period of effective date of proposal (July 1, 2019) and December 31, 2019. The tax shall be jointly administered by the Commissioner of Tax &amp; Finance, jointly with the Commissioners of Education and Health. There is a series of reporting requirements on registrants included in the proposal including detailing all opioids sold in</p>	<p>treatment, recovery, prevention and education services.</p>

SECTOR	INITIATIVE	EXECUTIVE BUDGET	FINAL BUDGET
		<p>New York and quarterly returns. Such information shall be kept secret.</p> <p>The proposal is estimated to generate \$100 million.</p>	
	<b>Regulate Pharmacy Technicians</b>	Allows pharmacy technicians who are certified to assist in compounding in hospitals. Also allows for increase in pharmacist to technician ratio if certified to up to 6:1	REJECTS
<b>Behavioral Health</b>			
	<b>Funding for Minimum Wage</b>	Continues to provide funding for minimum wage increases. There is an increase in minimum wage by \$1.8 million for OMH providers and a decrease in such funding by \$345,000 under OASAS.	ACCEPTS
	<b>APG Rates for BH Providers</b>	Extends the payment of APG rates for Article 31 and 32 providers through March 31, 2022.	MODIFES by extending to March 31, 2023
	<b>Behavioral Health VAP Funding</b>	Includes \$50 million for Vital Access Provider (VAP) services for Essential Behavioral Health services.	ACCEPTS

SECTOR	INITIATIVE	EXECUTIVE BUDGET	FINAL BUDGET
	<b>Mental Health Facilities Capital Improvement Fund</b>	Includes \$60 million to fund the acquisition of property, construction, and rehabilitation of new facilities and/or relocation of existing community mental health facilities.	ACCEPTS
	<b>OMH Adult Services Funding</b>	Includes approx. \$31.5 million in additional funding for this program in the OMH Aid to Localities budget.	MODIFIES by increasing spending by over \$6.5 million including  \$1.2 million for salary increases for direct care workers for 1/1/20 through 3/31/20  Member initiatives to particular programs/providers
	<b>Medicaid Exempt Income</b>	Extends OMH's authority to recover Medicaid exempt income from providers of community residences through June 30, 2022.	ACCEPTS
	<b>Community Reinvestment</b>	Continues commitment toward community reinvestment for State psych center closings at a rate of \$110,000 per bed.	ACCEPTS
	<b>Voluntary Restoration to Competency Programs</b>	Authorizes a volunteering county to develop a residential mental health pod unit for felony level defendants within their local jail.	REJECTS

SECTOR	INITIATIVE	EXECUTIVE BUDGET	FINAL BUDGET
	<b>Mental Health SNPs</b>	Extends the authority of the Commissioner of OMH, in consultation with DOH to certify Mental Health Special Needs Plans through March 31, 2025.	ACCEPTS
	<b>Behavioral Health Insurance Parity Reforms</b>	<p>Proposes a series of initiatives to increase access to BH services and enforce parity laws by:</p> <ul style="list-style-type: none"> <li>• Requiring minimum coverage standards;</li> <li>• Removing certain benefit limitations;</li> <li>• Prohibiting denial of medically necessary care;</li> <li>• Prohibiting multiple co-payments per day and requiring behavioral health copayments be equal to a primary care office visit;</li> <li>• Requiring insurance coverage of naloxone;</li> <li>• Prohibiting prior authorization for medication assisted treatment;</li> <li>• Prohibiting preauthorization and concurrent utilization review of SUD services during the initial 21 days of treatment (expanded from 14 days);</li> </ul>	<p>MODIFIES by:</p> <p>Requiring 28-days coverage for treatment without preauthorization and concurrent utilization review of SUD services (expanded from 14 days)</p>

SECTOR	INITIATIVE	EXECUTIVE BUDGET	FINAL BUDGET
		<ul style="list-style-type: none"> <li>• Prohibiting preauthorization and concurrent utilization review of inpatient psychiatric services for youth services during the initial 14 days of treatment;</li> <li>• Requiring MH utilization review staff to have subject matter expertise;</li> <li>• Allowing OASAS to designate a standard utilization review tool for in-State SUD treatment;</li> <li>• Prohibiting insurers from retaliating against providers that report insurance law violations to State agencies;</li> <li>• Requiring insurers to post additional detail regarding their behavioral health provider networks;</li> <li>• Requiring insurers to provide their most recent comparative analysis for insureds; Allowing OMH to review and approve clinical review criteria; and</li> <li>• Codifying parity standards in State law for both MH and SUD.</li> </ul>	

SECTOR	INITIATIVE	EXECUTIVE BUDGET	FINAL BUDGET
	<b>OASAS Funding</b>	All Funds spending is up \$646,000	<p>MODIFES by increasing all funds spending by \$5.155 million for the following new appropriations:</p> <ul style="list-style-type: none"> <li>• \$700,000 OASAS salary increases direct care workers 1/1/20-3/31/20</li> <li>• \$1 million Jail-based SUD treatment and transition services (total \$4.75 million)</li> <li>• \$2 million Hiring additional SUD prevention and intervention specialists</li> <li>• \$1 million for recovery high schools start up</li> <li>• \$350,000 to start a loan forgiveness/scholarship program</li> <li>• \$350,000 for the development and implementation of a recovery community and outreach center, among other initiatives</li> </ul>
	<b>Housing</b>	Proposes \$10 million in additional funding for existing supportive housing residential programs.	<p>ACCEPTS</p> <p>Includes an increase for services and expenses related to providing affordable housing under OMH,</p>

SECTOR	INITIATIVE	EXECUTIVE BUDGET	FINAL BUDGET
			OASAS, OPWDD, DHCR, NYS Housing Trust Corp and OTDA to \$186.7 million.
	<b>Justice Center Jurisdiction over Hospitals/Camps</b>	Eliminates the Justice Center’s jurisdiction over inpatient psychiatric units of hospitals and over DOH-regulated summer camps for individuals with development disabilities. The purpose is to eliminate duplicative oversight.	REJECTS
	<b>Hospital Inpatient Psychiatric Payment Methodology</b>	Provides DOH discretion to simplify the calculation of the payment rate and allow for alternatives to the All Patients Refined Diagnosis related Groups (DRG) classification system.	MODIFIES to require the Commissioner of DOH to establish rates in consultation with industry representatives to achieve an appropriate base year update to the operating cost components of rates of payment that takes into account facility costs, mix of services, and patient specific conditions.
	<b>Wage Increase for Direct Care Workers in OMH, OASAS, OPWDD sectors</b>		INCLUDES new proposal to provide a 2% increase to total salaries for direct care staff (200-299), direct support professionals (100-199) beginning 1/1/20 and a 2% increase to total salaries for direct care staff and direct support professionals and clinical staff (300-399) beginning 4/1/20.

SECTOR	INITIATIVE	EXECUTIVE BUDGET	FINAL BUDGET
<b>Developmental Disabilities/ Early Intervention</b>			
	<b>Funding for Minimum Wage</b>	Includes funding for minimum wage costs for this sector by \$17.5 million.	INCLUDES
	<b>OPWDD Managed Care</b>	Includes new funding in the amount of \$5 million for the NYS Association of Community and Residential Agencies (NY Alliance For Inclusion) related to OPWDD's system readiness for managed care. Funds to be used for developing training and tools to improve performance measurement and outcome monitoring, data collection and provider readiness.	ACCEPTS
	<b>Early Intervention Provider Increase</b>	Proposes to provide a 5% rate increase for services furnished to eligible infants and toddlers by licensed physical therapist, occupational therapists, and speech-language therapists “to mitigate provider shortages and recognize the education and training of these specialized service providers.”	ACCEPTS
	<b>Traumatic Brain Injury (TBI) under Medicaid Global Cap</b>	Shifts TBI to the Medicaid Global Cap	ACCEPTS, will be allowed administratively

SECTOR	INITIATIVE	EXECUTIVE BUDGET	FINAL BUDGET
	<b>Applied Behavioral Analysis Coverage</b>	Expands Medicaid to cover Applied Behavioral Health Analysis treatment for over 4,000 children with Autism Spectrum Disorders, including those that have aged out of the Early Intervention program. An investment of \$6.4 million for SFY 2020.	ACCEPTS
	<b>Integrated Services for OPWDD and Article 16 Clinics</b>	Eliminates duplicative license requirements for OPWDD and Article 16 clinic providers of integrated services to clarify they do not need to be duly licensed under DOH, OMH and OASAS and vice versa.	ACCEPTS
	<b>Justice Center Jurisdiction over Hospitals/Camps</b>	Eliminates the Justice Center’s jurisdiction over inpatient psychiatric units of hospitals and over DOH-regulated summer camps for individuals with development disabilities. The purpose is to eliminate duplicative oversight.	REJECTS
	<b>Wage Increase for Direct Care Workers in OPWDD, OMH, OASAS sectors</b>		INCLUDES new proposal to provide a 2% increase to total salaries for direct care staff (200-299), direct support professionals (100-199) beginning 1/1/20 and a 2% increase to total salaries for direct care staff and direct support professionals and clinical staff (300-399) beginning 4/1/20.

SECTOR	INITIATIVE	EXECUTIVE BUDGET	FINAL BUDGET
<b>Special Education</b>			
	<b>School District Waivers</b>	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.	REJECTS
<b>Public Health</b>			
	<b>School-Based Health Centers</b>	Public Health funding for School-Based Health Centers is proposed at the same level as SFY 2018-19, a total of \$17 million.	ACCEPTS and adds \$3.824 million in new funds for a total of \$20.824.
	<b>Cancer Services Funding</b>	Includes \$19,825,000 in funding for evidence-based cancer services programs.	ACCEPTS

SECTOR	INITIATIVE	EXECUTIVE BUDGET	FINAL BUDGET
	<b>Tobacco Control Program Funding</b>	Includes \$33,144,000 for the tobacco use prevention and control program and funding around administration of the program and tobacco control enforcement efforts.	ACCEPTS
	<b>Cystic Fibrosis (CF) Program Funding</b>	Includes \$800,000 for the CF under 21 program.	ACCEPTS
	<b>AHEC Funding</b>	Includes appropriation of \$1,662,000 for AHEC funding.	ACCEPTS
	<b>Healthy Heart Funding</b>	Includes appropriations of \$506,000 and \$186,000 for hypertension prevention, screening and treatment.	ACCEPTS
	<b>Diabetes &amp; Obesity Prevention Funding</b>	Includes appropriation of \$5,970,000 for diabetes & obesity funding.	ACCEPTS
	<b>Spinal Cord Injury Research</b>	Includes \$8.5 million for spinal cord injury research.	ACCEPTS
	<b>Type 2 Diabetes Prevention</b>	Proposes to expand Medicaid to include coverage of evidenced-based prevention and support services recognized by Centers for Disease Control and provided by community-based organizations to persons at risk of developing diabetes.	ACCEPTS

SECTOR	INITIATIVE	EXECUTIVE BUDGET	FINAL BUDGET
	<p><b>Comprehensive Tobacco Policy</b></p>	<p>Includes the following proposals in Executive Budget:</p> <ul style="list-style-type: none"> <li>• Raises the minimum sales age for tobacco products from 18 to 21</li> <li>• Prohibits the sale of tobacco products in all pharmacies or stores containing pharmacies</li> <li>• Restricts the sale of flavored e-cigarette liquids</li> <li>• Requires e-cigarettes be sold only by licensed tobacco retailers under Department of Tax &amp; Finance</li> <li>• Restricts any discount or coupon provided by tobacco manufacturers and retailers</li> <li>• Restricts the visible display of tobacco products at retail locations</li> <li>• Prohibits smoking inside and on the grounds of all hospitals licensed or operated by the Office of Mental Health (OMH), as well as community mental health residences</li> <li>• Imposes a 20% excise tax on vapor products used in e-cigarettes. is expected to generate \$2 million in SFY</li> </ul>	<p>MODIFIES to include only the 20% excise tax on vapor products used in e-cigarettes.</p>

SECTOR	INITIATIVE	EXECUTIVE BUDGET	FINAL BUDGET
		2019-20 and \$19 million in subsequent years	
	<b>Reduce Lead Paint Exposure</b>	<p>Proposes to lower the blood lead level that constitutes an elevated lead level from 10 to 5 micrograms per deciliter. The proposal directs DOH to issue regulations establishing minimum standards for the maintenance of lead safe residential rental properties, including standards for maintaining painted surfaces and a schedule for maintenance. The proposal deems all paint on any residential rental property of which the original construction was completed prior to January 1, 1978 is presumed to be lead-based paint.</p> <p>The State invests \$28.6 million towards addressing priority concerns related to childhood lead poisoning and prevention. Lowering the blood lead level is expected to drive an increase in inspections, which may generate up to \$1 million in fines and penalties.</p>	MODIFIES, by lowering blood lead level to 5 micrograms per deiliter.
	<b>Reduce Reimbursement for NYC General Public Health Work Programs</b>	Proposes to reduce State reimbursement for New York City public health programs above the State Grant from 36% to 20%. Currently NYS DOH reimburses counties for	ACCEPTS

SECTOR	INITIATIVE	EXECUTIVE BUDGET	FINAL BUDGET
		these costs with base grants and then covers 36% of the remaining costs.	
<b>Transportation</b>			
	<b>Extends Medicaid Transportation Program</b>	Extends for 5 years the ability to contract by DOH for Medicaid Transportation until 2024.	MODIFIES by changing the extension to 2021.
	<b>Eliminates Assistance to Rural Transportation Providers for Medicaid</b>	Cuts \$4 million from the State's Medicaid program paid to Rural Transit Providers.	REJECTS
	<b>EMS Providers</b>	Eliminates the supplemental payments to emergency medical transportation providers and provides for reinvestment of the funds into ambulance reimbursement rates based on recommendations contained within the statutorily required Medicaid Transportation Rate Adequacy Report.	REJECTS
	<b>Managed Long-Term Care (MLTC)</b>	Carves-out the transportation benefit from the MLTC (excluding PACE plans) benefit package. This benefit will be delivered on a fee-for-service basis through the State's Transpiration Manager.	REJECTS

SECTOR	INITIATIVE	EXECUTIVE BUDGET	FINAL BUDGET
<b>Insurance</b>			
	<b>IVF Coverage</b>	Mandates that large group insurance providers cover IVF and also requires large group, small group, and individual insurance providers to cover egg-freezing services for women with certain health conditions, including those undergoing cancer treatment.	ACCEPTS
	<b>Applied Behavioral Analysis Coverage</b>	Expands Medicaid to cover Applied Behavioral Health Analysis treatment for over 4,000 children with Autism Spectrum Disorders, including those that have aged out of the Early Intervention program. An investment of \$6.4 million for SFY 2020.	ACCEPTS
	<b>Codification of the Affordable Care Act</b>	Proposes to codify the federal Affordable Care Act in the State Insurance Law. Provision include but are not limited to: <ul style="list-style-type: none"> <li>• Defining an essential health benefits package;</li> <li>• Providing authority for the Superintendent of Insurance to promulgate regulations to</li> </ul>	ACCEPTS

SECTOR	INITIATIVE	EXECUTIVE BUDGET	FINAL BUDGET
		<p>address covered preventive care services;</p> <ul style="list-style-type: none"> <li>• Expanding the guaranteed availability provisions for small and group coverage to include large group coverage and the requirement that health insurers offer and accept coverage for all employers in the State.</li> <li>• Prohibit insurers from imposing any pre-existing condition exclusions in policies.</li> <li>• Require insurers providing coverage for prescription drugs to publish their drug formulary and establish a process for an insured to request a formulary exception.</li> <li>• Prohibit insurers from discriminating based on sex, sexual orientation, gender identity or expression, transgender status, marital status and sexual stereotyping.</li> </ul>	
	<p><b>Codification of the “NY State of Health” Marketplace</b></p>	<p>Proposes to codify in the Public Health Law, the “NY State Of Health, the Official Health Plan Marketplace.” The NY State of Health (NYSOH) was initially established within the Department of Health in 2012 through</p>	<p>ACCEPTS</p>

SECTOR	INITIATIVE	EXECUTIVE BUDGET	FINAL BUDGET
		<p>an Executive Order. The proposal defines the functions of the Marketplace including but not limited to: performing eligibility determinations for federal and state insurance affordability programs; certifying Qualified Health Plans; assigning an actuarial value to each Marketplace certified plan; standardizing the benefits available through the Marketplace at each level of coverage; maintaining an internet website through which enrollees and prospective enrollees may obtain information; setting minimum requirements for Marketplace participation; operating a toll-free telephone hotline through to respond to requests for assistance; operating a small business options program; and assisting eligible employers in qualifying for federal and State small business tax credits.</p>	
	<p><b>Medical Indemnity Fund</b></p>	<p><b>Extension and Movement</b> The program is extended until 12/31/20 and moved from DFS to DOH effective 10/1/19.</p> <p><b>Programmatic Changes</b></p>	<p>ACCEPTS</p>

SECTOR	INITIATIVE	EXECUTIVE BUDGET	FINAL BUDGET
		<p>Requires Qualified Plaintiffs to have a court order to be enrolled in the Medical Indemnity Fund. Plaintiffs qualified under the program will need either a court or jury finding that they have suffered malpractice as a result of a birth related neurological injury or have a settled suit for the same.</p> <p><b>Acceptance of Payment and Rates</b> Mandates that health care providers accept the rates of payment established by the program.</p>	