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State Budget Targets Will Shift with Decline in State Revenue

Governor Cuomo, along with New York State Comptroller Tom DiNapoli, and State Division of Budget Director Robert Mujica, [recently announced](#) a decline in revenues to the State of approximately **\$2.3 Billion** resulting in an increased Budget deficit of that amount. The Governor attributed much of the decline to the \$10,000 cap placed on State and Local Tax Deduction (SALT) included in the current federal tax plan.

Comptroller DiNapoli stated this decline is the most serious revenue shock that the state has faced in many years, and his Office will be monitoring the decline in revenues closely to determine how profound of an impact it will impose on the current and future budgets.

The Governor is expected to adjust and realign finances to manage this shortfall, many adjustments of which will be included in the presentation of his 30-Day Amendments of the Executive Budget, due by February 14.

Record Setting Sign-Ups on NY State of Health for 2019

New York State of Health (NYSOH) [recently announced](#) that more than 4.7 million New Yorkers have enrolled in comprehensive health coverage through the Marketplace, an

increase of more than 435,000 people from 2018. NYSOH reports that 86 percent of enrollees were returning from last year and 14 percent were new in 2019.

According to NYSOH, the success of the 2019 open enrollment period is attributed to their strong communication efforts and positive messaging to consumers. Additionally, there were 12 insurers offering Qualified Health Plans and 16 insurers offering the Essential Plan statewide, providing most consumers with a choice of four insurer options in their county.

Announcement of Awards for the Statewide Health Care Facilities Transformation Program - II

Governor Cuomo and the Department of Health recently announced the awardees of the remaining \$204 million from the Statewide Health Care Facilities Transformation Program – II capital funding that was provided in the SFY 2018 Enacted Budget. This capital funding is dedicated to health care facility transformation efforts that improve fiscal sustainability and the support of capital projects, debt retirement, working capital and other non-capital projects.

The SFY 2019 Enacted Budget also included \$525 million in funding for a Statewide Health Care Facility Transformation Program – III to continue the State’s capital support to health care providers for transformation efforts. The Governor’s current budget proposal would shift up to \$300 million, of the total \$525 million, to be awarded to applications submitted under Statewide II that were not funded.

To view the Governor’s announcement and a regional list of awardees click [here](#).

Attorney General James Announces:

Conviction - Unlicensed Physician Illegally Performing Plastic Surgeries and Committing Fraud

The conviction of a disbarred plastic surgeon in New York and Nassau Counties for illegally performing surgeries, and for committing disability insurance and welfare fraud. The plastic surgeon’s license was suspended in 2007 by the State Department of Health’s Office of Professional Medical Conduct (OPMC) as well OPMC shut down the practice. The surgeon was charged with multiple specifications of Professional Medical Misconduct.

According to the AG’s announcement, the surgeon will be sentenced to a total of 3 to 9 years in state prison and judgments in favor of his victims total over \$425,000. For more details regarding the conviction click [here](#).

Settlement - Hospital Settles with AG after Illegally Billing Rape Survivors for Rape Exams

A settlement agreement with a Bronx hospital after an investigation into illegal billing of sexual assault survivors for forensic rape examinations. The Bronx hospital named in the settlement has agreed to implement a written policy to ensure that sexual assault survivors do not receive bills for their rape examinations, must provide full restitution to any improperly billed sexual assault survivors, and pay costs to New York State.

This is the latest of nine settlements reached as a result of a statewide investigation into illegal billing procedures conducted by the Attorney General’s Office. For more details regarding the settlement click [here](#).

\$7.5 Million for Addiction Prevention, Treatment and Recovery Services

The New York State Office of Alcoholism and Substance Abuse Services (OASAS) recently announced over \$7.5 million in funding available for enhance addiction prevention, treatment and recovery services in New York State. Funding will be awarded through a series of [Request for Applications \(RFAs\)](#) issued by OASAS.

The **\$7.5 million** of funding is comprised of the following:

- \$3,500,000 to Establish Medication Assisted Treatment (MAT) Services in Federally Qualified Health Centers (FQHCs) in Partnership with OASAS Certified Treatment Programs;
- \$1,750,000 to Facilitate the Process of Buprenorphine Induction in Hospital Emergency Departments and Linkage to Community Based Treatment using Peers;
- \$1,815,000 to Implement PAX Good Behavior Game in Classrooms to Prevent Opioid Use Disorder;
- \$410,000 to Deliver Strengthening Families Program (SFP) to families residing in Upstate New York Permanent Supportive Housing (PSH) in Erie, Albany and Schenectady counties; and
- \$100,000 to Create Peer-driven Recovery Networks for Youth and Young Adults.

Regulatory Update

Department of Health

Update Standards for Adult Homes and Standards for Enriched Housing Program

The State Department of Health has *re-issued* a notice of [emergency rulemaking](#) that prohibits Adult care facilities, including Adult Homes, Enriched Housing, and Assisted Living Programs from excluding an applicant based solely on the individual's status as a wheelchair user.

The Department intends to adopt the provisions of this emergency rule as a permanent rule. The original notice of emergency rule-making was posted on [September 12, 2018](#) in the New York State Register. This emergency rule will expire March 18, 2019.

Legislative Update

The Legislature will be in session Monday and Tuesday this week and have commenced their [joint budget hearings](#) scheduled through February 12th. The Legislature is scheduled to be on a break the week of February 18 -22, and will resume session on February 26th.

The Governor's 30-Day Amendments of the Executive Budget are due by February 14.

The following bills of interest have been placed on committee agendas this week:

Assembly Codes (Off the Floor, Monday, February 11)

- [A1619 \(Rozić\)/S3101 \(Biaggi\)](#): This Bill would amend insurance coverage requirements for eating disorders by defining "eating disorder" as any eating disorder contained in the most recent Diagnostic and Statistical Manual of Mental Disorders (DSM).
- [A1033 \(Gottfried\)](#): This Bill requires written informed consent to be obtained from a resident, or resident's legal representative, of a nursing home or adult care facility

prior to the initial order, or subsequent increase in order, of a psychotropic medication.

Assembly Health (Off the Floor, Monday, February 11)

- [A2785 \(Gottfried\)/S3118 \(Hoylman\)](#): This Bill would establish a medication synchronization policy under Medicaid and Medicaid managed care. The Bill would require managed care plans to cover partial fills for prescription drugs and would prohibit pro-rating the pharmacy dispensing fee.
- [A2799 \(Gottfried\)](#): This Bill would expand the classes of prescription drugs subject to “Prescriber Prevails” in Medicaid managed care.
- [A2795 \(Gottfried\)](#): This Bill would require the Medicaid drug benefit to be provided through the Preferred Drug Program (PDP), essentially carving out the drug benefit from managed care. The Bill would also permit health insurers to contract with the Department of Health to use the PDP as their formulary.
- [A3050 \(Simon\)](#): This Bill establishes specific procedures for the closure of assisted living residences (ALRs), including a prohibition on accepting new residents or increasing charges or fees upon the submission of a closure plan.
- [A2786 \(Gottfried\)/S1818 \(Rivera\)](#): This Bill directs the Department of Health to establish a delay reason code for untimely Medicaid claims due to complications caused by a new or upgraded medical record system.
- [A2802 \(Gottfried\)/S1821 \(Rivera\)](#): This Bill would authorize applied behavioral analysis for the treatment of autism spectrum disorder under Medicaid.
- [A2798 \(Gottfried\)/S1890 \(Rivera\)](#): This Bill would permanently carve-out the Traumatic Brain Injury and Nursing Home Transition and Diversion (TBI/NHTD) Waiver programs from managed care.
- [A3276 \(Joyner\)](#): This Bill establishes the Maternal Mortality Review Board for purposes of assessing the cause of death and factors leading to death and preventability for each maternal death reviewed, and to develop strategies for reducing the risk of maternal mortality. This Bill has been placed on the Assembly Codes and Ways and Means agendas for this week.

Senate Health (Monday, February 11)

- [S1821 \(Rivera\)/A2802 \(Gottfried\)](#): This Bill would authorize applied behavioral analysis for the treatment of autism spectrum disorder under Medicaid.
- [S1820 \(Rivera\)/A976 \(Gottfried\)](#): This Bill grants the Department of Health the discretion to exempt a LHCSA application from the current LHCSA moratorium if the application is consistent with the goal of consolidation and improving care. This Bill was passed by the Assembly last week.

Calendar

Thursday, February
14, 2019

The Bureau of Tobacco Control and The New York State Tobacco Use Prevention and Control Advisory Board -- Video conference
9:00 a.m. to 3:00 p.m.
ESP Corning Tower Building, 2876A Conference Room, Albany, NY

Thursday, February
14, 2019

The Drug Utilization Review Board (DURB)
9:00 a.m. to 4:00 p.m.
Meeting Room 6, Empire State Plaza, Concourse Level, Albany

Thursday, February
14, 2019

The Public Health and Health Planning Council
9:30 a.m.
90 Church Street, 4th Floor, Rooms 4A and 4B, NYC

QUICK LINKS

[NYS Department of Health](#) --- **[NYS DOH –Meetings, Hearings & Special Events](#)** --- **[Medicaid Redesign Team](#)** --- **[Senate Health Committee Website](#)** --- **[Assembly Health Committee Updates](#)** --- **[NYS Division of Budget](#)**

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