New York State Legislature

Joint Legislative Budget Hearing – Health/Medicaid

Hearing Testimony: February 5, 2019

David Rich, Executive Vice President, Government Affairs, Communications, and Public Policy

GREATER NEW YORK HOSPITAL ASSOCIATION

Chairs Weinstein, Krueger, Gottfried, and Rivera, and other members of the joint committee, my name is David Rich, Executive Vice President for Government Affairs, Communications, and Public Policy at the Greater New York Hospital Association (GNYHA). GNYHA proudly represents all of the hospitals in the downstate region, as well as hospital systems in Buffalo, Rochester, Syracuse, and Albany. I am pleased to be here today to testify on the hospital-related provisions in the Executive budget.

Unique among health care providers, hospitals are available 24 hours per day, 365 days per year, at the times of New Yorkers' greatest need, saving lives at every moment of every day. Our hospitals, doctors, nurses, and care teams provide these services primarily for their communities—your constituents—which is their singular focus. Significantly, however, because of the extraordinary care they provide, people also come from all over the world to access their services. More young people from all over the world seeking to become physicians come to learn at our great institutions than anywhere else in the country, and they gain experiences and knowledge that cannot be found anywhere else. By any measure, the care provided at our public and not-for-profit hospitals is extraordinary and irreplaceable.

Having said that, hospitals are so much more than providers of inpatient care. They are also community-based providers. This has always been true, as many of our hospitals have traditionally been the primary and specialty care providers through their outpatient facilities, typically in areas of the City where access to physicians' offices are limited. **Our hospitals have maintained major ambulatory care networks for many years that focus on providing care to the Medicaid patient population and other vulnerable New Yorkers such as the uninsured.** In 2017, New York hospitals provided over 8.5 million clinic and ambulatory care services to Medicaid and uninsured patients.[1] Indeed, hospitals and their ambulatory care networks provide the bulk of health care services to these patient populations. It is for these reasons that we appreciate the support the Governor and the Legislature have historically provided for our hospitals so that they can continue to provide high-quality care for all New Yorkers.

We face significant challenges, however. **As the Governor made clear in his budget presentation, hospitals and other Medicaid providers have stayed within the State's Medicaid global spending cap since its enactment in 2011.** It did not escape our attention that the Governor also pointed out that other areas of State spending, notably education, have exceeded their statutory caps every year since 2012, while Medicaid spending has stayed within an ever-declining cap.[2] This is a situation that requires due consideration by public officials.

One of the consequences of the cap, especially given the huge Medicaid enrollment growth during this decade, is that hospitals did not receive a Medicaid rate increase from 2008-2018—a full decade without an increase, while operating, labor, and supply costs such as pharmaceuticals rose steadily throughout that time. **As a result, Medicaid rates now cover only 74% of the cost of caring for Medicaid patients.**[3]

This reality has led to significant financial stress within the hospital community. This stress manifests itself in many ways.

[1] GNYHA analysis of New York State Institutional Cost Reports, 2017.
[2] The Medicaid cap—which is based on the 10-year rolling average of the medical component of the consumer price index—has declined from 4% in 2011-12 to 3% for the 2019-20 fiscal year.
[3] GNYHA analysis of New York State Institutional Cost Reports, 2017.

- **Twenty-six hospitals statewide are on what we refer to as the Commissioner of Health's "watch list" for closure**. These hospitals have less than 15 days of cash on hand, and require regular, significant infusions of State dollars just to keep the lights on and to meet payroll. I have attached to this testimony a list of the "watch list" hospitals. Many of them are in your districts or are nearby and, thus, serve your constituents.
- Another significant number of hospitals are not technically on the "watch list" but nonetheless desperately need help. Indeed, as a whole, hospitals in New York State have lower bottom line margins than their counterparts nationwide. **The average hospital margin in New York was only 1.8% in 2017, while hospital margins nationally were 5.9%.**[4]
- Just as Medicaid does not cover the cost of care for Medicaid beneficiaries, Medicare underpays providers as well. **In New York State, Medicare covers only 80% of the cost of caring for its beneficiaries.**[5]
- Hospitals in New York State are much less able to cost shift Medicare and Medicaid losses to private payers than their counterparts nationally.[6]

Unfortunately, some in Washington are trying to make this fragile situation even worse. While some of the funding threats have dissipated since the 2018 elections—legislative repeal of the Affordable Care Act (ACA) is thankfully off the table for now—we still face defunding of the ACA by the Trump Administration and serious lawsuits designed to undermine the law. Each year the Trump Administration proposes Medicare regulations that drastically reduce payments to New York hospitals for outpatient services and for safety net institutions. And we once again face huge Medicaid disproportionate share hospital, or DSH, cuts on October 1, which would reduce Federal funding for New York's safety net hospitals by $600 million in the next Federal fiscal year. And on top of the revenue pressures from Washington, **for-profit insurance companies, in their never-ending attempts to please their shareholders and pad their bottom lines, are denying payments to hospitals at record rates**. All of this creates a huge amount of uncertainty and distress within the hospital community.

For these reasons, we are pleased that the Governor's 2019-20 budget actually allows, for the first time, Medicaid spending in excess of the global cap. While the statutory formula for the cap would allow for an increase of only 3%, the Governor proposes increasing *spending* by 3.6%, which is the same rate of increase we understand he has proposed for education spending. The 3.6% accommodates the 2% increase in hospital inpatient Medicaid reimbursement rates—and 1.5% for nursing homes—that the State provided in November, made possible by the $1 billion Transformation Fund enacted in last year's budget.

These increases are the first in a decade, and we are grateful to the Governor and the Legislature for your support of the Transformation Fund last year, which was the subject of a major campaign by GNYHA and our partner, 1199SEIU Healthcare Workers East. The increases enable us to continue to provide high-quality care, pay good salaries, and provide excellent benefits to both our unionized and

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[4] New York margins: GNYHA analysis of New York State Institutional Cost Reports; U.S. margins: Medicare Payment Advisory Commission analysis of Medicare Cost Report data (December 2018).
[5] Health Forum, 2016 AHA Annual Survey of Hospitals.
[6] Health Forum, 2016 AHA Annual Survey of Hospitals.

non-unionized employees. We thank the Governor for the increase in the global cap in his Executive budget and urge the Legislature to support it.

We also support the following provisions of the Governor's budget:

- ***Capital:*** We are grateful for the $525 million in health care capital funding enacted in last year's budget. While this year's budget contains no new funding, it does allow for up to $300 million of last year's amount to be paid out to providers who applied for an earlier round of capital funding, rather than requiring a whole new application process. It also requires the $300 million to be awarded no later than May 1, 2019. We urge the Legislature to support this provision.
- ***Financially Distressed Hospitals:*** The Governor's budget provides full funding for financially distressed hospitals through the Essential Plan Quality Improvement Program, Value-Based Payment Quality Improvement Program, and Vital Access Provider Assurance Program. The Governor would also continue Medicaid rate enhancements for Enhanced Safety Net hospitals ($50 million) and $50 million for sole community and critical access hospitals. We urge the Legislature to continue to support these programs.
- ***Maternal Mortality:*** We strongly support the Governor's proposals to address disparities in maternal mortality, including $8 million in funding over two years. We believe his proposal to create a maternal mortality review board with strong confidentiality protections will go a long way to better understanding the causes of maternal mortality, and will be a huge part of the effort to save lives and eliminate disparities over time.
- ***Commission on Universal Access to Health Care, Codification of ACA Provisions:*** GNYHA believes health care is a fundamental human right. We strongly support the Executive budget's proposal for a Commission to look at ways to cover the remaining 5% of New Yorkers who are uninsured and strengthen the commercial insurance market. We also strongly support the provisions in the budget that would codify the New York State of Health and other ACA provisions.

Having said all this, there are provisions in the Executive budget that cause us significant concern. **Given the fragile financial state of our hospital community as a whole, we cannot afford to suffer any cuts in State funding that would undermine the progress we have made through the Health Care Transformation Fund enacted last year. For this reason, the news yesterday from the Governor and Comptroller about a $2 billion revenue shortfall is more than alarming and could spell a health care disaster for many of our communities.**

Provisions of concern in the Executive budget include:

- ***Cuts for "Avoidable Admissions":*** The Executive proposes cutting hospitals with so-called high rates of avoidable admissions. The impact would be $14.6 million in Medicaid cuts this year, and $40 million next year. **These cuts are particularly pernicious in light of the 17% reduction in avoidable hospitalizations under the State's Delivery System Reform Incentive Payment (DSRIP) program waiver, a success that has already resulted in considerable savings for the**

Medicaid program.[7] We strongly oppose this cut, and thank the Legislature for rejecting it in past years. We do support, however, the increased investments the Executive proposes for primary care, and urge the Legislature to support the investments without subjecting safety net hospitals to this reimbursement rate cut.

- ***Medicare Deductibles for Low-Income New Yorkers:*** Medicaid pays the outpatient Medicare deductibles for low-income seniors who are also eligible for Medicaid. The Executive proposes paying no deductible at all if the portion of the bill paid by Medicare is higher than the Medicaid rate for the same service, or reducing the deductible paid by the State so that the overall amount received by the provider is no greater than the Medicaid rate. We strongly oppose this cut, which we believe will harm low-income seniors' access to providers.
- ***Academic Medical Centers:*** The Executive proposes eliminating the $24.5 million academic medical center pool, which was created to offset major losses suffered by five academic medical centers when the graduate medical education pool was eliminated during the Paterson Administration. We urge the Legislature to reject this cut.
- ***Health Homes:*** The Executive cuts reimbursement for health homes by $5 million in State funds, which translates to a $10 million Medicaid cut for health homes. This cut will make it harder for health homes to improve the health of New York's vulnerable populations and reduce unnecessary utilization.
- ***School-Based Health Centers (SBHCs):*** Two years ago, SBHCs were cut in the final budget by $5 million. We are very grateful that last year the Assembly restored $3.8 million of that cut in the final budget. The Executive does not include that restoration in the proposed budget. GNYHA supports including last year's $3.8 million restoration and another $1.2 million to fully restore the cut enacted in the 2017-18 budget.

One last item I would like to mention is not in the budget, but is included in the Governor's briefing book. While the Executive does not propose legislation to force hospitals to hire more nurses—in the midst of a nursing shortage in many areas of the State—he does call for a Department of Health (DOH) study on health care staffing in institutions in general. While we remain steadfastly opposed to any legislation to mandate specific staffing levels in hospitals, we look forward to working with DOH to ensure that future discussions on staffing are based on facts and not on unproven anecdotes. **In November, the voters of Massachusetts—not the Legislature, but the voters themselves—roundly rejected, by a vote of 70%-30%, a ballot initiative to impose nurse staffing ratios on Massachusetts hospitals. There is no reason to believe that New York voters wouldn't follow suit if we had such a ballot initiative here.** We believe that voters agree with us that staffing decisions for the highest quality of care are best made by nurse executives at the institutional level, not by Albany.

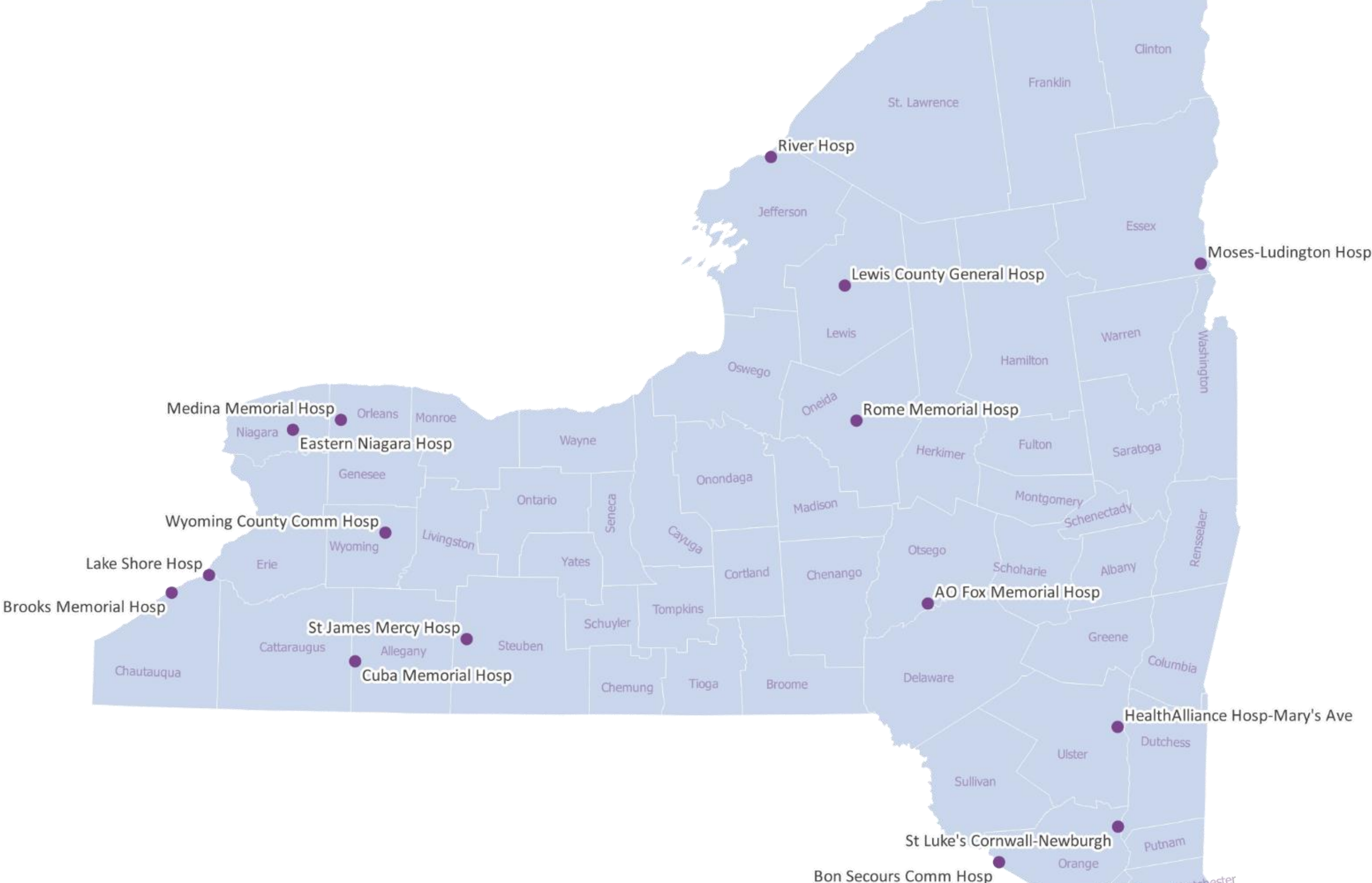
Finally, I would like to take a moment to publicly thank our partners, 1199SEIU, for working hand in hand with us to help strengthen the health care system upon which all New Yorkers rely, and, in particular, fighting for the expansion of health insurance. Our partnership, through the GNYHA/1199SEIU Healthcare Education Project, is unique nationally, and is a model of management and labor working together for the good of the people. Over many years, we have worked together on public education campaigns to create the Child Health Plus program, the Family Health Plus program, to

[7] New York State Department of Health, https://www.health.ny.gov/press/releases/2019/2019-01-30_dsrip.htm

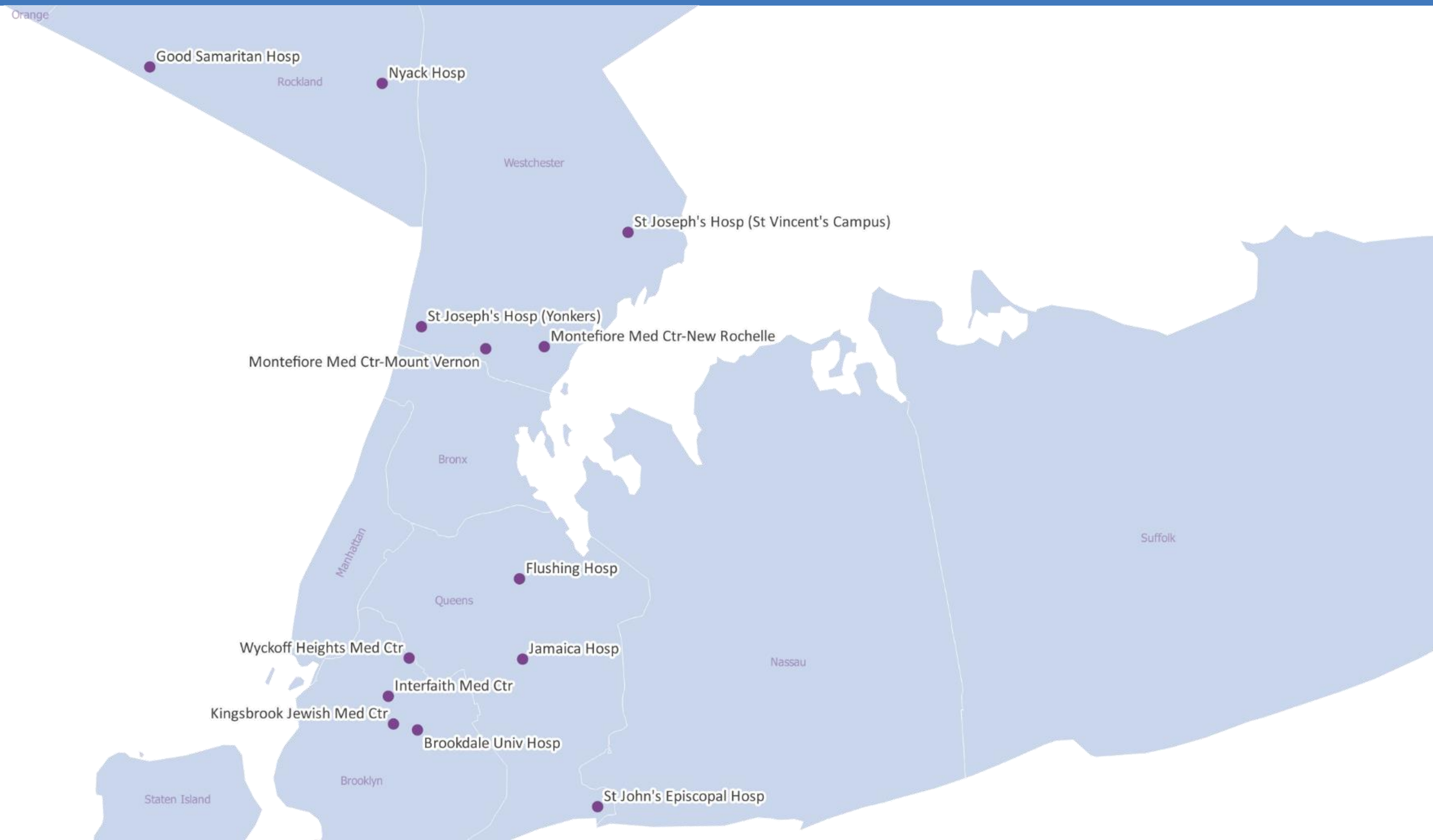
enhance Medicaid coverage for immigrants, and, most recently, to defeat ACA repeal. We jointly helped to fund anti-ACA repeal campaigns across the United States, most of which you would not have seen because they took place in states like Maine, Alaska, and Arizona. We are extremely proud of our strong relationship based on mutual respect.

I have attached to my written testimony a detailed table on all of the hospital-related provisions in the Executive budget. I am happy to answer any questions that you might have.

“Watch List” Hospitals are Dispersed Across the State



“Watch List” Hospitals are Dispersed Across the State



2019–20 NYS EXECUTIVE BUDGET HEALTH CARE PROPOSALS, GNYHA POSITIONS

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ISSUE	EXECUTIVE BUDGET PROVISION	GNYHA POSITION
Medicaid – Global Cap	Provides for a 3.6% increase in State Medicaid spending. In 2011, Governor Cuomo and the Legislature enacted the Medicaid Global Cap, which has capped State Medicaid spending growth at the 10-year rolling average of the medical consumer price index. This is the first time the Governor has proposed a Medicaid increase above the Cap, which otherwise would have been 3%. Extends the Division of the Budget's authority (also known as budget "superpowers") to make unilateral cuts in the Medicaid program if Federal financial participation is cut by more than $850 million during 2020 and 2021.	GNYHA **strongly supports** the Executive budget provision and thanks Governor Cuomo for this extremely necessary increase in Medicaid spending. As the Governor pointed out in his State of the State address, Medicaid spending has stayed within its spending cap since it was established. The Executive budget provision also makes room for the 2% increase in Medicaid hospital inpatient rates funded through the $1 billion transformation fund secured by GNYHA and 1199SEIU in last year's budget after 10 years of frozen rates (nursing homes throughout the State will receive a 1.5% Medicaid rate increase). This fund, which will grow to $2 billion with a potential Federal match, enhances Medicaid rate adequacy and mitigates the impact of potential Federal reimbursement cuts.
Capital Funding	Allows the Department of Health (DOH) to award up to $300 million of the $525 million in capital funding passed in last year's budget for applications submitted under the Statewide Health Care Facility Transformation Program (SHCFTP) Part III, with awards to be made no later than May 1, 2019. SHCFTP provides funding for health care providers to transform to meet the needs of the 21st century, including enhancing and preserving essential services and system development.	GNYHA **strongly supports** the Executive budget provision.
Funding for Financially Distressed/ Safety Net Providers	Provides full funding of existing commitments to voluntary safety net hospitals that are on the State's "watch list" through the Essential Plan Quality Improvement Program	GNYHA **strongly supports** full funding of existing commitments through these programs to hospitals.

GNYHA is a dynamic, constantly evolving center for health care advocacy and expertise, but our core mission—helping hospitals deliver the finest patient care in the most cost-effective way—never changes.

ISSUE	EXECUTIVE BUDGET PROVISION	GNYHA POSITION
Funding for Financially Distressed/ Safety Net Providers (continued)	(EP-QIP), Value-Based Payment Quality Improvement Program (VBP-QIP), and Vital Access Provider Assurance Program (VAPAP). Also maintains current Medicaid rate enhancements of $50 million for "essential safety net" hospitals and $50 million for Critical Access Hospitals/Sole Community Hospitals.	
Indigent Care Pool	No provision. The current Indigent Care Pool allocation methodology expires on December 31, 2019, although funds can continue to be paid through March 2020.	GNYHA **strongly supports** the Indigent Care Pool and is working with our members to determine an official position on the proposals discussed by the Indigent Care Pool Workgroup.
Medicaid – SUNY DSH	Restores $60 million of a larger, prior-year cut to the State share of SUNY Disproportionate Share Hospital (DSH) funding.	GNYHA **supports** full restoration of the original cut.
Medicaid – Hospitals	Cuts reimbursement to hospitals with high rates of avoidable admissions, with a portion of the savings to be reinvested in ambulatory care services. Net savings is $10 million in SFY 2019-20 and $20 million in SFY 2020-21.	GNYHA **opposes** these Executive budget provisions, which will reduce hospital reimbursement.
Medicaid – Dual-Eligible Cost Sharing	Limits payment of Medicare outpatient deductible for dual-eligibles to the otherwise applicable Medicaid rate, minus the Medicare Part B payment.	GNYHA **opposes** this provision, which will reduce funding for outpatient services provided to dual-eligibles.
Academic Medical Center Pool	Eliminates the $24 million academic medical center pool, which provides funding to five academic medical centers in the State.	GNYHA **opposes** this cut. Academic medical centers train tomorrow's doctors, perform cutting-edge research, and find lifesaving cures.
Forced Nurse Staffing Ratios	The Governor proposes that DOH study health care staffing for a variety of professions—not just registered nurses—and the costs associated with different staffing approaches.	While GNYHA will work with the Governor and DOH to study the issue to ensure that good policy emerges, we **strongly oppose** forced nurse staffing ratios, which would deny hospitals the flexibility they need to make real-time staffing decisions and respond to emergencies.
Medicaid – Nursing Homes	Reduces nursing home case mix increases by $246 million via administrative actions by DOH. Specifically, DOH projects that it will realize these savings by adjusting case mix outside of the traditional January and July dates during which resident assessment data is collected to determine case mix index levels.	GNYHA **opposes** this nursing home cut, which would effectively cut aggregate nursing home Medicaid rates by about 4%.

ISSUE	EXECUTIVE BUDGET PROVISION	GNYHA POSITION
Medicaid – Managed Care	Mandates coverage of Centers for Disease Control and Prevention-recognized prevention and support services provided by community-based organizations and designed to prevent development of type-2 diabetes.	GNYHA **supports** coverage of these services.
Health Homes	Reduces funding for health homes by $5 million (State share).	GNYHA **opposes** this cut, which will make it harder for health homes to improve the health of New York's vulnerable populations and reduce unnecessary utilization.
Medicaid – Managed Long-Term Care (MLTC)	Carves out MLTC transportation services from the Medicaid MLTC benefit package.	GNYHA **supports** the MLTC transportation carveout.
Medicaid – Opioid Prescribing	Strengthens programs to combat the opioid epidemic, including requiring emergency department (ED) personnel to check the State database before prescribing and other new ED protocols, including expanded medication-assisted treatment.	GNYHA members are committed to the safe use of opioids. GNYHA is studying this proposal.
Justice Center Oversight of Hospitals	Removes "inpatient psychiatric units of general hospitals" (Article 28) from the list of facilities over which the Justice Center for the Protection of People with Special Needs has regulatory authority, and further clarifies that "services provided in a unit of a hospital" as defined by the State's Public Health Law, but that may be licensed by the Office of Mental Health (OMH) or the Office of Alcoholism and Substance Abuse Services (OASAS), are also exempt from Justice Center authority.	GNYHA **supports** the Executive budget provision. New York hospitals are already closely regulated by a variety of Federal and State agencies. We also urge the Executive and Legislature to remove Justice Center authority over reports before August 1, 2019.
Medicaid – Pharmacy Services	Increases copays on over-the-counter drugs to $1, eliminates prescriber prevails, extends drug cap to 2021, and establishes certain restrictions on Medicaid managed care payments to pharmacy benefit managers.	GNYHA **supports** efforts to restrain growth in Medicaid drug costs.
Medicaid – Program Integrity	Allows the Office of the Medicaid Inspector General (OMIG) to recoup up to 2% of Medicaid Managed Care Organization (MMCO) premiums for the relevant audit period when an MMCO violates certain program integrity obligations under the State contract.	GNYHA **supports** efforts to enhance Medicaid program integrity. But given that many MMCO program integrity requirements flow down to hospitals, DOH or OMIG should be required (as appropriate) to seek the input of the hospital community and other key

ISSUE	EXECUTIVE BUDGET PROVISION	GNYHA POSITION
Medicaid – Program Integrity (continued)	Allows OMIG to recover funds from either MMCOs or network providers, at OMIG's discretion. OMIG may require plans to recover on behalf of the State within six months after receiving notice from the State to do so.	stakeholders as it develops the MMCO audit methodology. GNYHA has no position on the proposal to allow OMIG to recover overpayments from MMCOs and network providers.
Health Republic Fund; Health Insurance Guaranty Fund	No provision.	GNYHA **supports** setting aside settlement funds, as envisioned in the SFY 2016-17 budget, to pay provider claims once the Health Republic liquidation process is complete. Providers are owed hundreds of millions of dollars for care rendered to Health Republic enrollees. **GNYHA also strongly supports enactment of a health insurance guaranty fund for future insolvencies.**
School-Based Health Centers (SBHCs)	The Executive proposes the same funding level as last year: $17.1 million. Thanks to the Assembly, last year's final budget included $3.8 million in additional funding to address a 20% budget cut and subsequent DOH administrative redistribution that disproportionately harmed many hospital-sponsored SBHCs. Individual SBHCs were cut last year by 44%, 66%, and 70%, for example.	While GNYHA is pleased the Executive did not propose additional SBHC cuts, we believe the final budget should include the $3.8 million from last year and an additional $1.2 million, for a total of $5 million. This amount would fully reverse the FY 2017–18 cuts. SBHCs provide critical primary care services to underserved public school children across New York State. GNYHA member hospitals operate SBHCs serving more than 100,000 students in New York City, Buffalo, Yonkers, and Rochester.
Rate of Interest on Judgments	Ties the rate of interest on certain judgments and accrued claims to the one-year US Treasury bill rate rather than the current statutory provision of 9%.	GNYHA **strongly supports** the Executive budget provision. Current law requires defendants to pay exorbitant interest rates that bear no relationship to market interest rates, driving up malpractice and other liability costs.
Telehealth/Rural Regional Perinatal Centers	Provides up to $5 million in telehealth program funding for rural regional perinatal centers.	GNYHA **strongly supports** the Executive budget provision.
Statewide Health Information Network for New York (SHIN-NY)	Continues SHIN-NY funding at $30 million for FY 2019-20.	GNYHA **strongly supports** the Executive budget provision.

ISSUE	EXECUTIVE BUDGET PROVISION	GNYHA POSITION
All-Payer Database (APD)	Funds the APD at $10 million.	GNYHA **supports** the Executive budget provision.
Empire Clinical Research Investigator Program (ECRIP)	Includes $3.4 million for the ECRIP program.	GNYHA **supports** the Executive budget provision and urges the Legislature to increase this funding, which has sustained significant cuts in recent years.
Maternal Mortality	Provides $8 million over two years for a variety of uses to address disparities in maternal mortality. Also establishes a maternal mortality review board, which would review individual cases in order to improve medical care and prevent future maternal deaths.	GNYHA **strongly supports** the Executive budget provisions. We have participated in a number of activities, including the State task force, to address maternal mortality. The review board proposal includes strong confidentiality protections to prevent its deliberations from being subpoenaed by courts, which are critical if the board is to function effectively and save lives.
Commission on Universal Access to Health Care	Proposes a Commission on Universal Access to Health Care to explore options to achieve that goal, including strengthening the commercial insurance market and expanding programs to cover populations not currently eligible for health insurance or for whom it is unaffordable. Commission members are appointed by DOH and the Department of Financial Services (DFS) and are to submit a report to the Governor by December 1, 2019.	GNYHA believes health care is a human right. We **support** the Commission on Universal Access to Health Care and will advance proposals to cover the 5% of New Yorkers without health insurance: those who can't afford exchange plans, Medicaid-eligible individuals who aren't signed up because of enrollment barriers, and undocumented immigrants.
Adult-Use Cannabis	Following the establishment of a medical cannabis program, the Executive proposes to legalize the adult use of cannabis and tightly regulate it. A new Office of Cannabis Management within the State Liquor Authority would oversee adult use, medical, and industrial cannabis. Tax revenue would be held by the State Cannabis Fund and monies would be expended for, among other things, substance abuse, harm reduction, mental health treatment and prevention, public health education and intervention, and research.	GNYHA continues to study the proposal and is committed to ensuring that public health considerations, including substance abuse, are adequately addressed in the law and through the distribution of tax revenues. We are studying the bill's employment provisions and will strongly advocate for an approach that minimizes risk to hospital operations and patient safety. We **support** the creation of a designated caregiver facility status for medical cannabis.

ISSUE	EXECUTIVE BUDGET PROVISION	GNYHA POSITION
Adult-Use Cannabis (continued)	The proposed cannabis law includes provisions on employment requirements concerning impaired workers. Counties or cities with a population of 100,000 or more can opt out. For medical cannabis, the Executive proposes a new status for designated caregiver facilities, which carries certain legal protections under State law. When fully implemented, the program is estimated to raise $300 million over a three-year period (SFYs 2021–23).	
Delivery System Reform Incentive Payment (DSRIP) Program Activities	Authorizes the issuance of new regulatory waivers to DSRIP participants for "scaling and replication" of DSRIP activities. Achieves $20 million in savings from anticipated reductions in unnecessary hospital use.	GNYHA **supports** this proposal, which will give our members and their DSRIP partners increased flexibility as they continue to build upon the achievements made under the DSRIP program. We seek additional clarification from DOH on the interaction of this proposal with the potentially preventable hospitalization cut described above, as well as the savings target.
Affordable Care Act (ACA) Insurance Reforms	Codifies certain ACA provisions that would be in jeopardy if the ACA was repealed, including the insurance exchange (New York State of Health), coverage of all essential health benefits, and the ban on excluding people with pre-existing conditions.	GNYHA **supports** this effort to protect New York health insurance consumers and ensure access to quality, affordable care.
Gun Safety	Proposes a variety of gun safety proposals, including the establishment of extreme risk protection orders (EPRO). Also known as "red flag" laws, EPRO would allow courts to prohibit the purchase or possession of firearms by people deemed to be at risk of harm to self or others based on a petition by a family or household member, among others.	GNYHA **supports** EPRO and other measures to prevent gun violence.
Reproductive Insurance Mandates	Requires insurers to cover medically necessary abortions, in vitro fertilization, all contraceptive drugs approved by the Food and Drug Administration (FDA), FDA-approved devices and products, and fertility preservation services. The Legislature has already passed these provisions.	GNYHA **supports** these coverage mandates.

ISSUE	EXECUTIVE BUDGET PROVISION	GNYHA POSITION
Prescription Drug Consumer Protections	Requires insurers to publish current and accurate lists of all formulary drugs, including tiering, and requires them to establish a formulary exception process that includes external appeal rights.	GNYHA **supports** these important consumer protections.
Medical Indemnity Fund (MIF)	Continues MIF funding in accordance with prior years; transfers administration of the MIF from DFS to DOH and extends the enhanced provider reimbursement rate provisions through 2020.	GNYHA **supports** the Executive provision to continue MIF funding and transfer administration to DOH, which will streamline and consolidate operations. However, GNYHA **strongly opposes** extending the enhanced reimbursement rate without further study and input by affected stakeholders.
Workers' Compensation	Allows more providers, such as nurse practitioners and physician assistants, to treat workers' compensation patients.	GNYHA is studying this proposal.
Nursing Home Safety	Enacts a nursing home safety and quality initiative to monitor poorly performing nursing homes, and initiatives to combat elder abuse.	GNYHA is awaiting further details on legislation that would be proposed to implement this provision.
Health Information Technology Investments in Mental Health Sector	Provides $10 million for electronic health records and other information technology needs for facilities licensed by OASAS, OMH, and the Office for People with Developmental Disabilities.	GNYHA **supports** investing in these critical facilities with the goal of improved, better-coordinated care for their patients.
Mental Health/ Substance Abuse Parity	Provides reimbursement for mental health services provided by nurse practitioners and makes several changes to the State's Insurance Law related to substance use disorder (SUD) services. Removes prior authorization requirements for outpatient SUD services for the first three weeks of continuous treatment and does not permit concurrent review for inpatient SUD services for the first 21 days, provided the program notifies the insurer within two business days of the start of treatment.	GNYHA **supports** the Executive provision, which will assist New York's response to the opioid crisis.