

FY 2027 NEW YORK STATE EXECUTIVE BUDGET

**HEALTH AND MENTAL HYGIENE
ARTICLE VII LEGISLATION**

MEMORANDUM IN SUPPORT

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MEMORANDUM IN SUPPORT

A BUDGET BILL submitted by the Governor in
Accordance with Article VII of the Constitution

AN ACT to amend part H of chapter 59 of the laws of 2011 amending the public health law and other laws relating to general hospital reimbursement for annual rates, in relation to quarterly assessment of known and projected department of health state fund medicaid expenditures (Part A); to amend chapter 165 of the laws of 1991, amending the public health law and other laws relating to establishing payments for medical assistance, in relation to the effectiveness thereof; to amend chapter 710 of the laws of 1988, amending the social services law and the education law relating to medical assistance eligibility of certain persons and providing for managed medical care demonstration programs, in relation to the effectiveness thereof; to amend chapter 904 of the laws of 1984, amending the public health law and the social services law relating to encouraging comprehensive health services, in relation to the effectiveness thereof; to amend part X2 of chapter 62 of the laws of 2003, amending the public health law relating to allowing for the use of funds of the office of professional medical conduct for activities of the patient health information and quality improvement act of 2000, in relation to the effectiveness thereof; to amend part H of chapter 59 of the laws of 2011, amending the public health law relating to the statewide health information network of New York and the statewide planning and research cooperative system and general powers and duties, in relation to the effectiveness thereof; to amend part A of chapter 58 of the laws of 2008, amending the elder law and other laws relating to reimbursement to participating provider pharmacies and prescription drug coverage, in relation to the effectiveness thereof; to amend chapter 81 of the laws of 1995, amending the public health law and other laws relating to medical reimbursement and welfare reform, in relation to the effectiveness thereof; to amend the social services law, in relation to the effectiveness of certain

provisions relating to negotiation of supplemental rebates relating to medication assisted treatment; to amend part B of chapter 57 of the laws of 2015, amending the social services law and other laws relating to supplemental rebates, in relation to the effectiveness thereof; to amend part KK of chapter 56 of the laws of 2020, amending the public health law relating to the designation of statewide general hospital quality and sole community pools and the reduction of capital related inpatient expenses, in relation to the effectiveness thereof; to amend chapter 779 of the laws of 1986, amending the social services law relating to authorizing services for non-residents in adult homes, residences for adults and enriched housing programs, in relation to the effectiveness thereof; to amend part R of chapter 59 of the laws of 2016, amending the public health law and the education law relating to electronic prescriptions, in relation to the effectiveness thereof; to amend the public health law, in relation to amending and extending the voluntary indigent care pool; to amend part H of chapter 57 of the laws of 2019, amending the public health law relating to waiver of certain regulations, in relation to the effectiveness thereof; to amend part C of chapter 57 of the laws of 2022, amending the public health law and the education law relating to allowing pharmacists to direct limited service laboratories and order and administer COVID-19 and influenza tests and modernizing nurse practitioners, in relation to the effectiveness thereof; to amend chapter 21 of the laws of 2011, amending the education law relating to authorizing pharmacists to perform collaborative drug therapy management with physicians in certain settings, in relation to the effectiveness thereof; to amend chapter 520 of the laws of 2024, amending the education law and the public health law relating to amending physician assistant practice standards, in relation to the effectiveness thereof; to amend part V of chapter 57 of the laws of 2022, amending the public health law and the insurance law relating to reimbursement for commercial and Medicaid services provided via telehealth, in relation to the effectiveness thereof; and to amend part II of chapter 54 of the laws of 2016 amending part C of chapter 58 of the laws of 2005 relating to authorizing reimbursements for

expenditures made by or on behalf of social services districts for medical assistance for needy persons and administration thereof, in relation to the effectiveness thereof; and to amend part C of chapter 57 of the laws of 2018, amending the social services law and the public health law relating to health homes and the penalties for managed care providers, in relation to the effectiveness thereof (Part B); to amend the public health law, in relation to extending certain provisions relating to the distribution of pool allocations; to amend part A3 of chapter 62 of the laws of 2003 amending the public health law and other laws relating to enacting major components necessary to implement the state fiscal plan for the 2003-04 state fiscal year, in relation to extending the effectiveness of provisions thereof; to amend the New York Health Care Reform Act of 1996, in relation to extending certain provisions relating thereto; to amend the New York Health Care Reform Act of 2000, in relation to extending the effectiveness of provisions thereof; to amend the public health law and the state finance law, in relation to making technical corrections; to amend the public health law, in relation to extending certain provisions relating to health care initiative pool distributions; to amend the social services law, in relation to extending payment provisions for general hospitals; to amend the public health law, in relation to extending certain provisions relating to the assessments on covered lives; and to repeal certain provisions of section 2807-m of the public health law, relating to the distribution of the professional education pools (Part C); to amend chapter 266 of the laws of 1986 amending the civil practice law and rules and other laws relating to malpractice and professional medical conduct, in relation to insurance coverage paid for by funds from the hospital excess liability pool and extending the effectiveness of certain provisions thereof; to amend part J of chapter 63 of the laws of 2001 amending chapter 266 of the laws of 1986 amending the civil practice law and rules and other laws relating to malpractice and professional medical conduct, in relation to extending certain provisions concerning the hospital excess liability pool; and to amend part H of chapter 57 of the laws of 2017 amending the New York Health Care Reform Act of 1996 and other laws relating to extending

certain provisions relating thereto, in relation to extending provisions relating to excess coverage (Part D); to repeal certain provisions of the social services law relating to adult living programs for adult care facilities and enriched housing in adult care facilities; and to repeal certain provisions of the public health law relating to the tick-borne disease institute; and to repeal certain provisions of such law relating to compliance plans regarding the working conditions and hours for certain employees and trainees in general hospitals (Part E); to amend the state finance law, in relation to approval to spend moneys of the Percy T. Phillips educational foundation of the Dental Society of the state of New York fund; to amend part JJ of chapter 57 of the laws of 2025 amending the public health law relating to reporting pregnancy losses and clarifying which agencies are responsible for such reports, in relation to the effectiveness thereof; to amend part P of chapter 57 of the laws of 2025 amending the public health law relating to requiring hospitals to provide stabilizing care to pregnant individuals, in relation to the effectiveness thereof; to amend the public health law, in relation to making technical corrections thereto; to amend the social services law, in relation to the look-back period for medical assistance; and to amend the insurance law, in relation to referencing the continuing care retirement community council (Part F); to amend the public health law, in relation to modifying definitions related to automated external defibrillators (AEDs), designating the department of health as the entity that may authorize the acquisition of AEDs, modifying requirements for public access defibrillation providers, and establishing requirements that providers of AEDs notify the receivers of their responsibilities (Part G); to amend the public health law, in relation to requirements for notices of material transactions (Part H); to amend the public health law, in relation to Medical Indemnity Fund reimbursement rates (Part I); to amend the public health law, in relation to temporary health care services agencies (Part J); to amend the public health law, in relation to approval to operate a mobile integrated and community paramedicine program; to amend chapter 137 of the laws of 2023 amending the public health law relating to establishing a community-based paramedicine

demonstration program, in relation to the effectiveness thereof; to amend the public health law, in relation to the definition of "emergency medical service"; to amend the education law, in relation to authorizing certified nurse practitioners and licensed physicians to prescribe and order a non-patient specific regimen for administering immunizations to an emergency medical services practitioner; and to amend the public health law, in relation to extending hospital services outside the facility and into patients' residences (Part K); to amend the public health law, in relation to restoring prior enacted nursing home capital rate reductions; and to amend the social services law, in relation to premiums for the Medicaid buy-in for working persons with disabilities (Part L); to amend the social services law, in relation to the amount payable for certain services provided to eligible persons who are also eligible for medical assistance or are also qualified medicare beneficiaries; to amend the public health law, in relation to extending the cooling off period for health maintenance organization plan contracts with hospitals from two months to one hundred twenty days; to amend the social services law, in relation to clarifying Medicaid requirements for biomarker testing; and to repeal certain provisions of such laws relating thereto (Part M); to amend education law and the public health law, in relation to the scope and practice of medical assistants (Subpart A); to amend the education law and the public health law, in relation to the scope of practice of certified nurse aides; and providing for the repeal of such provisions upon the expiration thereof (Subpart B); to amend the education law, the vehicle and traffic law, and the judiciary law, in relation to authorizing qualified health care providers acting in their scope of practice to evaluate certain health issues (Subpart C); to amend the education law and the public health law, in relation to transferring all functions, powers, duties, obligations and appropriations relating to the governance of certain healthcare professions; to amend the business corporation law, the limited liability company law, the partnership law, the social services law, and the administrative code of the city of New York, in relation to making conforming changes; to repeal article 131-A of the education law and

certain provisions of such law and the public health law relating thereto (Subpart D); and to amend the education law and the public health law, in relation to the performance of medical services by physician assistants (Subpart E) (Part N); to amend chapter 57 of the laws of 2022 providing a one percent across the board payment increase to all qualifying fee-for-service Medicaid rates, in relation to hospital and nursing home fee-for-service reimbursement rates (Part O); establishing a state fiscal year 2026-2027 targeted inflationary increase to be applied to certain portions of reimbursable costs or contract amounts for certain programs and services (Part P); to amend the mental hygiene law, the social services law and the public health law, in relation to integrated behavioral health services (Part Q); to amend the insurance law and the public health law, in relation to substance-related and addictive disorder services (Part R); and to repeal subdivision 10 of section 553 of the executive law, relating to the requirement that the justice center administer an adult home and residence for adults resident advocacy program (Part S)

PURPOSE:

This bill contains provisions needed to implement the Health and Mental Hygiene portion of the FY 2027 Executive Budget.

This memorandum describes Parts A through S of the bill which are described wholly within the parts listed below.

Part A – Global Cap Extender

Purpose:

This bill would make statutory changes necessary to extend the Medicaid Global Cap. The Medicaid Global Cap is a mechanism to place limits on Medicaid spending to maintain a disciplined Medicaid budget.

Summary of Provisions and Statement in Support:

This bill would amend Chapter 57 of the Laws of 2025 to extend the Medicaid Global Cap budgeting construct through FY 2028 to manage the State's Medicaid budget.

Budget Implications:

This bill is necessary to implement the FY 2027 Executive Budget and the State's multiyear Financial Plan as it ensures overall Medicaid spending stays within capped levels. As prescribed in the FY 2023 Enacted Budget, the Global Cap is indexed to the five-year rolling average of Medicaid spending projections found within the National Health Expenditure Accounts produced by the Office of the Actuary in the Centers for Medicare & Medicaid Services.

Effective Date:

This act will take effect immediately.

Part B – Health Related Extenders

Purpose:

This bill contains provisions needed to implement the Health and Mental Hygiene portion of the FY 2027 Executive Budget.

Summary of Provisions and Statement in Support:

This bill extends various health-related provisions, including the following:

- Medicaid Managed Care Program;
- existing Medicaid Copays;
- the Comprehensive Health Services Program;
- authorization of use of Office of Professional Medical Conduct funds for the Physician Profile website;
- the Statewide Health Information Network and Statewide Planning and Research Cooperative System;
- penalties for violations of the Public Health Law, the Patient Safety Center Account, and the Enriched Social Adult Day Services Demonstration Project;
- the Nursing Home Medicare Maximization program;
- authorization of the statewide formulary for certain drug classes;
- the New York City Health and Hospitals Corporation upper payment limit conversion;
- authorization of services for nonresidents in adult homes, residences for adults, and enriched housing programs;
- exemption from electronic prescribing for low volume prescribers;

- the Voluntary Indigent Care Pool methodology;
- regulatory flexibility authority for certain Delivery System Reform Incentive Payment (DSRIP) Program promising practices;
- expanded health care testing access and provider practice flexibilities, including pharmacist-directed limited-service laboratories and non-patient-specific testing orders;
- the Collaborative Drug Therapy Management Demonstration Program;
- authorization of physician assistants to issue non-patient specific orders for routine COVID-19 and influenza testing;
- payment parity for Medicaid fee-for-service and Medicaid managed care services, whether they are provided in a traditional in-person setting or provided via telehealth modalities;
- the Statewide Medicaid integrity and efficiency initiative to support audit recoveries, efficiencies, and other cost avoidance measures; and
- authorization of the New York State of Health Customer Service Contract.

Budget Implications:

Enactment of this bill is necessary to implement in the FY 2027 Executive Budget and the State's multi-year Financial Plan by keeping overall Medicaid spending within capped levels, which are indexed to the five-year rolling average of Medicaid spending projections within the National Health Expenditure Accounts produced by Office of the Actuary in the Centers for Medicare & Medicaid Services.

Effective Date:

This bill would take effect immediately.

Part C – Reauthorize the Health Care Reform Act (HCRA) for three years

Purpose:

This bill would extend the provisions of the Health Care Reform Act (HCRA), which plays a significant role in governing the financing of health care services, through March 31, 2029. Currently, HCRA is scheduled to sunset on March 31, 2026.

Summary of Provisions and Statement in Support:

Section one would amend Public Health Law to extend dedicated revenue for program administration through March 31, 2029.

Section two would amend Public Health Law to extend authorization to allocate surcharge funds between various financing pools through March 31, 2029.

Sections three and four would amend Public Health Law to extend the continuation of the Medicaid inpatient hospital reimbursement methodology and collection of HCRA surcharges and assessments through December 31, 2029.

Section five would amend Public Health Law to extend Health Care Initiatives allocations through March 31, 2029.

Sections six through eight would amend certain sections of the Public Health Law and the State Finance Law to extend the Physician Loan Repayment Program, the Physician Practice and Support Program, and the Physician Workforce Study, extend the Diversity in Medicine program and rename the program “scholars in medicine and science and scholarships in medicine programs,” discontinue the Empire Clinical Research Investigator Program (ECRIP), and provide technical amendments.

Section nine would amend Public Health Law to extend authorization for clinic bad debt and charity care payments through March 31, 2029.

Sections ten and eleven would amend Public Health Law to extend authorization for the collection of the Covered Lives Assessment through December 31, 2029.

Sections twelve would amend Public Health Law to modify the reconciliation of collections for the Covered Lives Assessment in excess of one billion eighty-five million dollars through December 31, 2029.

Section thirteen would amend Public Health Law to extend various tobacco control and insurance initiative allocations through March 31, 2029.

Section fourteen would extend the diagnosis-related groups (DRG) payment methodology for hospital admissions through March 31, 2029.

Section fifteen would extend the Commissioner’s authority to adjust medical assistance rates of payment for certain certified home health agencies (CHHAs), long term home health care programs, PHL Article 36 AIDS home care programs, PHL Article 40 hospice programs, and managed long term care plans and operating demonstrations, as defined in PHL § 4403-f, beginning April 1, 2026 and ending March 31, 2029.

Section sixteen would extend the Commissioner’s authority to adjust personal care services medical assistance rates of payment for personal care service providers located in social service districts outside of New York City, beginning April 1, 2026 and ending March 31, 2029.

Section seventeen would set the effective date.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2027 Executive Budget and the State's multi-year Financial Plan, which reflects the continuation of HCRA funding for several health programs and revenue sources.

Effective Date:

This act would take effect on April 1, 2026.

Part D - Extend Excess Physician's Medical Malpractice Program

Purpose:

This bill would extend the provisions necessary to maintain the Physician's Excess Medical Malpractice program and would additionally restructure the program to generate savings while maintaining the efficacy of the program

Summary of Provisions and Statement in Support:

The bill would amend Chapter 266 of the laws of 1986 amending the Civil Practice Law and Rules to restructure Excess Medical Malpractice payments to defer half of current year payment obligations to the following year, effectively halving the program cost for the current year. To ensure recurring savings, outyear payments would additionally be reduced by half. This bill would generate substantial savings and would maintain the intended effect of the Physician's Excess Medical Malpractice program.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2027 Executive Budget and would generate approximately \$39.3 million dollars in savings in FY 2027 and \$19.6 million in savings in FY 2028.

Effective Date:

This act would take effect on April 1, 2026.

Part E – Miscellaneous Public Health Savings

Purpose:

This bill would discontinue support for certain non-core public health programs within the Department of Health (DOH), including the Enhanced Quality of Adult Living (EQUAL) program, the Tick-Borne Disease Program, and the Enriched Housing program. The bill would also eliminate a requirement for DOH to audit the number of working hours for hospital residents, which is duplicative of existing federal requirements.

Summary of Provisions and Statement in Support:

This bill would amend Social Services Law to discontinue the EQUAL program and the Enriched Housing program.

This bill would also amend the Public Health Law to discontinue the Tick-Borne Disease program and duplicative audits of hospital resident working hour audits.

These actions will create efficiencies and provide savings to the State Financial Plan.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2027 Executive Budget and would generate approximately \$7,680,000 in savings in SFY 2027 and \$7,420,000 in savings in SFY 2028.

Effective Date:

This bill would take effect on April 1, 2026.

Part F – Health Technical Amendments

Purpose:

This bill would make technical amendments to various parts of Public Health Law, Insurance Law, and State Finance Law to ensure that the original intent of previously adopted statutes is preserved and such statutes can be implemented without barriers.

Summary of Provisions and Statement in Support:

This bill would allow the Commissioner of Health to approve and certify funds collected from a license plate surcharge, allowing the Dental Society of the State of New York (DSSNY) to access funds collected for their dental education and public access programs as intended.

This bill would make technical amendments to clarify the effective dates of Parts P and JJ of Chapter 57 of the Laws of 2025 related to requirements for hospitals to provide abortion care to patients in emergency situations and pregnancy loss reporting.

This bill would make technical changes to existing language regarding prior authorization criteria by removing a reference to the committee for the patient's use of the non-preferred drug and replacing it with a reference to the Drug Utilization Review Board (DURB). Additionally, this bill would ensure that the medical needs of pregnant persons and persons with opioid use disorders continue to be considered in making prior authorization decisions.

This bill would update cross-references to subdivisions four and six of section 3351 of the Public Health Law as changes made in 2025 resulted in the renumbering of those subdivisions.

To align with change in federal law, this bill would amend the current definition of “look-back period” in statute regarding retroactive coverage for medical expenses.

This bill would update a cross-reference to the Public Health Law within section 1119 of the Insurance Law, as changes made by legislation in 2025 resulted in the definition of the continuing care retirement community council being moved from section forty-six hundred two to section forty-six hundred three of the Public Health Law.

Budget Implications:

This bill is necessary to implement the FY 2027 Executive Budget and the State’s multiyear Financial Plan and will not result in any fiscal impacts during FY 2027 or FY 2028.

Effective Date:

This bill would take effect immediately; provided however that section four would take effect upon the reversion of paragraph (a) of subdivision (3) of section 273 of the public health law, sections five and six would take effect on the same date as chapter 546 of the laws of 2024, seven of this act shall take effect on January 1, 2027, and section eight shall take effect on the same date and in the same manner as a chapter of the laws of 2026 as proposed in legislative bill numbers S.8802 and A.9486.

Part G – Strengthen Cardiac Readiness Across New York State

Purpose:

This bill would amend the Public Health Law in relation to the purchase, operation, and distribution of automated external defibrillators (AEDs), as well as modernize definitions to reflect how AEDs are designed, manufactured, and used today.

Summary of Provisions and Statement in Support:

This bill would modernize the definition of AEDs to reflect technological advancements and the reduced role of the operators. This bill would also remove the requirement that a public access defibrillator provider enter into a collaborative agreement with an emergency health care provider prior to purchasing and operating an AED.

Instead of informing regional councils of the locations and types of AEDs, as is required by current law, this bill would require that public access defibrillation providers register

AEDs with the Department of Health (DOH) and provide their location, ensuring that first responders have a centralized registry by which to locate the nearest AED.

This bill would further clarify training and notification requirements related to the use of AEDs.

This bill would also require the seller of any AED sold for use in this State to provide the purchaser with notice of all applicable requirements for maintenance and reporting. As a result of this bill, DOH would partner with regional hubs, counties, and experts to increase CPR and AED training opportunities throughout the state to improve cardiac emergency survival rates, ensuring that first responders have the tools they need to respond to cardiac emergencies.

Budget Implications:

This bill is necessary to implement the FY 2027 Executive Budget and would result in a cost to the State of \$3.2 million annually.

Effective Date:

This bill would take effect on June 1, 2026.

Part H – Strengthening Oversight on Healthcare Transactions

Purpose:

This bill would strengthen oversight of material healthcare transactions by authorizing the Department of Health (DOH) to conduct supplemental cost and market impact reviews for significant transactions and imposing additional reporting requirements on healthcare investors, both before and after the completion of a transaction.

Summary of Provisions and Statement in Support:

This bill would require health care investors to submit additional background information to DOH prior to the completion of a material transaction and continue reporting on the impacts of said transaction for a period of 5 years following closure. This bill would also authorize DOH to conduct a full cost and market impact review of transactions valued at over a certain threshold or otherwise, if DOH believes the transaction will negatively impact cost, quality, access, health equity, or competition in impacted markets, and allow DOH to collect fees from the parties to transactions to offset the cost of review.

Under this bill, DOH would be authorized to share the findings of its cost and market analysis with the Office of the Attorney General for use in supporting investigations, reviews and other actions.

Budget Implications:

This bill is necessary to implement the FY 2027 Executive Budget and will result in a cost to the State of \$150,000 annually. These costs will be offset by additional fee revenue generated from healthcare investors related to material transaction reviews.

Effective Date:

This bill would take effect one year after enactment.

Part I – Medical Indemnity Fund Reimbursement Rates

Purpose:

This bill establishes Medical Indemnity Fund reimbursement rates for non-physician services provided to enrollees.

Summary of Provisions and Statement in Support:

This bill would amend the Public Health Law to set reimbursement rates to 100 percent of the Medicare rate of reimbursement for qualifying health care costs, or, if no Medicare rate of reimbursement is available, 100 percent of the Medicaid rate of reimbursement, or, if there is no Medicare or Medicaid rate of reimbursement, a rate determined by the Commissioner of Health. These rates would not apply to private duty nursing services, which would be based on the New York State Medicaid fee schedule for private duty nursing as authorized in the Medicaid State Plan. This requirement would not apply to qualifying home or vehicle modifications, which would be reimbursed pursuant to contracts for such work approved by the Department of Health.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2027 Executive Budget and the State's multi-year Financial Plan, which reflects the increasing cost of this program to where rate reform is necessary to ensure the solvency of the MIF. These changes are projected to reduce MIF program expenditures by \$50 million in FY 2027.

Effective Date:

This act would take effect on June 1, 2026.

Part J – Reducing Reliance on Temporary Staff to Stabilize New York's Healthcare Workforce

Purpose:

This bill would amend the Public Health Law to add clarifying language to ensure that temporary health care service agencies engaged in subcontracting or providing vendor management services register and report properly, as well as set maximum profits for such agencies.

Summary of Provisions and Statement in Support:

This bill would require temporary health care staffing agencies to report information regarding wages and benefits of individuals providing health care services and to disclose all entities with which the individuals contract or subcontract. This bill would also ensure that healthcare organizations have the best information available when securing temporary staff and allow the Department of Health to establish maximum profits for temporary agencies in an effort to stabilize the State's health care workforce.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2027 Executive Budget because it is a vital component of the Governor's comprehensive agenda to create and enforce necessary reporting requirements and limitations on maximum earnings for temporary health care staffing agencies. This bill would result in a fiscal impact of \$4.2 million in FY 2027 and \$3.3 million annually thereafter.

Effective Date:

This bill would take effect one year after becoming law. The addition, amendment, and/or repeal of any rule or regulation necessary to implement this bill would be effective immediately.

Part K – Community Paramedicine and Hospital at Home

Purpose:

This bill would extend the authorization of existing community-based paramedicine programs to continue operations, while also allowing the Department of Health (DOH) to approve the new or modified community paramedicine initiatives across the State. This bill would also authorize emergency medical services (EMS) practitioners to administer certain vaccinations prescribed by licensed physicians and nurse practitioners. Additionally, this bill would amend Public Health Law by permitting general hospitals to provide care in patient homes, codifying the federal Acute Hospital Care at Home program in State law.

Summary of Provisions and Statement in Support:

This bill would extend the authority for existing community paramedicine programs to continue operations for an additional 4 years and set the total number of community

paramedicine programs allowed to operate concurrently at 99. DOH would also be authorized to revoke approval for programs found in violation of the Public Health Law.

This bill would also authorize EMS practitioners to administer immunizations prescribed or ordered by a physician or nurse practitioner.

Further, this bill would build upon the Acute Hospital Care at Home demonstration program, which was established by the federal Centers for Medicare and Medicaid Services during the COVID-19 public health emergency, by authorizing general hospitals to provide care in patient's homes without obtaining a license as a home care agency. Participating hospitals would be required to submit operating cost data to the Department of Health annually.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2027 Executive Budget because it is a vital component of the Governor's comprehensive agenda to ensuring patient access to quality care.

Effective Date:

This act would take effect on April 1, 2026.

Part L – Long-Term Care Proposals

Purpose:

This bill would make several changes to Medicaid long-term care program areas by restoring prior reductions to the nursing home capital rate component and amending premiums for the Medicaid Buy-In (MBI) for Working Persons with Disabilities.

Summary of Provisions and Statement in Support:

This bill restores the 10 percent reduction to the nursing home capital rate component which was enacted in FY 2025. This bill would also amend the Social Services Law to align the Medicaid Buy-In for Working Persons with Disabilities (MBI-WPD) program's premium structure to be consistent with the premium structure approved in the Medicaid State Plan Amendment (SPA).

Budget Implications:

Enactment of this bill is necessary to implement the FY 2027 Executive Budget by restoring nursing home capital rate reductions prescribed in the FY 2025 Enacted Budget. This bill would result in a cost to the State of \$28.8 million annually.

Effective Date:

This bill would take effect April 1, 2026.

Part M – Managed Care Related Proposals

Purpose:

This bill would make several changes to the Medicaid Managed Care program.

Summary of Provisions and Statement in Support:

This bill would bring consistency to Medicaid payments on Medicare crossover claims, by aligning the payment rules around and removing exceptions for ambulance and psychology services from Medicare Parts B and C.

This bill would also eliminate the addition of Long Term Services and Supports benefits in the Essential Plan and would make dental and vision benefits in the Essential Plan permanent.

In addition, this bill would repeal the process for children under the age of 19 to apply for a Medicaid presumptive eligibility determination allowing for Medicaid eligibility until a full application review could be made.

This bill would authorize the Commissioner of Health to implement a Center of Excellence model to certify healthcare professionals who provide referrals for Applied Behavior Analysis services.

This bill would further extend the time frame of the “cooling off period” for managed care plans and hospitals from two months to 120 days. This amendment would ensure that hospital-owned provider practices are not affected by termination or non-renewal while the cooling off period is in effect.

This bill would also clarify that biomarker precision medical testing is only covered by Medicaid when medically necessary as determined by the Department of Health.

Lastly, this bill would repeal continuous eligibility for children determined eligible for Medicaid or Child Health Plus until they reach the age of six.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2027 Executive Budget and the State’s multi-year Financial Plan by keeping overall Medicaid spending within capped levels, which are indexed to the five-year rolling average of Medicaid spending

projections within the National Health Expenditure Accounts produced by Office of the Actuary in the Centers for Medicare & Medicaid Services, as prescribed in the FY 2023 Enacted Budget. This bill would provide \$63.7 million in net State savings in FY 2027 and \$99.4 million in net State savings in FY 2028.

Effective Date:

Section one of this act would take effect on October 1, 2027. Sections two through eleven of these acts would take effect immediately. Sections thirteen and fourteen would take effect on July 1, 2026.

Part N – Remove Unnecessary Restrictions on Workers

Purpose:

This bill would expand the scope of practice for medical assistants, certified medication aides, nurse practitioners, and physician assistants. In addition, this bill would also transfer oversight functions with respect to the professional misconduct of physicians, physician assistants, and specialist assistants from the State Education Department (SED) to the Department of Health (DOH).

Summary of Provisions and Statement in Support:

This bill would permit qualifying medical assistants to administer immunizations in an outpatient office under the supervision of a registered physician, nurse practitioner, or physician's assistant.

This bill would further allow certified medication aides in residential health care facilities to administer routine medications to residents under the supervision of a registered nurse and would remove the unnecessary exclusions preventing nurse practitioners from performing certain activities for their patients, even though such activities are within their scope of practice.

This bill would also improve the administrative efficiency of medical practice by transferring the definitions of medical misconduct for licensed physicians, physician assistants (PAs), and specialist assistants (SAs) from the Education Law to the Public Health Law. This change would also shift regulatory authority from the SED to DOH, which already handles investigations and adjudications of professional misconduct for these roles. Additionally, DOH will take over the responsibility of certifying the qualifications of professionals who own and operate medical entities under the Business Corporation Law, Limited Liability Company Law, Partnership Law, Social Services Law, and the Administrative Code of the City of New York.

Finally, this bill would permanently codify measures that were temporarily in effect throughout the COVID-19 pandemic, permitting physician assistants to practice independently under specific circumstances and in designated settings.

Overall, these changes would enhance healthcare professionals' roles and responsibilities in various settings and help address the healthcare workforce shortages in New York.

The integration of this bill into the FY 2027 Executive Budget is imperative to expand the scope of practice for certified medical assistants, certified medication aides, medical assistants, nurse practitioners, and physician assistants to allow them to perform more advanced clinical tasks, support patient care more effectively, and enhance overall healthcare delivery. This expansion will enable these professionals to devote a greater portion of their time to more complex tasks, improving the efficiency and quality of care provided to patients. The bill is also necessary to achieve efficiencies by allowing DOH to assume licensing and oversight functions over physicians, physician assistants, and specialist assistants.

Budget Implications:

This bill is necessary to implement the FY 2027 Executive Budget and the State's multiyear Financial Plan and will not result in any fiscal impacts during FY 2027 or FY 2028, as any costs would be supported with existing resources.

Effective Date:

Provisions related to medical assistants will be effective 180 days after enactment.

Provisions related to certified medication aides will be effective 180 days after enactment.

Provisions related to nurse practitioner optimization will be effective 60 days after enactment.

Provisions related to administrative efficiencies of medical practice will be effective January 1, 2027.

Provisions related to physician assistant modernization will be effective two years after enactment.

Part O – Healthcare Stability Fund Investment

Purpose:

This bill would provide the amendments required to make additional healthcare investments from revenue deposited into the Healthcare Stability Fund.

Summary of Provisions and Statement in Support:

This bill would authorize the Commissioner of Health and Director of the Budget to make additional investments from the Healthcare Stability Fund, as well as provide that these additional investments could be made as increased rates of payment, lump sum payments, or state directed payments.

Additionally, this bill would increase the amount of funding which may be provided to certain healthcare providers from the Healthcare Stability Fund and provide that all investments would be subject to the availability of funds within the Healthcare Stability Fund as well as Federal Financial Participation.

Budget Implications:

This bill would authorize up to \$1.5 billion in support to hospitals and nursing homes in FY 2027, and up to \$1 billion annually thereafter, subject to the availability of resources in the Healthcare Stability Fund and Federal Financial Participation.

Enactment of this bill is necessary to implement the FY 2027 Executive Budget and the State's multi-year Financial Plan by keeping overall Medicaid spending within capped levels, which are indexed to the five-year rolling average of Medicaid spending projections within the National Health Expenditure Accounts produced by Office of the Actuary in the Centers for Medicare & Medicaid Services, as prescribed in the FY 2023 Enacted Budget.

Effective Date:

This bill would take effect immediately.

Part P – Targeted Inflationary Increase

Purpose:

This bill would provide a 1.7 percent targeted inflationary increase for eligible mental hygiene and human services programs for the period of April 1, 2026 to March 31, 2027.

Summary of Provisions and Statement in Support:

This bill would establish a one-time targeted inflationary increase for fiscal year 2027 at a rate of 1.7 percent for eligible mental hygiene and human services programs. The bill would also require local governmental units or directly contracted providers to account

for their use of the funds and would authorize agency commissioners to recoup funding not utilized consistent with statute or appropriation.

The targeted inflationary increase would provide support to providers who face rising costs, thereby improving their financial stability and ability to provide vital services to New Yorkers.

Budget Implications:

This bill is necessary to implement the FY 2027 Executive Budget to provide the 1.7 percent targeted inflationary increase for eligible mental hygiene and other human services programs. The 1.7 percent increase would cost the State a total of \$176 million.

Effective Date:

This bill would take effect April 1, 2026.

Part Q – Integrating Behavioral Health Services

Purpose:

The bill would create a new section of Mental Hygiene Law and amend Public Health Law, and Social Services Law to authorize a single licensure of comprehensive integrated behavioral health services.

Summary of Provisions and Statement in Support:

This bill would provide the Office of Mental Health (OMH) and the Office of Addiction Services and Supports (OASAS) with the authority to issue a joint license to providers who deliver both mental health and addiction services. The bill would require OMH and OASAS to set forth regulations to govern licensing, corporate, programmatic, reimbursement, physical plant, incident reporting and information sharing requirements. Additionally, this bill would authorize OMH and OASAS to set rates for these services.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2027 Executive Budget because it will improve access, coordination, and clinical outcomes for individuals with co-occurring disorders/comorbidities.

Effective Date:

This bill would take effect on April 1, 2026.

Part R – Gambling Addiction Insurance Coverage

Purpose:

The bill would amend Insurance Law to ensure coverage and protections for gambling disorder treatment.

Summary of Provisions and Statement in Support:

This bill would amend various provisions of the insurance law to replace “substance use disorder” with “substance-related and addictive disorder.”

These amendments would align the insurance law with the Mental Hygiene Law and recent changes to the Diagnostic and Statistical Manual of Mental Disorders (DSM-5). These amendments would ensure that patients with gambling disorders receive the same coverage and protections as substance use disorders, preventing unnecessary delays or denials for treatment.

Additionally, this bill would amend references in Insurance Law to update the agency name to the "Office of Addiction Services and Supports."

Budget Implications:

Enactment of this bill is necessary to implement the FY 2027 Executive Budget to ensure patients seeking treatment for gambling disorders receive necessary insurance coverage and protections.

Effective Date:

The bill would take effect January 1, 2027.

Part S – Eliminate the Adult Home Advocacy and Adult Home Resident Council Programs

Purpose:

This bill would eliminate the Adult Home Advocacy and Adult Home Resident Council programs.

Summary of Provisions and Statement in Support:

This bill would repeal subdivision 10 of section 553 of the Executive Law, which established the Adult Home Advocacy and Adult Home Resident Council programs at the Justice Center for the Protection of People with Special Needs.

The Adult Home Advocacy and Adult Home Resident Council programs were established in 1995. Since that time, the Department of Health has established similar programs to support individuals residing in adult homes. To promote efficiency, this bill would consolidate these efforts by eliminating the Adult Home Advocacy and Adult Home Resident Council programs.

Budget Implications:

Enactment of this bill is necessary to implement the FY 2027 Executive Budget, as it will provide savings of approximately \$230,000 on an annual basis.

Effective Date:

The bill would take effect April 1, 2026.

The provisions of this act shall take effect immediately, provided, however, that the applicable effective date of each part of this act shall be as specifically set forth in the last section of such part.