

HEALTH & MENTAL HYGIENE

**Summary of Recommended Appropriations
By Agency**

OFFICE FOR THE AGING

	Adjusted Appropriation 2008-09	Executive Request 2009-10	Legislative Appropriation 2009-10	Change
STATE OPERATIONS				
General Fund	3,430,000	3,292,000	3,292,000	0
Special Revenue-Other	300,000	250,000	250,000	0
Special Revenue-Federal	11,025,000	10,987,000	11,252,000	265,000
Enterprise	100,000	100,000	100,000	0
Total for STATE OPERATIONS	14,855,000	14,629,000	14,894,000	265,000
AID TO LOCALITIES				
General Fund	121,547,512	110,424,000	116,163,000	5,739,000
Special Revenue-Other	3,751,607	980,000	980,000	0
Special Revenue-Federal	107,600,000	107,600,000	111,985,000	4,385,000
Total for Agency	232,899,119	219,004,000	229,128,000	10,124,000
Grants In Aid	0	0	3,429,950	3,429,950
Total for AID TO LOCALITIES	232,899,119	219,004,000	232,557,950	13,553,950

LEGISLATIVE ACTION

The Legislature appropriates \$244,022,000 on an all funds basis, an increase of \$10,389,000 over the Executive budget submission. In addition, there is an appropriation of \$3,429,000 for other programs.

Legislative Reductions

The Legislature eliminates \$2,000,000 for local Area Agencies on Aging and community-based organizations to assist seniors enrolled in the Elderly Pharmaceutical Insurance Coverage (EPIC) program in the selection of the most appropriate Medicare part D coverage.

Legislative Changes

The Legislature provides additional funding for core programs which help seniors to remain in the community, prevent nursing home placements, and reduce Medicaid costs, including:

- \$2,000,000 for the Supplemental Nutrition Assistance Program (SNAP);
- \$2,000,000 for the Expanded In-Home Services for the Elderly Program (EISEP); and
- \$1,000,000 for the Community Services for the Elderly program (CSE) .

The Legislature restores funding for several programs, which provide various support services to assist seniors, including:

- \$844,000 to the Managed Care Consumer Assistance program;
- \$245,000 to the Enriched Social Adult Day Services demonstration project;
- \$81,000 to the Congregate Services Initiative; and
- \$69,000 to the Long-Term Care Ombudsman program.

The Legislature restores \$1,500,000 to ensure no reduction in the State Fiscal Year 2008-09 cost-of-living adjustment for providers of the SNAP, EISEP and CSE programs.

The Legislature increases administration by \$215,000 and program funding by \$3,485,000 related to federal senior nutrition programs as a result of funds received from the American Recovery and Reinvestment Act (ARRA) of 2009. In addition, the Legislature increases administration by \$50,000 and program funding by \$900,000 for the Senior Community Service Employment program as a result of funds received from the ARRA of 2009.

Article VII

The Legislature rejects the Executive's Article VII proposals that would repeal the Enriched Social Adult Day Program and the Economically Sustainable Demonstration Program. In addition, the Legislature makes minor modifications to the Long Term Care Insurance Education and Outreach Program.

Legislative Additions

The Legislature provides funding for the following:

PROGRAM	APPROPRIATION
TITLE III-C NUTRITION PROGRAMS - ARRA	\$3,485,000
(EISEP) - EXPANDED IN-HOME SERVICES FOR THE ELDERLY PROGRAM	\$2,000,000
SUPPLEMENTAL NUTRITION ASSISTANCE (SNAP)	\$2,000,000
2008-09 COLA	\$1,500,000
COMMUNITY SERVICES FOR THE ELDERLY (CSE) PROGRAM	\$1,000,000
SENIOR COMMUNITY SERVICE EMPLOYMENT PROGRAM - ARRA	\$900,000
MANAGED CARE CONSUMER ASSISTANCE - FMAP	\$844,000
ENRICHED SOCIAL MODEL ADULT DAY PROGRAM	\$245,000
TITLE III-C NUTRITION PROGRAMS - ARRA	\$215,000
CONGREGATE SERVICES INITIATIVE (CSI)	\$81,000
LONG TERM CARE OMBUDSMAN PROGRAM	\$69,000
SENIOR COMMUNITY SERVICE EMPLOYMENT PROGRAM - ARRA	\$50,000

DEVELOPMENTAL DISABILITIES PLANNING COUNCIL

	Adjusted Appropriation 2008-09	Executive Request 2009-10	Legislative Appropriation 2009-10	Change
STATE OPERATIONS				
Special Revenue-Federal	4,550,000	4,550,000	4,550,000	0
Enterprise	10,000	10,000	10,000	0
Total for STATE OPERATIONS	4,560,000	4,560,000	4,560,000	0

LEGISLATIVE ACTION

The Legislature concurs with the Executive's recommendation.

DEPARTMENT OF HEALTH

	Adjusted Appropriation 2008-09	Executive Request 2009-10	Legislative Appropriation 2009-10	Change
STATE OPERATIONS				
General Fund	271,145,800	303,992,400	309,992,400	6,000,000
Special Revenue-Other	571,365,200	577,419,100	567,713,200	(9,705,900)
Special Revenue-Federal	1,199,247,000	1,208,651,000	1,260,651,000	52,000,000
Enterprise	10,000	10,000	10,000	0
Total for STATE OPERATIONS	2,041,768,000	2,090,072,500	2,138,366,600	48,294,100
AID TO LOCALITIES				
General Fund	12,826,158,422	11,717,543,128	13,688,822,630	1,971,279,502
Special Revenue-Other	6,395,844,426	7,125,990,700	6,307,564,700	(818,426,000)
Special Revenue-Federal	27,543,167,280	28,402,508,000	34,099,902,000	5,697,394,000
Fiduciary	1,771,200,000	0	0	0
Total for Agency	48,536,370,128	47,246,041,828	54,096,289,330	6,850,247,502
Grants In Aid	0	0	2,816,299	2,816,299
Total for AID TO LOCALITIES	48,536,370,128	47,246,041,828	54,099,105,629	6,853,063,801
CAPITAL PROJECTS				
Capital Projects Fund	182,600,000	232,600,000	232,600,000	0
Capital Projects Fund - Advances	85,000,000	108,000,000	108,000,000	0
Federal Capital Projects Fund	9,980,000	9,980,000	122,525,000	112,545,000
Total for CAPITAL PROJECTS	277,580,000	350,580,000	463,125,000	112,545,000

LEGISLATIVE ACTION

The Legislature appropriates \$56,697,780,930 for the Department of Health on an All Funds basis, a net increase of \$7,011,086,602 over the Executive Budget submission. In addition, there is an appropriation of \$2,816,299 for other programs.

Legislative Reductions

The Legislature enacts provisions that reduce spending by \$185,000,000 from the Executive proposal, which includes the following actions: a reduction of \$50,000,000 related to an expected increase in audit projections; a reduction of \$10,000,000 to the Tobacco Use Prevention and Control program; a reduction of \$107,000,000 related to the establishment of a new tax on for-profit health maintenance organization (HMO's); a reduction of \$9,000,000 due to the delayed implementation of the Medicaid enrollment portal; and a reduction of \$9,000,000 resulting from increased revenue related to settlement of the First DataBank lawsuit.

The Legislature rejects a proposal to implement a licensing fee on providers of Early Intervention (EI) services and eliminates the \$1,700,000 Special Revenue-Other Account related to the collection of such fees.

Legislative Changes

The SFY 2009-10 Enacted Budget includes a net restoration of \$1,239,400,000 to the \$3,523,300,000 in Medicaid, HCRA and Public Health reductions advanced by the Executive. The Legislature accepts \$2,283,900,000 in net reductions, with \$1,555,400,000 of such reductions resulting from the Enacted budget and \$728,500,000 related to the enacted Deficit Reduction Plan (Chapters 1 and 2 of the Laws of 2009).

The Legislature provides an additional \$535,700,000 in additional State share appropriation authority related to increases in Medicaid caseload that were not accounted for in the Executive Budget.

The Legislature also accepts an Executive proposal to streamline access to coverage by eliminating certain requirements for enrollment in state Medicaid programs such as face to face interviews and fingerprinting resulting in \$1,500,000 in new spending.

American Recovery & Reinvestment Act of 2009 (AARA)

The Legislature provides additional appropriation authority to receive federal funding associated with the American Recovery & Reinvestment Act of 2009 (AARA). Specifically, the Legislature provides \$112,545,000 related to additional federal capital funds for the Safe Drinking Water Revolving Fund; \$60,000,000 related to additional federal funds for prevention and wellness activities; \$60,000,000 related to additional federal funds for health information activities; \$50,000,000 related to a State Electronic Health Records Loan Program; \$28,600,000 related to additional federal funds for nutritional services grants; \$24,000,000 related to additional federal funds for the handicapped infants and toddlers program. In addition the Legislature provides \$5,011,000,000 to receive federal Medicaid funds related to an increase in the Federal Medical Assistance Percentage (FMAP). This Medicaid appropriation will be used to receive both the State (\$3,647,000,000) and local (\$1,364,000,000) shares of the FMAP increase. The AARA also provides the State with additional disproportionate share hospital (DSH) funding resulting in \$79,000,000 in additional DSH funding for Federal Fiscal Year (FFY) 2008-09 and \$158,000,000 in additional DSH funding for FFY 2009-10.

Hospitals and Ambulatory Care

The Executive Budget included \$680,300,000 in State Share reductions for the hospital sector, of which \$515,300,000 in proposed reductions were contained in the Deficit Reduction Plan. The Legislature provides a net restoration of \$332,800,000 to deny these reductions, and provides additional targeted funds for hospitals and clinics.

Specifically, the Legislature modifies the Executive's Deficit Reduction Plan to reduce the proposed gross receipts assessment on hospitals by half, from 0.7 percent to 0.35 percent (a \$192,100,000 restoration); to continue the worker retaining program (a \$21,100,000 restoration); to reject the two percent across the board Medicaid rate reductions (a \$66,100,000 restoration); and to delay the elimination of the 2008 and 2009 hospital trend factors from January 1, 2009 to April 1, 2009 (a \$19,000,000 restoration).

The Legislature accepts an Executive proposal to enact hospital inpatient reimbursement reform but delays implementation from July 1, 2009 to December 1, 2009 (a \$66,100,000 restoration). The Legislature modifies the Executive's proposal and delays the implementation of rate reductions for inpatient detoxification services from April 1, 2009 to April 1, 2010 and provides a restoration of \$9,900,000.

The Legislature accepts the Executive's proposed investments in hospital outpatient rates, clinic rates, and physician fees but delays the implementation of these investments from July 1, 2009 to December 1, 2009 corresponding with reimbursement reform. This delay results in a State savings of \$38,500,000 in SFY 2009-10. The Legislature also delays the implementation of the patient-centered medical homes demonstration project from July 1, 2009 to December 1, 2009 for a savings of \$7,600,000 and delays the implementation of community-based detoxification services from July 1, 2009 to December 1, 2009 for a savings of \$1,500,000. The Legislature eliminates new support for psychiatric hospitalization prevention activities for a savings of \$10,500,000 and for increased reimbursement to clinics operated

by the Office of Mental Health (OMH) and the Office of Alcohol and Substance Abuse Services (OASAS) for a savings of \$3,800,000.

The Legislature modifies the Executive's proposal to use existing Graduate Medical Education (GME) funding to support indigent care payments for teaching hospitals. Specifically, the Legislature modifies the distribution of the new indigent care pool, effective January 1, 2010, to ensure each region receives the same aggregate funding level under the new distribution that it did under the previous GME distribution. The Legislature also provides \$25,000,000 to voluntary hospitals with Medicaid discharges of 40 percent or greater to cover the costs of uninsured patients; \$16,000,000 to non-teaching hospitals to cover the costs of uninsured patients; \$25,000,000 to voluntary "safety net" hospitals with Medicaid discharges of 40 percent or greater to provide assistance with residual Medicaid and self pay losses; and \$24,500,000 million for academic medical centers.

The Legislature also provides authorization for the use of additional disproportionate share hospital (DSH) payments, by allocating \$300,000,000 in funding for the New York City Health and Hospitals Corporation (HHC); \$48,000,000 in funding for SUNY hospitals; and \$67,000,000 in funding for other public hospitals. An increase in the overall DSH cap was made possible under ARRA, as noted above.

The Legislature also provides \$8,000,000 in additional State Share funding to support the Voluntary Clinic Indigent Care program and accepts the Executive's proposal to pursue federal matching funds for the program. The Legislature also provides \$3,693,824 in transition and information technology funding for community health centers.

Nursing Homes

The Executive Budget included \$420,200,000 in State Share reductions for the nursing home sector, which included \$230,400,000 in actions related to the Deficit Reduction Plan. The Legislature provides a net restoration of \$195,600,000 for nursing homes.

The Legislature delays the implementation of a new nursing home regional pricing methodology from April 1, 2009 to April 1, 2010 and establishes a workgroup to assist in the development of a new reimbursement methodology that reflects several factors, including appropriate cost differentials between facilities related to direct care staffing. The reimbursement methodology enacted as part of the SFY 2006-07 Budget will take effect April 1, 2009, however, the Legislature caps State share spending under the new methodology at \$230,000,000. In addition, the Legislature caps the State share reduction resulting from the transition from an all-payor case mix methodology to a Medicaid-only case mix methodology at \$110,000,000. The Legislature restores \$115,800,000 to support these modifications to the nursing home reimbursement methodology.

The Legislature modifies the Executive's Deficit Reduction Plan to reject the Executive's proposed two percent across the board Medicaid rate reductions (a \$94,700,000 restoration); to delay the implementation of the rate reduction for Adult Day transportation rates from January 1, 2009 to April 1, 2009 (a \$2,900,000 restoration); and to delay the elimination of the 2008 and 2009 nursing home trend factors from January 1, 2009 to April 1, 2009 (a \$23,500,000 restoration).

The Legislature denies funding for a new nursing home quality pool, to achieve \$25,000,000 in savings; denies increased funding for Financially Disadvantaged Nursing Home program, resulting in \$5,000,000 in savings; denies funding for a long term care nursing scholarship program, resulting in \$2,500,000 in savings; and denies additional funding for hard to serve patient initiatives, resulting in \$3,000,000 in savings. The Legislature also delays the allocation of the nursing home transition funds until April 1, 2010, resulting in savings of \$37,500,000.

Other Long Term Care Services

The SFY 2009-10 Executive Budget included \$200,400,000 in state share reductions for the home care sector, including \$142,300,000 in actions which were included in the Deficit Reduction Plan. The Legislature provides a net restoration of \$132,800,000 for the home care sector.

The Legislature modifies the Executive's Deficit Reduction Plan to reject the proposed reductions to reimbursements for administrative and general costs associated with certified home health agencies (CHHA's) and long term home health care programs (LTHHCP) (a \$48,700,000 restoration); to delay the elimination of the 2008 and 2009 home care and personal care trend factors, from January 1, 2009 to April 1, 2009 (a \$13,800,000 restoration); and to reject the two percent across the board Medicaid rate reductions for home care and personal care services (a \$19,400,000 restoration).

The Legislature rejects the Executive's proposal to implement a new prospective payment reimbursement system for CHHA's and restores \$37,500,000. The Legislature also establishes a workgroup to study the home care industry and to make recommendations for a new reimbursement methodology for home care services. The Legislature reduces the an Executive proposal to institute a gross receipts assessment on home care services by half, from 0.7 percent to 0.35 percent and restores \$15,900,000.

The Legislature denies funding for a new home care quality pool, resulting in \$2,500,000 in savings. The Legislature eliminates \$1,000,000 in proposed funding for new Cash and Counseling Demonstration program and uses these savings to provide \$500,000 to the existing Consumer Directed Personal Assistance program and \$500,000 for the Guardianship Project operated by the Vera Institute.

The Legislature also modifies the Executive's proposal to authorize Long Term Care Assessment Centers to limit the proposal to a three-year demonstration project to be operated in two locations, one in a county in New York City and one in a county outside of New York City. The Legislature also rejects the Executive's proposal to prevent CHHA's from subcontracting services with Licensed Home Care Service Agencies (LHCSA). The home care industry workgroup established in the enacted budget is charged with reviewing issues surrounding the provision of home care services, including salaries provided to direct care workers.

Pharmacy

The SFY 2009-10 Executive Budget included \$111,900,000 in State Share reductions for the pharmacy sector, which includes \$25,200,000 in actions that were included in the Deficit Reduction Plan. The Legislature provides a net restoration of \$83,200,000 to the pharmacy sector, including \$32,900,000 in restorations to the Medicaid program and \$50,300,000 in restorations to the Elderly Pharmaceutical Insurance Coverage (EPIC) program.

The Legislature modifies the Executive's Deficit Reduction Plan to reject the proposal to reduce reimbursements rates to pharmacies from Average Wholesale Price (AWP) less 16.25 percent to AWP less 17.25 percent, and as a result, restores \$18,400,000 to the Medicaid program and \$2,800,000 to the EPIC program; and to reject the proposal to include anti-depressants in the Preferred Drug Program, a \$3,300,000 restoration. The Legislature also rejects the Executive's proposals that would have eliminated specialized HIV/AIDS pharmacies, a \$300,000 restoration; eliminated physician prevails provisions from the Clinical Drug Review Program, a \$2,000,000 restoration; and limited gifts that physicians can receive from pharmaceutical manufacturers, a \$500,000 restoration. The Legislature provides \$2,000,000 to modify the Executive's proposed changes to the Drug Utilization Review program and Supplemental Rebate program to provide for enhanced patient protections, including physician prevails provisions.

The Legislature rejects the elimination of "wrap-around" coverage for drugs not covered by Medicare Part D plans for Medicaid and EPIC and restores \$2,800,000 to Medicaid and \$49,900,000 to EPIC program respectively. The Legislature also provides \$9,900,000 to support the exemption of EPIC enrollees from mandatory enrollment in Medicare Part D if their enrollment would represent a financial hardship and provides \$100,000 to maintain coverage for certain drugs under the EPIC program. The Legislature also denies the Executive's proposal to reduce EPIC cost sharing requirements, resulting in a savings of \$10,000,000.

Utilization Management

The Legislature restores \$9,300,000 related to the rejection of a proposal to utilize centralized transportation managers for non-emergency transportation and restores \$1,400,000 to delay the implementation of other utilization management actions from March 1, 2009 to April 1, 2009.

Managed Care

The Legislature restores \$9,300,000 to reduce the Executive's proposed increases in Child Health Plus premiums; restores \$26,100,000 to reject the Executive's proposal to move the rate setting process for CHP from the Insurance Department to DOH; restores \$300,000 to reject the Executive's proposal to increase Medicaid cost sharing for the working disabled; and restores \$3,500,000 to delay in the implementation of other managed care sector actions from March 1, 2009 to April 1, 2009.

Insurance

The Legislature rejects the shift in funding for several programs from the General Fund to the Insurance Department Assessment, including: the Tobacco Use Prevention and Control Program (\$60,900,000); the Early Intervention program (\$21,700,000); the Timothy's Law small business subsidy (\$99,200,000); and various other public health programs (\$49,900,000).

The Legislature maintains \$221,800,000 in savings in SFY 2009-10 related the shift of the Healthy New York program (\$183,040,000), the Direct Pay Subsidy program (\$36,800,000) and the Pilot Program for Entertainment Industry Employees (\$1,960,000) to the Insurance Assessment.

The Legislature also rejects the Executive's proposal to establish of a one dollar claims processing fee on health insurance for third party insurance administrators (\$63,100,000) and to extend the HCRA payor surcharge to outpatient radiology and ambulatory surgery (\$49,800,000).

The Legislature accepts the Executive's proposal to increase current HCRA payor surcharges, from an existing 6.54 percent to a new 7.04 percent for public payors and from an existing 8.95 percent to a new 9.63 percent for private payors, to generate \$99,000,000 in new revenue. The Legislature continues the covered lives assessment at \$1,040,000,000 annually, which includes the \$120,000,000 increase enacted as part of the Deficit Reduction Plan. The Legislature accepts the Executive proposal to extend the covered lives assessment to out-of-State Insurers, to generate \$5,000,000 in additional revenue.

Public Health

The Legislature restores \$438,400,000 of the \$506,900,000 in public health reductions proposed in the Executive Budget. Specifically, the Legislature rejects the Executive's proposals to: impose a tax on non-diet soft drinks (a \$404,000,000 restoration); eliminate coverage for certain optional services under the General Public Health Works (Article 6) program (a \$16,000,000 restoration); to increase the physician registration fees (a \$6,000,000 restoration); to reduce the SFY 2008-09 COLA by one percent (a \$4,900,000 restoration); to restructure fees imposed on clinical laboratories (a \$3,400,000 restoration); to impose new fees on providers of Early Intervention services and parents of children enrolled in Early Intervention programs (a \$1,700,000 restoration); to reduce funding for the American Red Cross (a \$1,600,000 restoration); to eliminate funding for genetic screening activities (a \$490,000 restoration); and to eliminate funding for the Adelphi University Breast Cancer Hotline (a \$294,000 restoration).

The Legislature also rejects the Executive's proposed modifications to the Early Intervention program, including changes to the eligibility and provider licensing requirements.

The Legislature accepts \$11,000,000 in new investments proposed by the Executive for public health programs such as obesity coalitions, increases cancer screening, increases in food bank support, and for enhancements in lead poisoning prevention. The Legislature accepts the Executive's proposal to increase the retail tobacco fee which provides an additional \$18,500,000 in new revenue. The Legislature accepts the Executive proposal to eliminate the SFY 2009-10 COLA for Health and Aging programs.

The Legislature provides \$3,985,136 in additional funding in the AIDS Institute for AIDS-related programs; including:

- New York/New York III Supportive Housing Agreement, \$1,300,000;
- Harm Reduction Materials, \$1,000,000;
- HIV/AIDS Legal and Supportive Services, \$600,000;
- Community Service Programs (CSP), \$432,400;
- Multiple Service Agencies/Community Development Initiative (MSA/CDI), \$432,400;
- Legal Services for NYC, \$100,768;
- The Legal Aid Society, \$100,768; and
- New York AIDS Coalition \$18,800.

The Legislature provides \$8,234,866 in additional funding in the Center for Community Health for public health programs, including:

- The Lesbian, Gay, Bisexual, and Transgender Health and Human Services Network, \$2,048,000;
- Health and Social Services Sexuality Related Programs, \$1,540,322;
- Infertility Services, \$752,000;
- Family Planning Services, \$507,600;
- School Based Health Clinics, \$507,600;
- Huntington's Disease Centers, \$437,600;
- Chernobyl Thyroid Cancer Screening Pilot Project, \$406,080;
- Primary Care Development Corporation (PCDC), \$394,800;
- American Red Cross, \$373,744;
- Health and Social Services Sexuality Related Programs/Domestic Violence Network, \$282,000;
- Alzheimer's Community Assistance Program (AlzCap), \$225,600;
- NYU Mobile Dental Clinic, \$188,000;
- Center for Healthcare Access, \$101,520;
- Perinatal care networks \$94,000;
- Alzheimer's Disease Assistance Centers (ADAC), \$75,200;
- Health Care Based Literacy Programs, \$75,200;
- ALS Services \$75,200;
- Coalition of Institutionalized Aged and Disabled (CIAD), \$75,200;
- NYS Breast Cancer Network, \$37,600; and
- School Based Health Coalition, \$37,600.

The Legislature provides an additional \$3,421,600 to programs administered by the Office of Long Term Care, including:

- Adult Home Quality Incentive Program (QUIP), \$2,068,000; and
- Adult Home Air Conditioning, \$1,353,600;

Other Actions

The Legislature restores \$14,500,000 in funding for the Roswell Park Cancer Institute and restores \$500,000 to reject the Executive's proposal to modify Medicaid recoveries from supplemental trusts.

Capital

The Legislature authorized the continuation of the Health Care Efficiency and Affordability Law for New Yorkers (HEAL NY) for two years at \$325,000,000 per year. The Legislature also reduces the cash associated with the HEAL NY program in SFY 2009-10 from \$31,000,000 to \$25,000,000 and accepts the Executive's proposed funding for the Roswell Park Cancer Institute. The Legislature also provides \$25,000,000 in HEAL NY funding to assist hospitals in transitioning to the new Medicaid inpatient reimbursement methodology.

Article VII

Part A – Public Health Programs

The Enacted Budget contains language that:

- modifies various Department of Health program requirements related to water system backflow, food worker certification, and temporary home inspections;
- provides enhancements to the lead poisoning prevention program; and
- makes certain changes to the Long Term Care Insurance Outreach and Education program.

Part B – Expiring Laws/Cost Containment

The Enacted Budget contains language that:

- establishes a 0.35 percent assessment for home and personal care services;
- provides federal financial participation contingency language related to various federal regulations;
- extends various expiring laws and provide cost containment provisions;
- sets forth due process provisions in connection to prior authorization or approval under the Medicaid program;
- discontinues the 2008 trend factor for hospitals, nursing homes, home and personal care effective April 1, 2009;
- discontinues the 2009 trend factor for hospitals, nursing homes, home and personal care effective April 1, 2009;
- establishes a 0.35% hospital assessment;
- increases the HCRA third party payor surcharges from 6.54 percent to 7.04 percent for public payors and from 8.95 percent to 9.63 percent for private payors;
- eliminates funding and enrollment in the Individual Subsidy program;
- modifies various provisions related to the school supportive health program;
- makes the Expanded Syringe Access Program permanent; and
- extends authorization for Managed Long Term Care Demonstration Programs.

Part C – Health Care Improvement Act

The Enacted Budget contains language that:

- modifies the Medicaid inpatient hospital reimbursement system, effective December 1, 2009, to update the base year from 1981 to 2005 and implement a new reimbursement methodology;
- discontinues funding for certain hospital rate adjustments for workforce recruitment and retention, translation services, hospitals in Suffolk and Nassau counties, public and voluntary hospitals, rural hospitals and the priority restoration program;
- accelerates the implementation of inpatient detoxification reimbursement reform from April 1, 2011 to April 1, 2010;
- implements new inpatient exempt unit per diem rates for certain services, including inpatient psychiatric, physical rehabilitation and chemical dependency rehabilitation, critical access rural hospitals, specialty long term acute care and cancer hospital and acute care children's hospital;
- discontinues rate adjustments for high utilization Medicaid hospitals;
- authorizes the Commissioner of Health to seek enhanced federal financial participation to promote patient centered care and improve access to and quality of primary and ambulatory care;
- increases indigent care funding for diagnostic and treatment centers;
- accelerates the phase-in of the new Ambulatory Patient Group (APG) methodology for outpatient Medicaid services by one month
- authorizes the expansion of the APG methodology for outpatient Medicaid services to clinics operated by the Office of Mental Health and the Office of Alcoholism and Substance Abuse Services if funding is made available;
- authorizes the establishment of a statewide patient centered medical home program;
- authorizes the establishment of the Adirondack Medical Home Multipayer Demonstration program;
- expands Medicaid coverage to include smoking cessation services for pregnant women and adolescents 10-19 years of age; cardiac rehabilitation; screening, brief intervention, and referral to treatment in hospitals for individuals at risk of substance abuse;
- modifies the calculation of hospital outpatient UPL payments to address federal requirements;
- establishes of a primary care case management program;
- establishes the State Electronic Health Records Loan Program;
- authorizes HEAL NY funding to assist hospitals transition to the new reimbursement methodology and to support improved access to capital markets for health care providers;
- authorizes the Commissioner of Health to negotiate directly with pharmaceutical manufacturers to obtain rebates;

- makes certain changes to the Drug Utilization Review program to ensure that the most medically appropriate, cost effective drug is used when more than one drug is appropriate to treat a medical condition, and to limit the quantity, frequency and duration of drug therapy, while ensuring that patient protections, such as physician prevail, are maintained;
- requires coverage of brand name drugs when they are less costly than the generic equivalent;
- provides financial incentives for electronic prescribing;
- streamlines enrollment in the Medicaid and Family Health Plus programs by eliminating the requirements for asset test, face to face interview, finger imaging, and by modifying income standards;
- authorizes the expansion of FHP to households with incomes above 200 percent of the federal poverty level provided there is no additional State cost;
- increases Child Health Plus premiums for families above 250 percent of the federal poverty level;
- caps expenses for marketing and facilitated enrollment activities for the Child Health Plus program;
- modifies Certificate of Need requirements and fees;
- provides for distributions from the Professional Education Pool (PEP) through December 31, 2009;
- makes conforming changes to allocations related to the HCRA Innovations Pool, the Area Health Education Centers and Graduate Medical Education program;
- provides for additional indigent care distributions for teaching hospitals;
- authorizes the Commissioner of Health to seek federal financial participation for the comprehensive diagnostic and treatment centers indigent care program;
- authorizes EPIC coverage of mail order purchases;
- requires EPIC participants to enroll in the Medicare Savings Program if they are eligible;
- requires out-of-state insurers to participate in the covered lives assessment;
- makes conforming changes with the Federal Deficit Reduction Act of 2005;
- repeals the Telemedicine demonstration program;
- makes technical adjustments to the HCRA Tobacco Control and Insurance Initiatives pool in regard to Medicaid pharmacy payments;
- increases the tobacco retail licensing fee;
- establishes a workgroup for the purpose of studying the home care reimbursement system; and
- provides electronic health records transition funding to diagnostic and treatment centers.

Part D – Long Term Care Reform Act

The Enacted Budget contains language that:

- establishes a regional pricing methodology Medicaid nursing home reimbursement effective April 1, 2009 and establishes a workgroup to assist in the development of the new methodology;
- restructures the financially disadvantaged nursing home program;
- eliminates nursing home recruitment and retention funding;
- requires prior approval for nursing home equity withdrawal above certain levels;
- eliminates rate occupancy adjustments for AIDS nursing homes;
- phases out 6,000 nursing home beds and provides for an additional 6,000 assisted living program bed over a 5 year period;
- provides authorization for an AIDS Adult Day Health Care trend factor;
- makes technical changes to provide for the transition of the Adult Day Health Care program to a cost-based reimbursement methodology;
- increases the public nursing home upper payment limit cap from \$150,000,000 to \$300,000,000;
- modifies charity care requirements for certified home health agencies;
- establishes a Long Term Care Assessment Center demonstration program in one county in New York City and one other region;
- modifies the Partnership Plan Income Protection;
- makes various changes to the Consumer Directed Assistance Program;
- establishes a new Managed Long Term Care Demonstration Project; and
- makes modification to the spousal impoverishment provisions related to certain Medicaid waiver programs.

Legislative Additions

The Legislature provides funding for the following:

PROGRAM	APPROPRIATION
INCREASED FEDERAL MEDICAID MATCHING (FMAP) RATE	\$5,011,000,000
SHIFT MEDICAID FUNDING FROM HCRA TO GENERAL FUND	\$696,682,000
MEDICAID CASELOAD RE-ESTIMATE	\$535,700,000
MEDICAID ADDITIONAL FEDERAL FUNDS	\$484,394,000
MEDICAID HOSPITAL RESTORATIONS	\$288,100,000
MEDICAID NURSING HOME RESTORATIONS	\$195,500,000
MEDICAID HOME CARE AND PERSONAL CARE RESTORATIONS	\$134,000,000

DRINKING WATER REVOLVING FUND	\$112,545,000
FEDERAL HEALTH INFORMATION TECHNOLOGY FUNDING	\$110,000,000
REJECT SHIFT OF TOBACCO CONTROL PROGRAM TO THE INSURANCE DEPARTMENT	\$60,900,000
EPIC RESTORATIONS	\$53,300,000
RESTORE PUBLIC HOSPITAL RECRUITMENT AND RETENTION	\$49,100,000
CHILD HEALTH PLUS RESTORATIONS	\$37,700,000
CHILD HEALTH PLUS RESTORATIONS - FEDERAL	\$31,400,000
ADDITIONAL FEDERAL FUNDS FOR PREVENTION AND WELLNESS ACTIVITIES	\$30,000,000
ADDITIONAL FEDERAL FUNDS FOR PREVENTION AND WELLNESS ACTIVITIES	\$30,000,000
MEDICAID PHARMACY RESTORATIONS	\$29,900,000
ADDITIONAL FEDERAL FOOD AND NUTRITIONAL SERVICES GRANTS	\$28,600,000
CLINIC INDIGENT CARE FUNDING - DELAYS	\$27,800,000
REJECT SHIFT OF PUBLIC HEALTH PROGRAMS TO THE INSURANCE DEPARTMENT - HCRA	\$26,900,000
REJECT SHIFT OF PUBLIC HEALTH PROGRAMS TO THE INSURANCE DEPARTMENT - GF	\$26,156,900
ADDITIONAL FUNDING FOR HIGH MEDICAID HOSPITALS	\$25,000,000
ADDITIONAL FUNDING FOR SUNY HOSPITALS	\$24,000,000
ADDITIONAL INDIGENT CARE FUNDING FOR HOSPITALS	\$23,400,000
ADDITIONAL FEDERAL FUNDS FOR HANDICAPPED INFANTS AND TODDLERS PROGRAM	\$22,000,000
REJECT SHIFT OF EARLY INTERVENTION PROGRAM TO THE INSURANCE DEPARTMENT	\$21,700,000
RESTORE WORKER RETRAINING FUNDING	\$21,100,000
MEDICAID MANAGED CARE RESTORATIONS	\$20,400,000
RESTORE GENERAL PUBLIC HEALTH WORKS PROGRAM	\$16,000,000
RESTORE FUNDING FOR ROSWELL PARK CANCER INSTITUTE	\$14,500,000
RESTORE FUNDING FOR NON-PUBLIC WORKFORCE HOSPITAL RECRUITMENT AND RETENTION	\$12,900,000
RESTORE FUNDING FOR THE PRIORITY RESTORATION PROGRAM	\$10,100,000
RESTORE PUBLIC HOSPITAL FUNDING	\$10,100,000
MEDICAID TRANSPORTATION RESTORATION	\$9,300,000
CLINIC INDIGENT CARE FUNDING	\$8,000,000
RESTORE FUNDING FOR HOSPITAL TRANSLATION SERVICES	\$6,720,000
REJECT PHYSICIAN REGISTRATION FEE INCREASE	\$6,000,000
MEDICAID: CLINIC TRANSITION FUNDING	\$3,694,000
REJECT SHIFT OF BREAST AND CERVICAL CANCER TREATMENT PROGRAM TO THE INSURANCE DEPARTMENT	\$2,100,000
ADULT HOMES: QUIP	\$2,068,000
THE LESBIAN, GAY, BISEXUAL, AND TRANSGENDER HEALTH AND HUMAN SERVICES NETWORK	\$2,048,000
ADDITIONAL FEDERAL FUNDS FOR HANDICAPPED INFANTS AND TODDLERS PROGRAM	\$2,000,000
PRIMARY CARE CASE MANAGEMENT	\$2,000,000
REJECT EARLY INTERVENTION PROGRAM PROVIDER FEES	\$1,700,000
RESTORE RED CROSS BASE FUNDING	\$1,600,000
HEALTH AND SOCIAL SERVICES SEXUALITY RELATED PROGRAMS	\$1,540,322
RESTORE FUNDING FOR RURAL HOSPITALS	\$1,470,000
ADULT HOME AIR CONDITIONING	\$1,353,600
NEW YORK/NEW YORK III SUPPORTIVE HOUSING AGREEMENT	\$1,300,000
RESTORE MEDICAID FUNDING FOR LONG ISLAND HOSPITALS	\$1,050,000
HARM REDUCTION MATERIALS	\$1,000,000
FUNDING FOR IMPROVED ACCESS TO INFERTILITY SERVICES	\$752,000
DRINKING WATER REVOLVING FUND	\$694,000
HIV/AIDS LEGAL AND SUPPORTIVE SERVICES	\$600,000
SCHOOL BASED HEALTH CLINICS	\$507,600
FAMILY PLANNING SERVICES	\$507,600
CONSUMER DIRECTED PERSONAL ASSISTANCE PROGRAM	\$500,000
VERA INSTITUTE'S GUARDIANSHIP PROJECT	\$500,000
RESTORE FUNDING FOR DOR YESHORIM, INC.	\$490,000
AIDS: HIV/AIDS-COMMUNITY SERVICE PROGRAM (CSP)	\$432,400
AIDS: HIV/AIDS-MULTI SERVICE AGENCIES (MSA)	\$432,400
THYROID CANCER SCREENING PILOT PROJECT	\$406,080
PRIMARY CARE DEVELOPMENT INITIATIVES	\$394,800
THE AMERICAN RED CROSS IN NEW YORK	\$373,744

ADELPHI UNIVERSITY BREAST CANCER HOTLINE & SUPPORT	\$294,000
HEALTH AND SOCIAL SERVICES SEXUALITY RELATED PROGRAMS/DOMESTIC VIOLENCE NETWORK	\$282,000
ALZHEIMER'S COMMUNITY ASSISTANCE PROGRAM	\$225,600
NYU - MOBILE DENTAL CLINIC	\$188,000
CENTER FOR HEALTH CARE ACCESS	\$101,520
LEGAL AID SOCIETY OF NEW YORK CITY	\$100,768
LEGAL SERVICES FOR NEW YORK CITY	\$100,768
PERINATAL CARE NETWORKS	\$94,000
ALZHEIMER'S DISEASE ASSISTANCE CENTERS (ADAC)	\$75,200
COALITION OF INSTITUTIONALIZED AGED AND DISABLED	\$75,200
HEALTH BASED LITERACY PROGRAM	\$75,200
SERVICES FOR INDIVIDUALS WITH ALS	\$75,200
SCHOOL BASED HEALTH COALITION	\$37,600
BREAST CANCER - SUPPORT AND EDUCATION SERVICES	\$37,600
HUNTINGTON'S DISEASE CENTERS	\$37,600
AIDS: NEW YORK AIDS COALITION - ADDITIONAL FUNDING	\$18,800

MEDICAID INSPECTOR GENERAL, OFFICE OF THE

	Adjusted Appropriation 2008-09	Executive Request 2009-10	Legislative Appropriation 2009-10	Change
STATE OPERATIONS				
General Fund	35,514,000	35,187,000	34,742,000	(445,000)
Special Revenue-Other	6,488,000	5,274,000	4,064,000	(1,210,000)
Special Revenue-Federal	52,348,000	52,284,000	52,284,000	0
Total for STATE OPERATIONS	94,350,000	92,745,000	91,090,000	(1,655,000)

LEGISLATIVE ACTION

The Legislature appropriates \$91,090,000 for the Office of the Medicaid Inspector General (OMIG) on an All Funds basis, a decrease of \$1,655,000 from the Executive budget submission.

Legislative Reductions

The Legislature reduces spending by \$1,655,000 to reject the Executive's proposal to merge the responsibilities of the Office of Welfare Inspector General (OWIG) with the OMIG.

Article VII

The Legislature rejects the Executive's proposal to merge the Office of Welfare Inspector General and the Office of Medicaid Inspector General.

DEPARTMENT OF MENTAL HYGIENE

	Adjusted Appropriation 2008-09	Executive Request 2009-10	Legislative Appropriation 2009-10	Change
STATE OPERATIONS				
Special Revenue-Other	833,179,000	600,000,000	600,000,000	0
Total for STATE OPERATIONS	833,179,000	600,000,000	600,000,000	0

LEGISLATIVE ACTION

The Legislature concurs with the Executive's recommendation.

OFFICE OF ALCOHOLISM AND SUBSTANCE ABUSE SERVICES

	Adjusted Appropriation 2008-09	Executive Request 2009-10	Legislative Appropriation 2009-10	Change
STATE OPERATIONS				
Special Revenue-Other	135,274,000	128,271,000	128,271,000	0
Special Revenue-Federal	7,196,000	6,445,000	6,445,000	0
Total for STATE OPERATIONS	142,470,000	134,716,000	134,716,000	0
AID TO LOCALITIES				
General Fund	144,886,774	141,780,000	150,030,000	8,250,000
Special Revenue-Other	227,719,500	184,079,000	184,079,000	0
Special Revenue-Federal	135,473,000	135,473,000	135,473,000	0
Total for Agency	508,079,274	461,332,000	469,582,000	8,250,000
Grants In Aid	0	0	177,700	177,700
Total for AID TO LOCALITIES	508,079,274	461,332,000	469,759,700	8,427,700
CAPITAL PROJECTS				
Capital	0	0	10,000,000	10,000,000
Capital Projects Fund	9,290,000	10,837,000	10,837,000	0
Mental Hygiene Capital Improvement Fund-389	112,046,000	88,046,000	88,046,000	0
Total for CAPITAL PROJECTS	121,336,000	98,883,000	108,883,000	10,000,000

LEGISLATIVE ACTION

The Legislature appropriates \$713,181,000 on an All Funds basis, an increase of \$18,250,000 over the Executive Budget recommendation. In addition, there is an appropriation of \$177,700 for other programs.

Legislative Changes

The Legislature provides funding for the following programs, supported by savings resulting from the increased Federal Medical Assistance Percentage (FMAP) provided pursuant to the American Recovery and Reinvestment Act (ARRA) of 2009:

- \$3,900,000 related to the restoration of the proposed one percent reduction in the 2008-09 Cost-of-Living Adjustment (COLA) for OASAS providers of services;
- \$2,000,000 for the restoration of funding for AIDS/HIV services for persons enrolled in drug treatment programs;
- \$1,500,000 for a statewide restoration of the managed Addiction Treatment Services (MATS) programs; and
- \$50,000 for the restoration of Unified Services funding.

The Legislature adds \$10,000,000 in capital for the development of residential treatment beds and \$800,000 in General Fund for chemical dependence treatment programs related to drug law reform.

The Legislature accepts a \$2,000,000 reduction to the New York City school district school-operated prevention program, but redirects \$8,000,000 to this program for a total of \$17,000,000 in funding.

Article VII

The Legislature accepts the Executive's proposal to eliminate the Human Services Cost-of-Living Adjustment (COLA) for SFY 2009-10 and to extend the COLA through March 31, 2013.

The Legislature accepts legislation to close the Manhattan Addiction Treatment Center (ATC).

The Legislature accepts legislation to extend the authority for Article 28 hospitals to replace State aid grant funds provided by OASAS with federal Disproportionate Share funds.

The Legislature denies the transfer of the Alcohol and Drug Rehabilitation Program from the Department of Motor Vehicles to OASAS.

The Legislature amends the Executive's proposal to extend for four years current social worker and mental health professional licensing exemptions for programs operated, regulated or funded by OMH by extending such exemptions for only six months until June 1, 2010.

The Legislature denies the Executive's proposal to require hospitals that meet a certain threshold of detoxification service patient days to be certified by the Office of Alcoholism and Substance Abuse Services.

Legislative Additions

The Legislature provides funding for the following:

PROGRAM	APPROPRIATION
RESIDENTIAL TREATMENT BEDS RELATED TO DRUG REFORM	\$10,000,000
2008-09 OASAS PROVIDER COLA	\$3,900,000
HIV/AIDS SERVICES	\$2,000,000
MANAGED ADDICTION TREATMENT SERVICES	\$1,500,000
CHEMICAL DEPENDENCE TREATMENT SERVICES RELATED TO DRUG LAW REFORM	\$800,000
UNIFIED SERVICES	\$50,000

OFFICE OF MENTAL HEALTH

	Adjusted Appropriation 2008-09	Executive Request 2009-10	Legislative Appropriation 2009-10	Change
STATE OPERATIONS				
General Fund	0	0	2,000,000	2,000,000
Special Revenue-Other	2,031,429,000	2,033,140,000	2,033,140,000	0
Special Revenue-Federal	1,358,000	1,358,000	1,358,000	0
Enterprise	8,553,000	8,578,000	8,578,000	0
Internal Service Fund	2,723,000	2,782,000	2,782,000	0
Total for Agency	2,044,063,000	2,045,858,000	2,047,858,000	2,000,000
Grants In Aid	0	0	400,000	400,000
Total for STATE OPERATIONS	2,044,063,000	2,045,858,000	2,048,258,000	2,400,000
AID TO LOCALITIES				
General Fund	559,327,327	557,292,000	568,852,000	11,560,000
Special Revenue-Other	680,577,838	587,238,000	587,238,000	0
Special Revenue-Federal	44,626,000	43,839,000	43,839,000	0
Total for Agency	1,284,531,165	1,188,369,000	1,199,929,000	11,560,000
Grants In Aid	0	0	141,500	141,500
Total for AID TO LOCALITIES	1,284,531,165	1,188,369,000	1,200,070,500	11,701,500
CAPITAL PROJECTS				
Capital Projects Fund	43,010,000	38,010,000	38,010,000	0
Mental Hygiene Capital Improvement Fund-389	403,812,000	538,533,000	538,533,000	0
Total for CAPITAL PROJECTS	446,822,000	576,543,000	576,543,000	0

LEGISLATIVE ACTION

The Legislature appropriates \$3,824,330,000 on an All Funds basis, an increase of \$13,560,000 over the Executive Budget submission. In addition, there are appropriations totaling \$541,500 for other programs.

Legislative Changes

The Legislature provides funding for the following programs, supported by savings resulting from the increased Federal Medical Assistance Percentage (FMAP) provided pursuant to the American Recovery and Reinvestment Act (ARRA) of 2009:

- \$9,478,000 related to the restoration of the proposed one percent reduction in the 2008-09 Cost-of-Living Adjustment (COLA) for certain OMRDD providers of services;
- \$1,032,000 for the restoration of Unified Services funding;

- \$1,000,000 related to the continuation of personal court appearances by respondents in Sex Offender Management and Treatment Act (SOMTA) proceedings;
- \$1,000,000 related to denying the Executive's proposal to eliminate various reporting requirements of the Office of Mental Health;
- \$750,000 restoration for the Home and Community Based Services Waiver Program; and
- \$300,000 for transfer to the Commission on Quality of Care and Advocacy for Persons with Disabilities for the Parents with Psychiatric Disabilities Legal Advocacy program, a statewide project protecting the rights of families affected by psychiatric disabilities.

Article VII

The Legislature amends the Executive's proposal to allow alternative facility options and courtroom procedures for Sexual Offender Management and Treatment Act (SOMTA) respondents by requiring a respondent to provide written consent signed by the respondent and his attorney in order for the respondent to remain in the custody of the Department of Correctional Services after a probable cause hearing until trial and by continuing the requirement for personal court appearances by SOMTA respondents in judicial proceedings.

The Legislature modifies the Executive's proposal to close up to 150 inpatient beds and to convert up to 350 beds to Transitional Placement beds in certain psychiatric hospitals during the 2009-10 fiscal year by limiting such authorization to the 2009-10 fiscal year and by allowing the provisions of community reinvestment to be notwithstanding solely for this fiscal year.

The Legislature accepts with modifications the Executive's proposal to authorize the Commissioner of the Office of Mental Health and the City of New York to enter into an agreement to extend the lease of land for another 50 years for continued operation of the Manhattan Psychiatric Center and the Kirby Forensic Center, both of which are located on Ward's Island, and to proceed with related capital improvement projects at such facilities.

The Legislature amends the Executive's proposal to extend for four years current social worker and mental health professional licensing exemptions for programs operated, regulated or funded by OMH by extending such exemptions for only six months until June 1, 2010.

The Legislature accepts the Executive's proposal:

- to eliminate the Human Services COLA for SFY 2009-10 and to extend the COLA through March 31, 2013; and
- to extend the authority of Article 28 hospitals to replace State aid grants provided by OMH with federal Disproportionate Share funds.

The Legislature denies the Executive's proposal:

- to clarify the role of facility directors to act as representative payees; and
- to modify or to eliminate a variety of reporting requirements by the OMH related to provision of community mental health services.

Legislative Additions

The Legislature provides funding for the following:

PROGRAM	APPROPRIATION
2008-09 COLA FOR MENTAL HEALTH PROVIDERS	\$9,478,000
UNIFIED SERVICES	\$1,032,000
CONTINUATION OF CERTAIN OMH REPORTING REQUIREMENTS	\$1,000,000
CONTINUATION OF PERSONAL COURT APPEARANCES BY RESPONDENTS IN SEX OFFENDER MANAGEMENT AND TREATMENT ACT PROCEEDINGS	\$1,000,000
HOME AND COMMUNITY BASED WAIVER	\$750,000
SUPPORTING PARENTS WITH PSYCHIATRIC DISABILITIES	\$300,000

OFFICE OF MENTAL RETARDATION AND DEVELOPMENTAL DISABILITIES

	Adjusted Appropriation 2008-09	Executive Request 2009-10	Legislative Appropriation 2009-10	Change
STATE OPERATIONS				
Special Revenue-Other	2,098,712,000	2,167,640,000	2,167,640,000	0
Special Revenue-Federal	751,000	751,000	1,751,000	1,000,000
Enterprise	2,469,000	2,669,000	2,669,000	0
Internal Service Fund	350,000	350,000	350,000	0
Total for STATE OPERATIONS	2,102,282,000	2,171,410,000	2,172,410,000	1,000,000
AID TO LOCALITIES				
General Fund	1,424,487,923	1,491,249,000	1,506,299,000	15,050,000
Special Revenue-Other	809,895,976	729,763,000	729,763,000	0
Total for Agency	2,234,383,899	2,221,012,000	2,236,062,000	15,050,000
Grants In Aid	0	0	1,569,700	1,569,700
Total for AID TO LOCALITIES	2,234,383,899	2,221,012,000	2,237,631,700	16,619,700
CAPITAL PROJECTS				
Capital Projects Fund	69,965,000	65,040,000	65,040,000	0
Mental Hygiene Capital Improvement Fund-389	122,455,000	62,275,000	62,275,000	0
Total for CAPITAL PROJECTS	192,420,000	127,315,000	127,315,000	0

LEGISLATIVE ACTION

The Legislature appropriates \$4,535,787,000 on an All Funds basis, an increase of \$16,050,000 over the Executive's Budget submission. In addition, there is an appropriation of \$1,569,700 for other programs.

Legislative Changes

The Legislature provides funding for the following programs, supported by savings resulting from the increased Federal Medical Assistance Percentage (FMAP) provided pursuant to the American Recovery and Reinvestment Act (ARRA) of 2009:

- \$6,000,000 for restoration of the Day Habilitation program and the under 31-bed Intermediate Care Facility (ICF) program;
- -\$5,000,000 for denying the Executive's proposal to eliminate income exemptions that currently increase State funding requirements for Long-Term Sheltered Employment Programs;
- \$2,100,000 related to the restoration of the proposed one percent reduction in the 2008-09 Cost-of-Living Adjustment (COLA); and
- \$1,700,000 for the restoration of Unified Services funding in State Fiscal Year 2009-10.

The Legislature adds \$250,000 for the New York Special Olympics.

Article VII

The Legislature accepts the Executive's proposal to consolidate administrative functions of the Broome Developmental Disabilities Services Office and the Valley Ridge Center for Intensive Treatment. Although administrative functions are consolidated, the State would continue operating an intensive treatment facility at Valley Ridge site.

The Legislature denies the Executive's proposal to eliminate certain income exemptions that currently increase State funding requirements for Long-Term Sheltered Employment Programs.

The Legislature amends the Executive's proposal to extend for four years current social worker and mental health professional licensing exemptions for programs operated, regulated or funded by OMRDD by extending such exemptions for only six months until June 1, 2010.

The Legislature denies the Executive's proposal to clarify the role of facility directors to act as representative payees.

The Legislature accepts the Executive's proposal:

- to eliminate the Human Services COLA for SFY 2009-10 and to extend the COLA through March 31, 2013; and
- to extend the authority of Article 28 hospitals to replace State aid grants provided by OMRDD with federal Disproportionate Share funds.

Legislative Additions

The Legislature provides funding for the following:

PROGRAM	APPROPRIATION
LONG TERM SHELTERED PROGRAMS	\$5,000,000
INTERMEDIATE CARE FACILITIES - UNDER 30 BED RATE REDUCTION	\$3,570,000
DAY HABILITATION	\$2,430,000
2008-09 OMRDD PROVIDER COLA	\$2,100,000
UNIFIED SERVICES	\$1,700,000
ASSETS FOR INDEPENDENCE PROGRAM	\$1,000,000
NEW YORK SPECIAL OLYMPICS	\$250,000

COMMISSION ON QUALITY OF CARE AND ADVOCACY FOR PERSONS WITH DISABILITIES

	Adjusted Appropriation 2008-09	Executive Request 2009-10	Legislative Appropriation 2009-10	Change
STATE OPERATIONS				
General Fund	5,445,000	5,580,000	5,580,000	0
Special Revenue-Other	3,903,000	3,960,000	3,960,000	0
Special Revenue-Federal	7,434,000	7,274,000	7,274,000	0
Enterprise	45,000	45,000	45,000	0
Total for STATE OPERATIONS	16,827,000	16,859,000	16,859,000	0
AID TO LOCALITIES				
General Fund	293,000	293,000	293,000	0
Special Revenue-Other	478,000	478,000	478,000	0
Total for AID TO LOCALITIES	771,000	771,000	771,000	0

LEGISLATIVE ACTION

The Legislature concurs with the Executive's recommendation.