

2010-11 Health Care Savings Proposals -- *CONFIDENTIAL*

State (Savings)/Cost \$ in Millions

	Eff Date	Admin/ Leg./Fed	2010-11 Executive Budget	Executive Budget 2011-12
Hospital				
Discontinue 2010 Trend Factor (1.7%)	4/1/10	L,F	(\$26.7)	(\$32.3)
Increase the Hospital Inpatient Assessment from 0.35% to 0.75%	4/1/10	L	(\$130.2)	(\$142.0)
Limit Preventable Readmissions/Conditions -- 1% Reduction '10-11; 2% reduction 11-12	4/1/10	L,F	(\$20.0)	(\$54.0)
Reduce Indirect Medical Education (IME) Payments over 3 years (from 4.2% to 1.2%)	4/1/10	L,F	(\$57.3)	(\$155.5)
Reinvest Misallocated IME Funds to Supplement Hospital Costs	4/1/10	L,F	\$27.8	\$115.7
Reinvest IME funds for Obstetrical Access and Quality	4/1/10	L,F	\$26.0	\$36.0
Reduce Indigent Care / Reform Methodology	4/1/10	L,F	(\$70.0)	(\$93.3)
Additional Funding for Doctors Across NY - HCRA	4/1/10	L,F	\$3.5	\$3.8
Support Federal DSH Audit Requirement	4/1/10	L	\$2.3	\$0.9
Total Hospital Savings			(\$244.6)	(\$320.7)
Nursing Homes				
Discontinue 2010 Trend Factor (inc. ALP)(1.7%)	4/1/10	L, F	(\$46.6)	(\$56.4)
Cap Rate Appeals/ Allow Settlement	4/1/10	L	(\$16.5)	(\$20.0)
Reduce Bed Hold Reservation Days for Nursing Homes (excludes OMH and OMRDD facilities)	4/1/10	L	(\$6.9)	(\$9.4)
Increase Nursing Home Assessment by 1 Percent (Increase from 6% to 7%) -- Non-Reimbursable	4/1/10	L	(\$67.8)	(\$74.0)
Carve Out Prescription Drugs from Nursing Home Rates	4/1/10	L	(\$2.4)	(\$3.0)
Total Nursing Home Savings			(\$140.2)	(\$162.8)
Home Care				
Cap Personal Care Services at 12 hours & Redirect Utilization to Other Alternatives (net of \$1M admin. cost)	7/1/10	L,F	(\$30.0)	(\$48.7)
Discontinue 2010 Home Care Trend Factor (1.7 %)	4/1/10	L,F	(\$11.5)	(\$13.9)
Discontinue 2010 Personal Care Trend Factor (1.7%)	4/1/10	L,F	(\$14.3)	(\$17.3)
Increase Cash Assessment on PC, CHHA and LTHHCP from 0.35% to 0.7%	4/1/10	L	(\$17.6)	(\$19.2)
Advance LTHHCP Efficiencies	4/1/10	L,F	(\$0.6)	(\$1.5)
Total Home Care Savings			(\$73.9)	(\$100.6)
Pharmacy				
Collect Supplemental Rebates Drug Classes Exempt from the Preferred Drug Program	4/1/10	A	(\$2.1)	(\$4.5)
Accelerate Public Notice for the Pharmacy and Therapeutics Committee	4/1/10	L	(\$0.8)	(\$1.2)
J-Code Rebates and Drug Rebate Dispute Resolution	4/1/10	A	(\$4.1)	(\$5.6)
Medicaid - Eliminate Part D Drug Wrap	6/1/10	L	(\$4.3)	(\$5.1)
Gifts to Doctors Reform Bill	4/1/10	L	(\$0.3)	(\$0.5)
Discontinue Special Pharmacy Reimbursement for one provider (i.e. MOMS)	4/1/10	L, F	(\$0.6)	(\$0.8)
Total Pharmacy Savings			(\$12.2)	(\$17.6)
HCRA/Insurance				
Sugared Beverages Excise Tax	9/1/10	L	(\$450.0)	(\$970.0)
Increase Cigarette Tax	6/2/10	L	(\$200.0)	(\$205.0)
Extend HCRA Surcharge to Certain Physician Services (Surgery and Radiation) -- Revenue	10/1/10	L	(\$24.6)	(\$98.5)
Discontinue Disease Management Demo	4/1/10	L	(\$1.8)	(\$1.8)
Discontinue LTC Education and Outreach	4/1/10	L	(\$1.3)	(\$1.3)
Discontinue Roswell Anti-Tobacco Transfer	4/1/10	L	(\$13.6)	(\$13.6)
Reduce Funding for Infertility Program	4/1/10	L	(\$1.3)	(\$2.1)
Consolidate Poison Control Centers (\$2M HCRA/\$0.5M GF)	4/1/10	L	(\$2.5)	(\$2.5)
Restore Insurance Department Prior Approval of Insurance Premiums	10/1/10	L	(\$70.0)	(\$150.0)
Delay Physician Excess Medical Malpractice Payment	4/1/10	A	(\$127.4)	\$0.0
Total HCRA/Insurance Actions			(\$892.5)	(\$1,444.8)

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Medicaid Fraud			(\$300.0)	(\$300.0)
Other				
Expand the Definition of "Estate"	4/1/10	L,F	(\$1.1)	(\$2.6)
Pre- Need Funeral Accounts to Irrevocable Trusts	1/1/11	L	(\$1.0)	(\$1.0)
Manage Transportation Services (Net \$9M Admin Cost)	10/1/10	L	(\$8.3)	(\$17.8)
Add Additional Utilization Review Edits (i.e. Medical Supplies)	4/1/10	A	(\$1.9)	(\$2.3)
Physical and Occupational Therapy Management Program (2 FTE)	4/1/10	A	(\$3.5)	(\$4.2)
Early Intervention (EI) Savings	4/1/10	A,L,F	(\$7.2)	(\$12.0)
Federal CHIPRA Mandate - Add coverage for Medically Necessary Orthodontia	7/1/10	L	\$0.8	\$2.3
Medicaid Managed Care /FHP 1.7% Premium Reduction	4/1/10	A	(\$61.4)	(\$75.2)
Total Other Actions			(\$83.6)	(\$112.8)
TOTAL ALTERNATIVE PLAN SAVINGS			(\$1,747.0)	(\$2,459.2)