

**S5565-B** HANNON Same as [A 7535-B](#) Gottfried

Social Services Law

TITLE....Relates to fiscal intermediary services in the consumer directed personal assistance program

**This bill is not active in the current session.**

05/14/15 REFERRED TO HEALTH

06/02/15 REPORTED AND COMMITTED TO FINANCE

06/02/15 AMEND AND RECOMMIT TO FINANCE

06/02/15 PRINT NUMBER 5565A

06/12/15 AMEND AND RECOMMIT TO FINANCE

06/12/15 PRINT NUMBER 5565B

06/16/15 COMMITTEE DISCHARGED AND COMMITTED TO RULES

06/16/15 ORDERED TO THIRD READING CAL.1680

06/16/15 PASSED SENATE

06/16/15 DELIVERED TO ASSEMBLY

06/16/15 referred to ways and means

06/18/15 substituted for a7535b

06/18/15 ordered to third reading rules cal.567

06/18/15 passed assembly

06/18/15 returned to senate

11/30/15 DELIVERED TO GOVERNOR

12/11/15 VETOED MEMO.302

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# STATE OF NEW YORK

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5565--B

2015-2016 Regular Sessions

## IN SENATE

May 14, 2015

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Introduced by Sen. HANNON -- read twice and ordered printed, and when printed to be committed to the Committee on Health -- reported favorably from said committee and committed to the Committee on Finance -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the social services law, in relation to fiscal intermediaries in the consumer directed personal assistance program

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Section 365-f of the social services law is amended by  
2 adding two new subdivisions 4-a and 4-b to read as follows:

3 4-a. Fiscal intermediary services. (a) For the purposes of this subdivi-  
4 vision:

5 (i) "Fiscal intermediary" means an entity that provides fiscal inter-  
6 mediary services and has a contract for providing such services with:

7 (A) a local department of social services,

8 (B) an organization licensed under article forty-four of the public  
9 health law, or

10 (C) an accountable care organization certified under article twenty-  
11 nine-E of the public health law or an integrated delivery system  
12 composed primarily of health care providers recognized by the department  
13 as a performing provider system under the delivery system reform incen-  
14 tive payment program.

15 (ii) Fiscal intermediary services shall include the following  
16 services, performed on behalf of the consumer to facilitate his or her  
17 role as the employer:

18 (A) wage and benefit processing for consumer directed personal assist-  
19 ants;

20 (B) processing all income tax and other required wage withholdings;

EXPLANATION--Matter in italics (underscored) is new; matter in brackets  
[ ] is old law to be omitted.

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1 (C) complying with workers' compensation, disability and unemployment  
2 requirements;

3 (D) maintaining personnel records for each consumer directed personal  
4 assistant, including time sheets and other documentation needed for  
5 wages and benefit processing and a copy of the medical documentation  
6 required pursuant to regulations established by the commissioner;

7 (E) ensuring that the health status of each consumer directed personal  
8 assistant is assessed prior to service delivery pursuant to regulations  
9 issued by the commissioner;

10 (F) maintaining records of authorizations or reauthorizations of  
11 services;

12 (G) monitoring the consumer's or, if applicable, the designated repre-  
13 sentative's continuing ability to fulfill the consumer's responsibil-  
14 ities under the program and promptly notifying the authorizing entity of  
15 any circumstance that may affect the consumer's or, if applicable, the  
16 designated representative's ability to fulfill such responsibilities;

17 (H) complying with regulations established by the commissioner speci-  
18 fying the responsibilities of providers providing services under this  
19 title; and

20 (I) entering into a department approved memorandum of understanding  
21 with the consumer that describes the parties' responsibilities under  
22 this program.

23 (iii) Fiscal intermediaries are not responsible for, and fiscal inter-  
24 mediary services shall not include, fulfillment of the responsibilities  
25 of the consumer or, if applicable, the consumer's designated represen-  
26 tative as established by the commissioner. A fiscal intermediary's  
27 responsibilities shall not include: managing the plan of care including  
28 recruiting and hiring a sufficient number of individuals who meet the  
29 definition of consumer directed personal assistant, as such term is  
30 defined by the commissioner, to provide authorized services that are  
31 included on the consumer's plan of care; training, supervising and sche-  
32 duling each assistant; terminating the assistant's employment; and  
33 assuring that each consumer directed personal assistant competently and  
34 safely performs the personal care services, home health aide services  
35 and skilled nursing tasks that are included on the consumer's plan of  
36 care. A fiscal intermediary shall exercise reasonable care in properly  
37 carrying out its responsibilities under the program.

38 (b) No entity shall provide, directly or through contract, fiscal  
39 intermediary services without a license as a fiscal intermediary issued  
40 by the commissioner in accordance with this subdivision.

41 (c) An application for licensure as a fiscal intermediary shall be  
42 filed with the commissioner, together with such other forms and informa-  
43 tion as shall be prescribed by, or acceptable to the commissioner. The  
44 commissioner shall not approve an application for licensure unless he or  
45 she is satisfied as to the character, competence and standing in the  
46 community of the applicant's incorporators, directors, sponsors, stock-  
47 holders or operators and finds that the personnel, rules, consumer  
48 contracts or agreements, and fiscal intermediary services are fit and  
49 adequate, and that the fiscal intermediary services will be provided in  
50 the manner required by this subdivision and the rules and regulations  
51 thereunder, in a manner determined by the commissioner.

52 (d) Neither public need, tax status, profit-making status, nor licen-  
53 sure or certification pursuant to article thirty-six of the public  
54 health law shall be criteria for licensure. Organizations authorized  
55 pursuant to article forty-four of the public health law shall not be  
56 granted a license as a fiscal intermediary.

1 (e) The commissioner shall charge to applicants for the licensure of  
2 fiscal intermediaries an application fee of two thousand dollars.

3 4-b. Proceedings involving the license of a fiscal intermediary. (a) A  
4 license of a fiscal intermediary may be revoked, suspended, limited or  
5 annulled by the commissioner on proof that it has failed to comply with  
6 the provisions of subdivision four-a of this section or regulations  
7 promulgated hereunder.

8 (b) No such license shall be revoked, suspended, limited, annulled or  
9 denied without a hearing. However, a license may be temporarily  
10 suspended or limited without a hearing for a period not in excess of  
11 thirty days upon written notice to the fiscal intermediary following a  
12 finding by the department that the public health or safety is in immi-  
13 nent danger. Such period may be renewed for up to two additional periods  
14 not in excess of thirty days, each upon written notice, including an  
15 opportunity to submit evidence and written argument in opposition to the  
16 renewal, and a continued finding under this paragraph.

17 (c) The commissioner shall fix a time and place for the hearing. A  
18 copy of the charges, together with the notice of the time and place of  
19 the hearing, shall be served in person or mailed by registered or certi-  
20 fied mail to the fiscal intermediary at least twenty-one days before the  
21 date fixed for the hearing. The fiscal intermediary shall file with the  
22 department not less than eight days prior to the hearing, a written  
23 answer to the charges.

24 (d) All orders or determinations under this subdivision shall be  
25 subject to review as provided in article seventy-eight of the civil  
26 practice law and rules.

27 § 2. This act shall take effect on the first of July after it shall  
28 have become a law; provided that, effective immediately, the commission-  
29 er of health shall make regulations and take other actions, including  
30 issuing licenses under section 365-f of the social services law as  
31 amended by this act, to implement this act on that date.