

WEDNESDAY, JUNE 5, 2019

11:49 A.M.

ACTING SPEAKER PICHARDO: The House will come to order.

In the absence of clergy, let us pause for a moment of silence.

(Whereupon, a moment of silence was observed.)

Visitors are invited to join the members in the Pledge of Allegiance.

(Whereupon, Acting Speaker Pichardo led visitors and members in the Pledge of Allegiance.)

ACTING SPEAKER PICHARDO: A quorum being present, the Clerk will read the Journal of Tuesday, June 4th.

Mrs. Peoples-Stokes.

MRS. PEOPLES-STOKES: Mr. Speaker, I move to

dispense with the further reading of the Journal of Tuesday, June the 4th and that the same stand approved.

ACTING SPEAKER PICHARDO: Without objection, so ordered.

Mrs. Peoples-Stokes.

MRS. PEOPLES-STOKES: Thank you, Mr. Speaker. I'd like to offer for our colleagues, staff and guests that are in the Chambers [sic] a quote this morning from Carlos Santana. Many of you may remember him and his musical style. But his quote today is, "The most valuable possession you can own is an open heart. The most powerful weapon you can be is an instrument of peace." Again, Mr. Speaker, that's Carlos Santana.

On members' desks there is a main Calendar. We're going to continue on that main Calendar as well as a debate list. After any introductions and housekeeping, we will take up resolutions which are on page 3. And then we're going to continue with new bills that are on the main Calendar, beginning with Calendar No. 539 which is on page 37. We'll also be taking up bills on debate as well. There are also going to be committees. We are already engaged in Banking. We are going to have to call Alcoholism, Energy, Transportation, Codes, and Ways and Means. The Rules Committee will meet today as well, and the Committee is going to produce an A-Calendar which we're going to take up today, Mr. Speaker. At some point the Minority is going to be in need of a conference. We'll look to Mr. Goodell to let us know when that happens. And for our Majority members, there

will be a need for a Democratic Conference at the conclusion of today's Session. As always, Mr. Speaker, I will consult with the other folks to see when they need to have their conference.

That's the general outline, Mr. Speaker. If there are introductions and housekeeping, now would be the appropriate time.

ACTING SPEAKER AUBRY: Ms. Walsh for the purposes of an introduction.

MS. WALSH: Thank you, Mr. Speaker. We are so pleased to be joined today by the Charlton Heights Odyssey of the Mind team. Members Stella Kibler, Emme Fischer, Arden Heiner, Lucy Capo, Caroline Welsh, Gabi Tatro; their coaches Kodi Kibler and Sara Welsh; their principal, Dan [sic] Sinnenberg -- Tim Sinnenberg, I'm so sorry -- and several of their parents, including Paula Fischer, Jared Heiner, Melissa Capo, Michael Colligan and Dan Tatro. On March 23rd, the Charlton Heights Odyssey of the Mind all-girl team, which is made up of the six fourth-graders from the Burnt Hills-Ballston Lake School District that we have here today, won the State Championship and advanced to the World Finals. At the end of May, the girls won third place at the World Finals, which was held in Michigan. They placed first in the performance portion of the competition. They competed against 72 other teams from all over the United States, as well as China, Poland, Japan, Korea, Canada, Switzerland and Mexico. During the competition, the girls were required to replicate Leonardo da Vinci works. The Mona Lisa was quilted by one of the girls, using hundreds of one-inch fabric squares

and the painting "Lady with Ermine" was made completely out of beans and barley. Their performance brought great recognition to their creativity and talents, and ultimately earned them a top placement.

For those of you who don't know, Odyssey of the Mind is an international creative problem-solving competition. Students learn critical thinking and problem-solving skills, as well as the value of teamwork by working together throughout the school year to solve a long-term problem. Thousands of teams throughout the United States and 25 countries participate in the program.

I am so proud, I want to congratulate these extremely intelligent and driven young ladies on their State Championship and third place World finish. I hope you are as proud of yourselves as we are of you. We are so lucky to have you representing the Burnt Hills-Ballston Lake Central School District. And as nine- and ten-year-olds, I cannot wait to see what you will do next.

So, on behalf of myself and, Mr. Speaker, if you could please extend the cordialities of the House and a warm welcome to these young ladies.

ACTING SPEAKER AUBRY: Certainly. On behalf of Ms. Walsh, the Speaker and all the members, we welcome you here to the New York State Assembly. We extend to you the privileges of the floor. Also, to your principal and your parents who have come. We celebrate with you the victories that you've had as champions in New York State and third place in the world. Not bad work for

ten-year-olds. Congratulations. Continue that great work, and we hope this will be something that will guide you onto a huge, bright future. Thank you so very much. You are always welcome here.

(Applause)

Mrs. Peoples-Stokes.

MRS. PEOPLES-STOKES: Mr. Speaker, if we can now go to page 3, resolutions. We're going to start at Assembly No. 493.

ACTING SPEAKER AUBRY: The Clerk will read.

THE CLERK: Assembly Resolution No. 493, Mr. Cusick.

Legislative Resolution memorializing Governor Andrew M. Cuomo to proclaim June 5th, 2019, as Global Running Day in the State of New York.

ACTING SPEAKER AUBRY: Mr. Cusick on the resolution.

MR. CUSICK: Thank you, thank you, Mr. Speaker. I rise to explain the resolution today. Today is Global Running Day. It is always the first Wednesday of June every year. Here in the Capitol, we instituted back in 2013 a -- back then it was National Running Day, now it's Global Running Day. But back in 2013 we instituted a Fun Run here at the Capitol. And this resolution commemorates Global Running Day and it encourages people to live a healthy lifestyle and to take up running if you're not a runner, or to continue running as a healthy way of keeping fit. Tonight, Mr.

Speaker, to commemorate Global Running Day we are sponsoring a Fun Run that starts at the Empire Plaza. Any of my colleagues who are interested, you're more than welcome to join us for a nice run starting at 6:30 tonight. It will end -- it's a three-mile run. There are half-mile and mile increments that you can run also, if you'd like. And then afterwards we would -- we will gather at a local establishment after the run.

So, Mr. Speaker, again, I want to thank my colleagues for voting for this resolution and -- for Global Running Day, and hope that many colleagues will join us tonight in running. Thank you, Mr. Speaker.

ACTING SPEAKER AUBRY: On the resolution, all those in favor signify by saying aye; opposed, no. The resolution is adopted.

THE CLERK: Assembly Resolution No. 494, Ms. Solages.

Legislative Resolution memorializing Governor Andrew M. Cuomo to proclaim June 8th, 2019, as Belmont Stakes Day in the State of New York, and commending the New York Racing Association upon the occasion of the 151st Running of the Belmont Stakes.

ACTING SPEAKER AUBRY: On the resolution, all those in favor signify by saying aye; opposed, no. The resolution is adopted.

THE CLERK: Assembly Resolution No. 495, Ms.

Malliotakis.

Legislative Resolution memorializing Governor Andrew M. Cuomo to proclaim Saturday, September 21st, 2019, as Puppy Mill Awareness Day in the State of New York.

ACTING SPEAKER AUBRY: On the resolution, all those in favor signify by saying aye; opposed, no. The resolution is adopted.

THE CLERK: Assembly Resolution No. 496, Mr. Magnarelli.

Legislative Resolution memorializing Governor Andrew M. Cuomo to proclaim September 23-29, 2019, as Diaper Need Awareness Week in the State of New York.

ACTING SPEAKER AUBRY: On the resolution, all those in favor signify by saying aye; opposed, no. The resolution is adopted.

THE CLERK: Assembly Resolution No. 497, Mrs. Gunther.

Legislative Resolution memorializing Governor Andrew M. Cuomo to proclaim Wednesday, September 25th, 2019, as Women's Health and Fitness Day in the State of New York

ACTING SPEAKER AUBRY: On the resolution, all those in favor signify by saying aye; opposed, no. The resolution is adopted.

THE CLERK: Assembly Resolution No. 498, Ms. Malliotakis.

Legislative Resolution memorializing Governor Andrew M. Cuomo to declare September 2019, as Chronic Pain Awareness Month.

ACTING SPEAKER AUBRY: On the resolution, all those in favor signify by saying aye; opposed, no. The resolution is adopted.

Mrs. Peoples-Stokes.

MRS. PEOPLES-STOKES: We're going to go to consent now, Mr. Speaker, on page 37 [sic], going to Calendar No. 539 by Mr. Stern.

ACTING SPEAKER AUBRY: Page 36, Calendar No. 539, the Clerk will read.

THE CLERK: Assembly No. A07097, Calendar No. 539, Stern. An act to amend the Insurance Law, in relation to standards for prompt investigation and settlement of claims arising from states of emergency.

ACTING SPEAKER AUBRY: The bill is laid aside.

THE CLERK: Assembly No. A07103, Calendar No. 540, Cruz, D'Urso, Colton, Blake, Rivera, Ortiz, DeStefano, Taylor, Jaffee, Dickens, Barron, Dinowitz, M.G. Miller, Sayegh, Gottfried. An act in relation to the examination of an incarcerated individual's re-entry planning; and providing for the repeal of such provisions upon expiration thereof.

ACTING SPEAKER AUBRY: On a motion by Ms. Cruz, the Senate bill is before the House. The Senate bill is advanced.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER AUBRY: The Clerk will record the vote.

The bill is laid aside.

THE CLERK: Assembly No. A07128, Calendar No. 541, Paulin. An act to amend the Criminal Procedure Law, in relation to treatment programs and treatment court during interim probation supervision.

ACTING SPEAKER AUBRY: Read the last section.

THE CLERK: This act shall take effect on the 60th day.

ACTING SPEAKER AUBRY: The Clerk will record the vote.

(The Clerk recorded the vote.)

First vote of the day, members. Please, if you are in your seat, vote now. If you are in the sound of our voice, please come into the Chamber and vote.

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

Mrs. Peoples-Stokes.

MRS. PEOPLES-STOKES: Mr. Speaker, before we continue on our consent, if we could go back to Calendar No. 540 by Ms. Cruz.

ACTING SPEAKER AUBRY: The Clerk will read.

THE CLERK: Assembly No. A07103, Calendar No. 540, Cruz, D'Urso, Colton, Blake, Rivera, Ortiz, DeStefano, Taylor, Jaffee, Dickens, Barron, Dinowitz, M.G. Miller, Sayegh, Gottfried. An act in relation to the examination of an incarcerated individual's re-entry planning; and providing for the repeal of such provisions upon expiration thereof.

ACTING SPEAKER AUBRY: Read the last section -- oh.

On a motion by Ms. Cruz, the Senate bill is before the House. The Senate bill is advanced.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER AUBRY: The Clerk will record the vote.

(The Clerk recorded the vote.)

Ms. Cruz to explain her vote.

MS. CRUZ: Thank you, Mr. Speaker. Our criminal justice system often doesn't provide enough opportunities to ensure that folks exiting that system are now going to be reentering in two, three, four months. And so this particular bill ensures that Social Services are being provided to these members of our community so that they can continue to be proactive members of our community and that we are giving them a full chance. And one of the things that often happens and that we hear is that they're prohibited from, say, living in

public housing. But that's the only housing they know. They might be going back to their prior home, to their parents' home. So if we are not analyzing the limitations of their exit plan, how do we make sure that these folks don't continue to commit crimes and continue to enter the system. It is our duty as legislators to provide them with those tools to make sure that they have all the chances available to them.

So I am proud to vote in the affirmative, and I thank you, Mr. Speaker.

ACTING SPEAKER AUBRY: Ms. Cruz in the affirmative.

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

Energy Committee, please go to the Speaker's Conference Room immediately. Energy Committee, Speaker's Conference Room.

The Clerk will read.

THE CLERK: Assembly No. A07131, Calendar No. 542, Peoples-Stokes. An act to amend the Alcoholic Beverage Control Law, in relation to a license to sell liquor at retail for consumption on certain premises.

ACTING SPEAKER AUBRY: Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER AUBRY: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A07190, Calendar No. 543, Zebrowski, Colton, Wright, Davila, Cook. An act to amend the Tax Law and Administrative Code of the New York, in relation to real property transfer tax returns of limited liability companies.

ACTING SPEAKER AUBRY: The bill is laid aside.

THE CLERK: Assembly No. A07228, Calendar No. 544, Barclay. An act relating to legalizing, validating and ratifying and confirming a transportation contract of the Fulton City School District.

ACTING SPEAKER AUBRY: Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER AUBRY: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A07282, Calendar No. 545, Zebrowski. An act to amend the Public Service Law, in relation to authorizing the Public Service Commission to require water-works corporations to provide certain residents with non-billing-related

information.

ACTING SPEAKER AUBRY: The bill is laid aside.

THE CLERK: Assembly No. A07310-A, Calendar No. 546, Jaffee. An act to amend the Real Property Tax Law, in relation to limiting the shift between classes of taxable property in the Town of Orangetown, County of Rockland.

ACTING SPEAKER AUBRY: Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER AUBRY: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

Mrs. Peoples-Stokes.

MRS. PEOPLES-STOKES: Thank you, Mr. Speaker. If you could please call the Committee on Alcoholism to the Speaker's Conference Room.

ACTING SPEAKER AUBRY: Committee on Alcoholism, Speaker's Conference Room, please. Thank you.

The Clerk will read.

THE CLERK: Assembly No. A07326, Calendar No. 547, McDonald. An act in relation to permitting Mount Moriah Baptist Church to file an application for a real property tax exemption.

ACTING SPEAKER AUBRY: On a motion by Mr.

McDonald, the Senate bill is before the House. The Senate bill is advanced.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER AUBRY: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A07327, Calendar No. 548, McDonald. An act -- an act in relation to permitting the Northeastern Association of the Blind at Albany, Inc. to file an application for a real property tax exemption.

ACTING SPEAKER AUBRY: On a motion by Mr. McDonald, the Senate bill is before the House. The Senate bill is advanced.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER AUBRY: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

Mrs. Peoples-Stokes.

MRS. PEOPLES-STOKES: Thank you, Mr.

Speaker. If you could please call on Mr. Crouch for an announcement.

ACTING SPEAKER AUBRY: Mr. Crouch for the purposes of an announcement.

MR. CROUCH: Thank you, Mr. Speaker. There will be an immediate Republican Conference in the Parlor.

ACTING SPEAKER AUBRY: Immediate Republican Conference in the Parlor.

Mrs. Peoples-Stokes.

MRS. PEOPLES-STOKES: Mr. Speaker, if we could stand at ease for 20 minutes or so while the Republicans are in their conference.

ACTING SPEAKER AUBRY: The Assembly will stand at ease.

(Whereupon, the House stood at ease.)

ACTING SPEAKER AUBRY: The House will come to order.

Mrs. Peoples-Stokes.

MRS. PEOPLES-STOKES: If you -- Mr. Speaker, would you please ask the Codes Committee to meet Member Lentol in the Speaker's Conference Room immediately?

ACTING SPEAKER AUBRY: Codes Committee, Speaker's Conference. Mr. Lentol is on his way. See if you can't beat him there.

Mrs. Peoples-Stokes.

MRS. PEOPLES-STOKES: Mr. Speaker, I now would like to interrupt our briefly-opened reconvened Session to introduce some guests on behalf of Member Quart. These are students from Roosevelt Scholars from Hunter College. They're here joining Mr. Quart and taking an opportunity to tour in and around Albany. These are students with passion for civil engagement and public affairs. Roosevelt aspires to be a force of constructive change. They seek to impact through their direct service social entrepreneurship and leadership that fosters strong communities and sensible policies.

Mr. Speaker, if you would please welcome these fine 24 freshman students and welcome them to our Chambers [sic] today.

ACTING SPEAKER AUBRY: Certainly. On behalf of Assemblyman Quart, the Speaker and all the members, we welcome you here to the New York State Assembly, extend to you the privileges of the floor, congratulate you on the excellence of your academic work, and hope that this particular trip will give you insights into State government that will be helpful to you in your future. Thank you so very much for coming.

(Applause)

Mr. Goodell for an introduction.

MR. GOODELL: Thank you very much, Mr.

Speaker. On behalf of Leader Brian Kolb, Assemblyman Will Barclay and Assemblyman Colin Schmitt, it's my pleasure to introduce a -- a former Member of the Assembly who went on to become the Superintendent of the Department of Financial Services. Many of you know of his great work both as an Assemblyman and a Superintendent, and that's Howard Mills. And he is here with his wife, Erin. Also accompanying Mr. Mills and his wife are a number of guests who are up here expressing concerns and providing helpful information on issues involving kids and vaping. He has been very active in this field and, of course, as you know, has a long and distinguished career, along with the guests that he brings with him, in helping us make thoughtful and intelligent decisions on the floor of the Legislature.

If you would welcome Mr. Mills, his wife and all of his guests, I would certainly appreciate it.

ACTING SPEAKER AUBRY: Certainly. On behalf of Mr. Kolb and Mr. Schmitt and Mr. Barclay, the Speaker and all the members, we welcome you back, Howard, to the New York State Assembly and your family, you are family and, therefore -- and a former member -- always provided the -- the privileges of the floor. Happy to see you, hope that you have enjoyed your diverse career since you left us. And to those guests that you have come here who have public interests in protecting the rest of the youth of this community, thank you so very much for the work that you do. Please know that you are also always welcome here. Thank you.

(Applause)

Mrs. Peoples-Stokes.

MRS. PEOPLES-STOKES: Mr. Speaker, we have some other fine scholars in our Chambers [sic]. They happen to be fourth- graders from Marcy Elementary in our colleague Ms. Buttenschon's district. If you would welcome these young scholars to our Chambers [sic].

ACTING SPEAKER AUBRY: Certainly. On behalf of Ms. Buttenschon, the Speaker and all the members, we welcome these extraordinary fourth-graders here to the New York State Assembly, extend to you the privileges of the floor, hope that you have enjoyed your trip here to Albany. Know that you are in the People's House and you are always welcome here. We hope to see you for many years until maybe one of you takes one of these seats. Thank you so very much. Hope that you'll be back. Thank you.

(Applause)

Mrs. Peoples-Stokes.

MRS. PEOPLES-STOKES: Mr. Speaker, if we could now continue our work on consent on page 38, we're going to go to Calendar No. 549.

ACTING SPEAKER AUBRY: Page 38, Calendar No. 549, the Clerk will read.

THE CLERK: Assembly No. A07372, Calendar No. 549, Paulin, Otis. An act to amend the Public Service Law, in relation to transfers of cable systems.

ACTING SPEAKER AUBRY: Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER AUBRY: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A07373, Calendar No. 550, Glick, Stirpe, Fahy. An act to amend the Education Law in relation to requirements for the New York State Science, Technology, Engineering and Mathematics Incentive program.

ACTING SPEAKER AUBRY: The bill is laid aside.

THE CLERK: Assembly No. A07459, Calendar No. 551, Steck, Raia, Raynor, Mosley. An act to amend the General Business Law, in relation to mercantile establishments and the defense of lawful detention.

ACTING SPEAKER AUBRY: On a motion by Mr. Steck, the Senate bill is before the House. The Senate bill is advanced.

The bill is laid aside.

THE CLERK: Assembly No. A07462, Calendar No. 552, Epstein. An act to amend the Alcoholic Beverage Law, in relation to making the provisions governing the various on-premises liquor licenses consistent with respect to public interest factors that

may be considered by the State Liquor Authority when evaluating the merits of a license application.

ACTING SPEAKER AUBRY: The bill is laid aside.

THE CLERK: Assembly No. A07499, Calendar No. 553, B. Miller. An act authorizing the Schenevus Central District -- School District to apply for [sic] the Commissioner of Education to receive an important -- an apportionment to be used for services and expenses of such school district and to support its educational programs and any liability in carrying out the functions and responsibilities of such district.

ACTING SPEAKER AUBRY: On a motion by Mr. Brian Miller, the Senate bill is before the House. The Senate bill is advanced.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER AUBRY: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A07504, Calendar No. 554, Eichenstein, Bronson, Reyes, Taylor, D. Rosenthal, Wright, Abbate, Joyner, Wallace, DenDekker, Cruz, Braunstein, Dickens, Barnwell. An act to amend the Elder Law, in relation to reporting

unmet need for programs and services for the aging.

ACTING SPEAKER AUBRY: Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER AUBRY: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

And sir, it is your first. You are at the zenith.

(Applause)

The Clerk will read.

THE CLERK: Assembly No. A07523, Calendar No. 555, Dinowitz. An act to amend the Surrogates's Court Procedure Act, in relation to the computation and allocation of the commissions of trustees of charitable trusts; and repealing certain provisions of such law relating thereto.[

ACTING SPEAKER AUBRY: The bill is laid aside.

THE CLERK: Assembly No. A07528, Calendar No. 556, Gantt, Dinowitz, Wright, Weprin. An act to amend the Family Court Act, in relation to use of restraints of children appearing before the family court.

ACTING SPEAKER AUBRY: The bill is laid aside.

THE CLERK: Assembly No. A07529-A, Calendar No. 557, Wallace, Dinowitz. An act to amend the Family Court Act

and the Domestic Relations Law, in relation to orders for temporary spousal support in conjunction with temporary and final orders of protection in family court and calculation of the spousal maintenance "cap."

ACTING SPEAKER AUBRY: The bill is laid aside.

THE CLERK: Assembly No. A07557, Calendar No. 558, D'Urso, Englebright, Sayegh, Seawright. An act to amend Chapter 58 of the Laws of 2013 amending the Environmental Conservation Law and the State Finance Law relating to the "Cleaner, Greener NY Act of 2013", in relation to the effectiveness thereof.

ACTING SPEAKER AUBRY: Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER AUBRY: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A07598, Calendar No. 559, Seawright, Dinowitz. An act to amend Civil Practice Law and Rules, in relation to the failure to provide notice of a default judgment.

ACTING SPEAKER AUBRY: The bill is laid aside.

THE CLERK: Assembly No. A07600, Calendar No. 560, Abinanti, Dinowitz. An act to amend the Civil Practice Law and Rules, in relation to the permitted submissions in a default judgment.

ACTING SPEAKER AUBRY: Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER AUBRY: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

Mrs. Peoples-Stokes.

MRS. PEOPLES-STOKES: Mr. Speaker, if we can now go to our debate list, we're going to take up Mr. Dinowitz's Calendar No. 158, and then we're going to go right to Ms. Hunter on Calendar No. 391.

ACTING SPEAKER AUBRY: The Clerk will read.

THE CLERK: Assembly No. A04745-A, Calendar No. 158, Dinowitz. An act to amend Chapter 455 of the Laws of 1997 amending the New York City Civil Court Act and the Civil Practice Law and Rules relating to authorizing New York City marshals to exercise the same functions, powers and duties as sheriffs with respect to the execution of money judgments, in relation to extending the effectiveness of such chapter.

ACTING SPEAKER AUBRY: Read the last section.

THE CLERK: This act shall take effect immediately

ACTING SPEAKER AUBRY: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

Mrs. Peoples-Stokes.

MRS. PEOPLES-STOKES: Mr. Speaker, if you could please call the Rules Committee to the Speaker's Conference Room for a meeting immediately.

ACTING SPEAKER AUBRY: Rules Committee, Speaker's Conference Room immediately, please.

The Clerk will read.

THE CLERK: Assembly No. A02455-A, Calendar No. 391, Hunter, Cook, Hevesi, Gottfried, Hyndman, Blake, Romeo, Bronson, Barron, Reyes. An act to amend the Social Services Law, in relation to conciliation and non-compliance with public assistance employment; and to repeal certain provision of such law relating thereto.

ACTING SPEAKER AUBRY: On a motion by Ms. Hunter, the Senate bill is before the House. The Senate bill is advanced.

An explanation is requested, Ms. Hunter.

MS. HUNTER: Thank you, Mr. Speaker. This bill would expand the conciliation process to the rest of the State requiring local Social Services districts to confirm that the recipient is not exempt from the mandatory work requirement, and that the recipient

has appropriate childcare, transportation and disability accommodations prior to imposing a sanction on a recipient for failure to comply with work rules. The language would end durational sanctions once the recipient is willing to comply.

ACTING SPEAKER AUBRY: Mr. Goodell.

MR. GOODELL: Thank you, Mr. Speaker. Would the sponsor yield?

ACTING SPEAKER AUBRY: Will you yield, Ms. Hunter?

MS. HUNTER: Yes.

ACTING SPEAKER AUBRY: The sponsor yields.

MR. GOODELL: Thank you, Ms. Hunter. So, before we talk about what this bill changes, can we talk a little bit about what the current law is?

MS. HUNTER: The current law is when someone is sanctioned, there's a conciliation process: They send a notice to the recipient regarding the failure to comply. There are several different steps after that. If they refuse to comply, there's one thing; if they do comply, it's another. They have ten days in order to get back to the current Social Services. They have a seven-day notification and ten days for the recipient to respond, and then after all of this process, there is another 30 days. So, in total, they have 50 days from the beginning of a -- a conciliation process through to the end, if, in fact, a sanction has occurred.

MR. GOODELL: And that's under current law.

MS. HUNTER: Correct.

MR. GOODELL: And so, if a [sic] able-bodied welfare recipient is assigned to a training program, for example, and let's say the training program starts, for the sake of argument, on a Monday, and they don't show up on Monday. Under current law, the Department of Social Services sends them a notice, a ten-day notice saying, *Why didn't you show up for this training? It started on Monday.* Right?

MS. HUNTER: Correct.

MR. GOODELL: And if they get a response back, maybe they can get them into the next training program. Of course, the training program is now moving on. So, after that first ten-day notice, if they don't hear anything then they send a second ten-day notice under current law. Right?

MS. HUNTER: Correct.

MR. GOODELL: And the second ten-days notice said, *You didn't show up at the training session, you haven't responded at all to our first notice, so, if we don't hear from you in the next ten days, we're going to sanction you. We're going to cut back on your benefits.* Correct?

MS. HUNTER: Well, after -- after the conciliation is extended, they make a determination within 14 days. And then the recipient has 30 days after that.

MR. GOODELL: And so, after you have the first ten-day notice, you have a second ten-day notice of an intent to cut

benefits under current law. If the recipient disagrees, the recipient can request a fair hearing. I know most of our Upstate counties are running three or four months before they even schedule a fair hearing. So, if you don't show up for a job training or work experience or a training program, under the current law, you can likely collect benefits for anywhere from three to five months before there's a final determination and sanctions actually would kick in, right?

MS. HUNTER: Yes.

MR. GOODELL: And then, of course, once the sanctions kick in, you can immediately say, *Never mind, I'd like to go to that training*, and they'll lift the sanctions?

MS. HUNTER: Only if it's your first sanction and you're -- if you're on TANF, not SafetyNet.

MR. GOODELL: Okay. So, the current process is... I mean, remarkably slow and cumbersome, it seems, if we're serious. Because if -- if you're in the real world, and when I say the *real world*, I mean the working world, and you didn't show up on Monday, most employers will have it resolved by Tuesday, right? I mean, most employers will pick up the phone and call you and say, *You didn't show up for work today, on Monday. Where are you? What's going on? Are you okay? Are you sick? What's going on?* But that's not the way the State of New York works. The State of New York sends you a letter two weeks later and says, *How come you didn't show up to work on Monday?*

MS. HUNTER: Actually --

MR. GOODELL: Shouldn't we be trying to structure the --

MS. HUNTER: -- this process -- this change, actually, Mr. Goodell, would actually change that process. Because after the -- the person does not show up to the work training, to the -- to the position, it's incumbent upon the Social Services Department to find out if it is a disability accommodation issue, childcare, transportation issue, so they can work to -- to rectify the issue so the people could get back into the program as quickly as possible.

MR. GOODELL: Well, I -- I -- I disagree with your assessment of what this bill does. But let's get back to that in a minute. So, I'm just saying, in the -- in the working world, where we hope eventually everyone ends up so that they can maximize their potential and become self-sufficient -- in the working world we resolve a failure to show up within a day or two, because the employer picks up the phone -- and by the way, here on the floor of the Assembly, if you don't show up at a committee meeting, we typically text you within a few minutes. We don't send you the -- a letter and -- and give you seven to ten days to say why you didn't show up. Why aren't we following that procedure that applies everywhere else in the private sector, and even in government, when it comes up to an individual who's on this welfare work program who doesn't show up for work or training?

MS. HUNTER: Well, I would submit to you, Mr. Goodell, that every company actually has their own policy on

absenteeism. The -- we're talking specifically about this bill. And what this bill would do would actually help people to get back to work, by trying to identify what the issue is in order to get them back to -- to the job training, the work that they... need to be in in order to the -- be able to provide for their families.

MR. GOODELL: And we'll come to that in just a second. And, indeed, if -- if I thought that were the case, I'd be a cosponsor. But, unfortunately, I'm not, so we'll come back to that in a minute. So, under the current law, or even under this law, if someone's assigned to a job training program that helps them get the skills so they can make money and be self-sufficient, that training program doesn't wait for the ten-day notice, or the follow-up ten-day notice, or the three or four month delay in hearing, right? That training program -- that train has left the station. Right? On Monday.

MS. HUNTER: They can continue to participat -- participate in that training program if they like.

MR. GOODELL: Oh, so, they can just join in after missing the first --

MS. HUNTER: They just wouldn't receive --

MR. GOODELL: -- three or four months?

MS. HUNTER: -- their benefits. But they can start back into the training program.

MR. GOODELL: Okay. So, now that we understand how incredibly slow and cumbersome the current process is, and how it has no connection with the real world, let's talk about what these

changes are, because, after all, that's why we're here and --

MS. HUNTER: Correct.

MR. GOODELL: -- I appreciate you taking my comments and questions. So, in the current law, they send a -- a ten-day notice and they say, *Why didn't you show up for work on Monday?* And under this law, before they even send that notice, we ask now the Department of Social Services to do some sort of investigation to determine whether or not the welfare recipient had childcare available, or transportation available, right? Or if there was some other excuse, even before we start the process. Is that correct? That's what this bill does?

MS. HUNTER: Correct. And because those are -- those three issues are the main reasons why people have been unable to get to their work or job training program. That's why we want Social Services to do this at the beginning, so that we can keep people in the program and keep people working --

MR. GOODELL: Now, of course --

MS. HUNTER: To shorten the process.

MR. GOODELL: Of course, in the --in the working world, both private and public, it's not the responsibility to call up the employee and say, *Umm, what childcare arrangements do you have for Monday's work? You know, you're supposed to be here on Monday.* We expect the employee to be primarily responsible for arranging their own childcare and their own transportation, right? In the -- in the private sector, it's the employee's responsibility to make

those arrangements, not the employer, right?

MS. HUNTER: Well, they are still responsible to take care of childcare arrangements and transportation. And just like, as you referred to the *working world*, which these people are in the working world, they are working, that -- you know, as a matter of fact, they are responsible to make sure that they have transportation and childcare. And just as, you -- you know, state, *in the working world*, if someone in an outside employer, they have a childcare issue or they have transportation issue, they could call their employer and say, *I can't be* [sic] *come because of..* this valid reason, usually, without penalty of being fired or sanctioned because they couldn't get to work. And we want to be able to make sure that those receiving this kind of assistance are afforded the same type of service.

MR. GOODELL: I absolutely agree with your analysis, and -- and I appreciate that. And I've been both an employee and an employer. And there have been times as an employer where I've received a call from one of my employees saying, *I'm going to be late because my car broke down*, or, you know, *I can't get the childcare*, or *my babysitter is sick*. Or whatever, right? Does this bill require the welfare recipient to make a phone call to Social Services and advise them, like we expect from every other employee in the State of New York?

MS. HUNTER: This is a computerized sanction, so there's no way to stop that from -- from happening, for the person to be able to -- to make that phone call.

MR. GOODELL: But this bill doesn't require the welfare recipient to notify Social Services that they have a transportation problem or childcare problem. Is that correct?

MS. HUNTER: In current regulations, they are technically supposed to be calling in notification saying they're not able to make it.

MR. GOODELL: But this bill doesn't require that. Correct?

MS. HUNTER: It's already in current regulation, we're not changing that.

MR. GOODELL: But this bill does change the process. Because under current law, it's the responsibility of the welfare recipient to come up with the explanation. This reverses the burden of proof from the welfare recipient to the Social Services Department. So, this is going in the exact opposite direction in the way we treat normal employees, isn't it?

MS. HUNTER: I disagree. You know, obviously --

MR. GOODELL: I mean, if we wanted to track what we do with normal employees, this bill would say, *If the welfare recipient lacks transportation or daycare or accommodations, the recipient should contact the Social Services Department as quickly as possible so they can help address that situation.* But this, instead, goes the opposite direction. This, instead says, and I quote, the -- "If the participant has failed or refused to comply and the district has determined that they don't have childcare or transportation or other

accommodations..." and only after the district has determined that can the district then even send out the ten-day notice under this new law, right?

MS. HUNTER: They could have determined that based on the individual already self-reporting that they didn't or did have those services available.

MR. GOODELL: I see.

MS. HUNTER: And again, as you were stating, the -- the recipient is already responsible, and continues to be responsible, to make that phone call. And this computerized generation essentially happens and, hopefully, prompts before, so that the Social Service agency makes that call before the notification goes out to the recipient.

MR. GOODELL: Ms. Hunter, thank you very much for your comments. I appreciate your comments.

On the bill, sir.

ACTING SPEAKER BLAKE: On the bill.

MR. GOODELL: I think everyone in -- in this room shares the same objective: That we want to help welfare recipients become successful, become gainfully employed, leave the tax rolls, enjoy all the benefits of living in one of the wealthiest states and the countries in the world. That, I think, we all share. And then I think most of us recognize that one of the best ways for an individual -- whether it's our own kids, sometimes as teenagers or friends or neighbors who aren't working -- one of the best ways for someone who's unemployed to get into the employment field is to get work

experience and training. And recognizing that, our current law requires that able-bodied welfare recipients participate in work experience and job training so that we can help them get on their feet again and move forward with life. But what we don't do with our work and job training programs is in any way expect any personal responsibility or accountability, nor do we really expect them to behave in a way that's consistent with what the -- any other employer in the State of New York would expect. And what is that basic consistency? The basic consistency is that they show up on Monday, if they're assigned to start on Monday for a job training program or work experience, that they show up. And if they don't show up because they can't, that they promptly contact us and say, *I can't because I have a transportation issue, or a daycare issue or some other accommodation*, so that we, as the State, can help them address those issues and make sure that they can continue on with job training and their work experience and maximize their potential.

Our current system is so extraordinarily cumbersome. It is no -- no surprise at all that it is virtually worthless in terms of helping people get into the job training program. Because if they miss on Monday, we send them a letter giving them ten days to explain why they weren't there on Monday. And do you know what's happened in the meantime? That employer has moved on. That job training program has moved on. Those opportunities are no longer there. And this bill takes an already ineffective, inefficient and cumbersome system and makes it even worse. Because this program now changes

the burden of establishing if someone doesn't have childcare or transportation not on the individual who knows their exact circumstances and their personal situation, it changes it from having the individual explain, to having the Department of Social Services, our county employees and city employees, having to somehow verify or figure out that the individuals [sic] doesn't have childcare; that there's nobody in the individual's family that can help them; that there's no informal or formal daycare available. And only after our beleaguered local officials and employees do that calculation can they even respond --

ACTING SPEAKER BLAKE: Thank you --

MR. GOODELL: Sir, is there anyone behind me?

ACTING SPEAKER BLAKE: There is a list, Mr. Goodell.

MR. GOODELL: For these reasons, I have concerns and I look forward to comments from my colleagues.

ACTING SPEAKER BLAKE: We -- we thank you, Mr. Goodell.

Mr. Hevesi.

MR. HEVESI: Thank you, Mr. Speaker. I rise to congratulate the sponsor. This is a great bill. And from the explanation from my colleague, I don't understand if we're reading the same bill. Here's the point of this exercise: Right now, if you're on public assistance and you miss appointments, for whatever reason, no transportation and no childcare, you get booted off; a durational

sanction that we kick you off of public assistance for a certain amount of time, which hurts you and your family. But guess who else that hurts? It's hurts the counties. Because it costs you more money. Every time you boot somebody off of public assistance for a certain period of time, the exponentially more likely that those people are going to wind up in a homeless shelter, costing your counties more money. This is helpful to you. So, when we have a new requirement to have the DSS minimally check in to say, *Hey, before we hurt you and ourselves, and cost our taxpayers more money, why don't we see if there was a reason why we -- you missed your appointment? You couldn't get to the doctor's appointment, maybe there was no transportation.* This is a bare minimum of due diligence that is required to help the families to get the services that they needed, and to help your taxpayers not be on the hook for more expensive services.

I will also tell you, this is currently the law in New York City. It's been working wonderfully for the last three years. Originally, the intent was to do the whole State together. Politically, we couldn't get it done. New York City passed with my Chair -- former Chairman Keith Wright passed this. It's the law in New York City. Today, Ms. Hunter is going to make it part of the law in New York State, which is fantastic.

One last thing I want to opine on. And it will be interesting to see how our Governor reacts. Because when the original bill passed for New York City to do this exact same thing, the Governor was effusive, *This is great, no more durational sanctions,*

no more hurting people. Well, I want to see him put his money in -- where his mouth is and make sure that he signs this when this comes before his desk. This is a great bill.

Thank you, Ms. Hunter, for all your work on it.

ACTING SPEAKER BLAKE: Thank you, Mr. Hevesi.

Mrs. Peoples-Stokes.

MRS. PEOPLES-STOKES: Apologies, Mr. Speaker, for interrupting the proceedings of -- of the debate to call the Ways and Means Committee to the Speaker's Conference Room immediately.

ACTING SPEAKER BLAKE: Ways and Means to the Speaker's Conference Room immediately.

And now, Mr. Barron.

MR. BARRON: Thank you, Mr. Speaker. It -- it never ceases to amaze me, the condescending, disrespectful manner in which they talk about people receiving Social Services. How dare you say that in the *real work world*, like theirs is fake. That's insulting and racist and I believe that they say these things --

MR. GOODELL: Mr. Speaker, point of order --

MR. BARRON: No, I'm not interrupted --

ACTING SPEAKER BLAKE: Mr. Goodell, why do you rise?

MR. GOODELL: As you know, we have very clear rules --

MR. BARRON: No, he can't talk. You've got to ask him --

MR. GOODELL: -- in our Assembly that --

MR. BARRON: I don't accept his interruption.

ACTING SPEAKER BLAKE: Mr. -- Mr. Goodell, why do you rise?

MRS. PEOPLES-STOKES: He is allowed to rise.

MR. BARRON: But he can't --

ACTING SPEAKER BLAKE: Thank you --

MR. BARRON: -- start talking without me accepting his interruption.

UNIDENTIFIED SPEAKER: He's making a point of order.

ACTING SPEAKER BLAKE: All right. Mr. -- Mr. Goodell, is it a point of order?

MR. GOODELL: Yes, it is, sir.

MR. BARRON: Oh, come on, now. You gave him the idea?

MR. GOODELL: Mr. Blake, as -- Mr. Speaker, as you know, under Rule V, Section 6 (b) --

MR. BARRON: That's not right.

MR. GOODELL: First of all, a member who is called to order is required to immediately stop until we have this discussion.

MR. BARRON: I didn't call him a racist. What he

said was a [sic] racist. Well, I'm standing up, too --

MR. GOODELL: Mr. Speaker --

MR. BARRON: -- to interrupt that.

MR. GOODELL: Again, a point of order. It's the policy of this --

MR. BARRON: He can't do that.

MR. GOODELL: -- Legislature to prohibit arguments *ad hominem* that question in any way the character, motive, attribute of any candid -- of any of our members, directly or indirectly. And so, while I certainly welcome all discussion, however robust, on the value of this bill or the weaknesses of this bill, our discussion, as you know, under our Rules, focuses on the merits of the bill, and does not and should not involve the characterization of any member or their comments. I would ask that you gently remind the member of our rule and ask that he confine his comments to what he likes about the bill, or doesn't like about the bill.

ACTING SPEAKER BLAKE: Thank you, Mr. Goodell. We -- we understand and we hear. Members are reminded to confine their comments to the merits of the bill.

Mrs. Peoples-Stokes.

MRS. PEOPLES-STOKES: Mr. Speaker, I -- with all due respect to my colleague, I -- I do think that Mr. Barron was speaking on the merits of the bill --

MR. BARRON: Exactly.

MRS. PEOPLES-STOKES: Sometimes you have to

create this kind of legislation to combat the attempts of others that are instituting racist policy. So, it wasn't directed at a person or a member, it is about the content of the bill and its value in removing some of the dialogue that comes out of policy that is administered in a way that is not fair to all people of all races.

And so, I would also remind my colleague, Mr. Barron, that um... in order for us to really have good communications in our Chambers [sic], opportunities to remind people of things that perhaps they don't want to be reminded of doesn't bode for good conversation. And so, I -- I think if we can, you know, really just keep our -- even-keeled. This is good legislation that Ms. Hunter has put forward. If it clearly can work in New York City, it can work in New York State. And so, I hope at the end of this conversation, we all are voting yes for this really good piece of legislation that will promote not just good spirit, but offer good policies for the citizens that we all represent across the State of New York.

ACTING SPEAKER BLAKE: Ab -- absolutely, Member Peoples-Stokes. And -- and the point is definitely noted.

Mr. Kolb, why do you rise?

MR. KOLB: Why do I rise is because I'm tired -- sick and tired --

ACTING SPEAKER BLAKE: Can everyone please take their seats.

MR. KOLB: -- of the type of language that is used on this bill and any other bill accusing any member of being racist --

ACTING SPEAKER BLAKE: Mr. -- Mr. Kolb --

MR. KOLB: -- or use of --

ACTING SPEAKER BLAKE: Mr. Kolb --

MR. KOLB: No, I'm going to finish --

ACTING SPEAKER BLAKE: Mr. Kolb --

MR. KOLB: -- my comment. He got --

ACTING SPEAKER BLAKE: Mr. Kolb, we -- we --

Mr. Kolb, I -- I would expect as we all as colleagues that we can speak in a courteous manner. So, again I ask, why do you rise?

MR. KOLB: I'm rising to disagree with the characterization made by the other member on this particular bill.

ACTING SPEAKER BLAKE: Understood. Mr. Kolb, the -- the member never spoke of the other member, and so, therefore, your point is acknowledged and I think we can go back to Mr. Barron. But we do hear your point, Mr. Kolb.

MR. KOLB: We're going to have a problem.

MR. BARRON: Are you threatening?

MR. KOLB: We have had this discussion and we're going to have --

ACTING SPEAKER BLAKE: Mr. -- Mr. Kolb, the -- the point has been made and Mr. Barron is still the one --

MR. KOLB: I'm not going to have any member of this House mischaracterizing and motivations of our members on the debate of a legislative bill. It's uncalled for, unnecessary and --

ACTING SPEAKER BLAKE: Mr. -- Mr. Kolb --

(Applause)

MR. BARRON: If he's not going to respect the process --

ACTING SPEAKER BLAKE: Mr. Barron --

MR. BARRON: -- neither am I.

ACTING SPEAKER BLAKE: Mr. Barron --

MR. BARRON: I will continue my remarks, I will continue my remarks. When people speak of us on Social Services, some of the ideas are racist. I don't know what the individual is, some of the ideas come from a racist --

ACTING SPEAKER BLAKE: Mr. -- Mr. Goodell --

MR. GOODELL: Again --

ACTING SPEAKER BLAKE: -- why do you --

MR. GOODELL: -- Mr. Speaker, a point of order. There has been absolutely no discussion up to this point of anything involving racism --

MR. BARRON: Yes, it has --

MR. GOODELL: And my--

MR. BARRON: Yes, it has --

MR. GOODELL: Mr. Speaker, let me complete my--

MR. BARRON: Yes, it has -- you just keep interrupting --

MR. GOODELL: -- point of order. In my district --

ACTING SPEAKER BLAKE: Mr. -- Mr. Goodell. I would just ask, as I think others would as well, we should let Mr.

Barron complete --

MR. BARRON: Let me finish.

ACTING SPEAKER BLAKE: -- his comments. He has not directed his comments to any individual member --

MR. BARRON: Why don't you let me finish. I wasn't even talking --

MR. GOODELL: Mr. Speaker, point of order --

MR. BARRON: Let me finish --

ACTING SPEAKER BLAKE: The point -- Mr. Goodell, respectfully, the point of order was raised initially. We should let Mr. Barron complete his comments --

MR. BARRON: Let me finish my statement.

ACTING SPEAKER BLAKE: -- and then we can go from there.

MR. BARRON: When I hear comments --

MR. GOODELL: Mr. Speaker --

MR. BARRON: -- when I hear comments coming from anybody on this floor --

MR. GOODELL: Mr. Speaker.

ACTING SPEAKER BLAKE: Mr. Goodell --

MR. BARRON: -- whether they --

ACTING SPEAKER BLAKE: -- your point has been heard. We should let Mr. Barron complete his comments.

MR. BARRON: When I hear comments coming --

ACTING SPEAKER BLAKE: Please, Mr. Barron,

go ahead.

MR. BARRON: When I hear comments coming from this floor --

MR. GOODELL: Point of order -- I ask that --

MRS. PEOPLES-STOKES: Mr. Goodell.

MR. BARRON: -- I think --

MRS. PEOPLES-STOKES: Mr. Goodell --

ACTING SPEAKER BLAKE: Mr. Goodell. Mr. Goodell.

MRS. PEOPLES-STOKES: -- Mr. Barron doesn't have to yield.

ACTING SPEAKER BLAKE: Thank you.

MR. BARRON: Exactly.

MR. GOODELL: Mr. Speaker --

MRS. PEOPLES-STOKES: Please.

MR. BARRON: So when I hear comments coming from this floor --

MRS. PEOPLES-STOKES: We won't get through this if you don't stop interrupting --

MR. GOODELL: Mr. Speaker --

MR. BARRON: When I -- when I hear comments coming --

ACTING SPEAKER BLAKE: Mr. --

MR. BARRON: I have the floor --

ACTING SPEAKER BLAKE: Mr. Goodell --

MR. BARRON: -- I have the floor. I have the time.
And I'm going to keep talking.

ACTING SPEAKER BLAKE: -- Mr. Barron has the floor. He has chosen not to yield.

MR. BARRON: I have the floor --

ACTING SPEAKER BLAKE: We hear you on your point.

MR. BARRON: -- I don't yield to Mr. Goodell. I have the floor.

MR. KOLB: Mr. Speaker --

MR. BARRON: I have the floor. I have the floor.

ACTING SPEAKER BLAKE: Mr. Barron, please continue.

MR. BARRON: Thank you. When I hear ideas that I believe are coded racist --

ACTING SPEAKER BLAKE: Mr. Ra, why do you rise?

MR. GOODELL: Mr. Speaker, I appeal to the --

MR. RA: Mr. Speaker, a point of order --

ACTING SPEAKER BLAKE: Mr. Ra.

MR. RA: -- appeal to the Chair that the member was not out of order.

ACTING SPEAKER BLAKE: He -- the member is not out of order because he never spoke directly of an individual member --

MR. RA: And --

ACTING SPEAKER BLAKE: -- and therefore, we should let Mr. Barron complete his comments.

MR. RA: And we have a process under the Rules to appeal the --

MRS. PEOPLES-STOKES: Mr. Speaker. Mr. Speaker, can we --

MR. RA: -- ruling of the Chair.

MRS. PEOPLES-STOKES: Can I call everybody's attention to the fact that our rules ask us to ask the Speaker --

ACTING SPEAKER BLAKE: Mrs. Peoples-Stokes.

MRS. PEOPLES-STOKES: -- Mr. Speaker for a determination. He has made that determination. It's been made. It's been decided. Can we please move on? Mr. Barron still has the floor, I want to say, for another 12 minutes --

ACTING SPEAKER BLAKE: That is correct.

MRS. PEOPLES-STOKES: And I do hope, Mr. Barron, that if you could possibly not cause Mr. Goodell or Mr. Ra or Mr. Kolb to want to stand up --

MR. BARRON: My mission in life, there's nothing I could say --

MRS. PEOPLES-STOKES: -- on any of these topics again, could you please remove that word --

MR. BARRON: There's nothing I could say to not upset them. And so, I no longer try --

ACTING SPEAKER BLAKE: Mr. Barron, why don't you please continue your comments and then we'll go from there --

MR. BARRON: And it's not about him --

MRS. PEOPLES-STOKES: I know it wasn't about him.

MR. BARRON: -- it's about me not allowing coded racist ideas to proceed without addressing them. And when you speak of us in some work world that is not the *real world*, then you're talking something very negative about people who don't want to be on Social Services. This bill stops them from punishing them for missing a time at work. We would love to have an opportunity to be in the workplace and not have to be on welfare at all. But we live under a racist --

ACTING SPEAKER BLAKE: Ms. -- Mr. Goodell.

MR. BARRON: -- we live under --

MR. GOODELL: Mr. Speaker --

MR. BARRON: You can't let him keep interrupting.

MR. GOODELL: -- in accordance with Rule I, Section 1 (c) (2) of the Rules of the Assembly, I hereby appeal your ruling -- your ruling, and request the floor to speak on the appeal.

ACTING SPEAKER BLAKE: Ms. Goodell -- Mr. Goodell does have that right.

MR. BARRON: You can't deny that request and let me finish? I mean, this guy, he can't keep interrupting me and then say this is the rules --

ACTING SPEAKER BLAKE: Mr. Barron --

MR. BARRON: If he ain't going to play by the rules, I'm not. You can't have him interrupting every time talking about something he's read out of some rules. This is interrupting me. I would have been finished by now.

ACTING SPEAKER BLAKE: Ms. -- Mr. Barron, the point has been heard. The point that was raised was can he appeal on the rule, and that he can. The same way when we stopped him initially, when he was trying to make his initial comment we said that they were incorrect because you did not speak directly to him, so we're just acknowledging that the point is appropriate to be made and you still have your time. We're just acknowledging the point as being made.

Mr. Goodell.

MR. GOODELL: Thank you very much, Mr. Speaker. As you know, pursuant to Rule I, Section 1 (c) (2) of the Rules of the Assembly, any ruling by the Chair can be appealed. Every member has up to 15 minutes to discuss their views for or against the ruling of the Chair. And I appreciate that we are now going back on the Rules and that I have 15 minutes to explain why I'm appealing the ruling of the Chair.

Up until this point in the debate we were talking about a conciliation process involving the Department of Social Services, and whether that process should be made more difficult on our county employees and city employees, whether it should be made

slower, or whether or not we should look at trying to improve the process and help people move forward with their lives and getting into private-sector employment. And that process involves helping people attend work experiences on time, to take responsibility for keeping their employer advised, to attend training on time, and take personal responsibility to the maximum extent possible to move their life forward. None of that discussion, Mr. Speaker and my colleagues, none of that discussion was racist. In my county, it's two percent black, seven percent Hispanic and the rest is white. And in some of my neighboring counties, it's almost 98 percent white. It has nothing to do with whether you're white, black, brown, whether you're Hispanic, whether you're English, whether you're Russian. It doesn't have anything whatsoever to do with that. It has nothing, absolutely nothing to do with racism. So, when a member of this Assembly stands up and talks about the merits of a bill, a bill that affects, in my county, almost exclusively white, Anglo-Saxon Americans, to stand up and accuse that member's comments of being racist and try to hide behind the fact that you didn't name that member because, as though we didn't know he's the only member that spoke on it, like that's some sort of smokescreen that we can hide behind, leads all of us in this Chamber down a rat hole. Instead of focusing on the merits of a bill and talking about whether it's good or bad or whether it helps our residents or not, whether -- instead of focusing on whether it moves the State of New York forward, we slide down that role of calling names and comments, derogatory terms, and *racism* is one of them.

And no one's comments on this floor should be accused of being racist or sexist or any other derogatory term when the focus of that discussion is on the merits of the bill. And we all should feel free to stand up and -- and speak our convictions about a bill. Whether it's good or bad, whether it helps our society move forward or not, without having our comments characterized incorrectly as being racist or any other mischaracterization.

Now, we worked -- we have worked extraordinarily hard on the Minority side - and I hope all of you appreciate it - we have worked extraordinarily hard to avoid calling people names, to avoid attacking people. Oh, sure, it would be easy for us to stand up and say, *That is a dumb comment. Or, Is that member stupid, or what?* And by the way, I've been here on the floor of the Assembly when we went down that road. Most of you have seen that before. We've had debates where the debate was attacked, not the merits of the bill, but the debater, his competence, his intelligence, his understanding. And believe me, as the Assistant Floor -- as a Floor Leader, Assistant Pro Tem, there are plenty of times on all of your bills where our members may have researched it better than you have, and we can work cooperatively and professionally, focused on what's going on, or we can make it really nasty and real personal, and we have worked really hard not to go that route.

So, when I appeal this decision, the question before the House for all of you, recognizing that all of us are going to be asking all of you a whole bunch of questions over the next few weeks,

what tone do you want on the floor of this Assembly? Do you want it respectful? Do you want it professional? Do you want to focus on the bill and the merits of the bill? Or do you want to go a different route? Where we're suggesting that if you don't agree with us you're racist, or a flaming liberal, or a radical conservative, or any other derogatory name you can think of. We all have that list because we all have been called those names one time or another by our opponents or people that are not well-constrained or professional.

So, the choice my friend, today, is it -- is it acceptable on the floor of this Assembly for a discussion that has nothing to do with race, to be accused of racism? I'm personally offended, and each of you should be as well. And, therefore, I believe, the member's comments that suggests that any discussion about improving the way we deal with people to help them leave poverty is in any way motivated by racism, let me tell you this: My comments about how we can improve helping people get out of poverty is because I want to help people get out of poverty. I want them to maximize their benefits. I want them to move forward in life. That's my focus. It's not racism. It's not sexism. It's none of those other *isms*. I'm focused solely on what we can do, the best way we can work together as Republicans, as Democrats, as Liberals and Conservatives, to help the people in poverty improve their lives. That's my focus. I hope that's your focus. And I hope nobody in this room thinks that doing the best we can do to help people who are in poverty improve their lives is racism.

Thank you, sir.

ACTING SPEAKER BLAKE: Thank you.

(Applause)

Thank you, Mr. Goodell. On the...

(Applause)

(Acting Speaker gaveling)

The point's been heard.

On the appeal, Mrs. Peoples-Stokes.

MRS. PEOPLES-STOKES: Let me motivate you to hear what Mr. Goodell had to say, remind you of what Mr. Barron had to say, that was in no way pointing fingers at anybody, but, the scenario that we live in today's society in America, where the vast majority of people -- be they in these Chambers [sic], or be they outside in any of our communities, including the one I live in -- have this terrible perception that most of the people who receive Social Services benefits in this State look like me. Well, they don't. That's the first thing we need to remove from our thought process. The second thing is, is Mr. Barron clearly -- I mean, I heard him. I did not hear him direct a negative comment at anybody. And I -- I think if -- once you hear what Mr. Goodell had to say, hear what Mr. Barron had to say, and make your ruling on this -- on this appeal that he's offered, that we should move on. Because the bill before us is a lot more important than the dialogue we're having here now. Now, there's no question that one thing that we lack in America is a real willingness to talk about race.

(Applause)

We really don't -- don't even want to hear it.

(Applause)

That's the problem. But this is not the time to do that, Mr. Speaker. Right now before us there's a very important piece of legislation that meet -- needs to be moved forward. I would implore Mr. Barron, Mr. Goodell, Mr. Kolb and everybody in this Chambers [sic] right now, to let us move forward. I will be happy to lead that discussion that we need to have on race. There is not a policy area that we work on in the State of New York that doesn't have some racial implications.

(Applause)

Don't act like it doesn't.

(Applause)

But this is not the time to work on that, Mr. Speaker. The time right now for us is to reject Mr. Goodell's appeal, move forward with this legislation and the many other pieces of fine work that we have before us today.

ACTING SPEAKER BLAKE: Thank you, Member Peoples-Stokes.

Mr. Ra on the appeal.

MR. RA: Thank you, Mr. Speaker. You know, I first came up here about nine years ago now, and like all of you, I came up here to represent the people in my district. I think we all came here for the right reasons, to represent our communities. And whether we

come from Long Island or New York City or the North Country or the Capital Region or all the way in Western New York, what we do on the floor each and every day, what we do in our committee meetings, what we do in all our capacities as -- as elected members of this Body, is done with the best interests of those individuals in mind. And we may disagree on issues. And I've seen days in here where we've had very spirited debates on really controversial issues, but everybody walked out of the Chamber, no grudges being held, everybody having had their voice heard. And we get it on our side of the aisle. We -- we know how the vote's going to go at the end of the day. But, we have just as much of a right to represent our constituents as anybody on the other side of the aisle. We have just as much a right to raise our points. And we have just as much a right to raise them in a way that nobody should question what our motivation is in doing so; other than to represent the people who elected us and sent us here to sit in this House and vote in accordance with what's best for them and what's best for our communities. And we're seeing far too much of this this year and -- and lately. I know we live in polarizing times. But, to cause debates on -- on issues -- you know, my -- my colleague, I think, has the same end goal. He wants to help individuals that are in poverty. He has a different idea of how we can best get there. That doesn't mean he dislikes people that are in poverty. It doesn't mean that he's mischaracterizing anybody, or -- or -- or that he's making any racist allegations. It means he's decided that from a public policy standpoint -- an issue that I know he has studied extensively because

I've had a million conversations with him about these issues -- he has a different way that he wants to -- wants to get to the end result.

So, I -- I think we have just over two weeks left.

We're scheduled to finish two weeks from today. We're going to have a lot of debates between now and then, there are a lot of issues that are going to come up. And if this is what we want our House to devolve into, it's going to be a very long two weeks. So, I think that if we -- as we put this question before the House as to whether the member was out of order, and -- and perhaps, if it's appropriate, we could read back what the comments were so that people can be aware of what the comments were, and -- and vote accordingly. But I think that we need to keep in mind that we come here to represent our constituents. And if we feel our constituents aren't going to benefit from a piece of legislation before this House, or are going to be hurt from a piece of legislation before this House, we have a right to raise those points. And it doesn't mean that we don't like your constituents, or -- or people in your district that -- that you represent, but -- but we -- we have a different viewpoint than you. So, I think the civility in this House is something that we can be proud of when we're doing it right, when we're having those spirited policy debates, that we're talking about the issues. We're talking about why this bill is good, why this bill is bad. Why -- why... you know, one group or another group is going to benefit or -- or not benefit from it. But if it becomes looking at and -- and attacking other members' motivations, we're going to have a really tough time having civil debates in this House.

Thank you, Mr. Speaker.

ACTING SPEAKER BLAKE: Thank you, Mr. Ra. Ms. Melissa Miller on the appeal.

MS. M. MILLER: I just want to say that this is the second time this Session that I have been driven to tears while sitting in this Chamber over this tone. And this is not what I was elected to do. I was elected to represent my constituents to my best possible ability, and that's what we're all here to do. And we all have the same right to do it. We have to respect each other. We are -- we are all our State's representatives. If we can't set the tone and respectfully set this tone -- people watch us. These Sessions are viewed by people. And this is the tone, this is what we're showing people? Shame on us. We can differ, we can have a difference of opinion and still be respectful to each other. And I think that's what we need to pay more attention to. It's okay to disagree. We're going to disagree. But we need to figure out how to disagree and still respect each other, because that's what democracy is. And I think we need to move forward with that in mind. We all have a right to represent our constituents the way we feel we need to. But we need to respect each other. Thank you.

(Pause)

ACTING SPEAKER AUBRY: There is an appeal to the ruling of the Chair, and the question before the House is shall the decision of the Chair stand as the judgment of the House. Those voting yes vote to sustain the ruling of the Chair. Those voting no vote to override the decision of the Chair.

The Clerk will record the vote.

(The Clerk recorded the vote.)

The Clerk will announce the results.

(The Clerk announced the results.)

The ruling of the Chair is sustained. Read the last --
the bill is before the House.

Read the last section.

THE CLERK: This act shall take effect April 1st.

ACTING SPEAKER AUBRY: The Clerk will
record the vote.

(The Clerk recorded the vote.)

Ms. Hunter to explain her vote.

MS. HUNTER: Thank you, Mr. Speaker, to explain
my vote. I would like to ask all my colleagues to vote in support of
this bill. There's been proven statistics to show that the cost of
turnover is one of the highest operational costs for employers in the
country. People who are out of work and who are let go from work
are usually -- it's the most costly to turn those folks around. We want
to make sure that we are able to keep people in the workforce so that
they can continue to contribute. This bill will be able to do that. We
will be able to shorten the process in order to alleviate sanctions. And
again, I ask all of my colleagues to vote in support of this bill.

Thank you, Mr. Speaker.

ACTING SPEAKER AUBRY: Mr. Barron to
explain his vote.

MR. BARRON: First let me say, Mr. Chair, I stand by every word I uttered. I stand by that. We need to have that conversation on race because everybody's button gets pushed the minute you mention it. We need to have a conversation on that because when it rears its ugly head, I'm going to raise it.

On the bill.

I think that the bill is very simple, fair. Why should people have to have their funds reduced because they miss an appointment? That's a very serious issue. And when some people can't understand that, then I search for other reasons why you don't understand something so simple, something so simple. Do you think people want to be on welfare? Trade places, you think we having it so good. People don't want to be on welfare. So if, in fact, they miss an appointment, why wouldn't you want to reengage and find out? And then if you really want to get us off welfare, when we put forth these other bills that get us off welfare, support them. Support them and we will be off welfare. We live in a very racist, capitalistic society. I'm going to raise it every chance I get and every time it rears its ugly head.

This is a good bill. I commend the sponsor of this bill. And we shouldn't have to go through all of this kind of interrogation on a bill that is so simple and a bill that helps those who are most vulnerable and the most need to be helped. When you can't help them like that and when you come up with all of this other stuff, I get suspicious and I raise my concerns. And I will continue to do that

as long as I'm in this Assembly.

I vote aye.

ACTING SPEAKER AUBRY: Mrs. Arroyo to explain her vote.

MRS. ARROYO: Thank you, Mr. Speaker. I commend the -- the person that put this bill in the floor. And the Speaker for the opportunity to giving us the opportunity to help those in need. I have to tell you something personal from my life. I was in welfare for nine months with my seven kids when I had to quit my job because I didn't have nobody to take care of them when I was working. I never -- and I never dreamed to be on welfare because I had children. I take the opportunity to educate myself and to prepare myself in this society that have been described here. Thank you very much. And I went through obtaining an education in order to make enough money to support my children and to make them proud of what we are in this society as a Puerto Rican and a U.S. citizen. Probably before that many other people here in this room. I'm proud of the work that was done for me with the social workers that gave me the opportunity to go to school and prepare myself. And today I am here, and my children are professionals. And we are making professionals of my grandchildren because that is the stigma that many people have. But we are here to make ourselves better and to be part of a society that, in part, doesn't like us. I don't want nobody to like me because love -- God love me and I love God.

ACTING SPEAKER AUBRY: Mrs. Arroyo, how do

you vote?

MRS. ARROYO: I vote in the affirmative.

ACTING SPEAKER AUBRY: Thank you, my dear.

Mrs. Arroyo in the affirmative.

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

Mrs. Peoples-Stokes.

MRS. PEOPLES-STOKES: Mr. Speaker, could you call on Mr. Crouch for an announcement?

ACTING SPEAKER AUBRY: Mr. Crouch for the purposes of an announcement.

MR. CROUCH: Thank you, Mr. Speaker. There will be an immediate members-only Republican Conference in the Parlor.

ACTING SPEAKER AUBRY: Immediate members-only Republican Conference in the parlor.

Mrs. Peoples-Stokes.

MRS. PEOPLES-STOKES: Mr. Speaker, can you call on Mr. Otis for an announcement?

ACTING SPEAKER AUBRY: Mr. Otis.

MR. OTIS: There will be an immediate conference of the Democratic Conference in the Speaker's Conference Room.

ACTING SPEAKER AUBRY: Immediate Democratic Conference, Speaker's Conference Room.

Mrs. Peoples-Stokes.

MRS. PEOPLES-STOKES: Mr. Speaker, if we could go into recess for a few moments, please.

ACTING SPEAKER AUBRY: The House will stand in recess.

(Whereupon, the House stood in recess.)

ACTING SPEAKER AUBRY: The House will come back to order.

Mrs. Peoples-Stokes.

MRS. PEOPLES-STOKES: Mr. Speaker, we're going to continue on our debate list with Calendar No. 414 by Mrs. Galef.

ACTING SPEAKER AUBRY: The Clerk will read, page 28, Calendar No. 414.

THE CLERK: Assembly No. A05147, Calendar No. 414, Galef, Thiele, Mosley, Gottfried, De La Rosa, Jean-Pierre, L. Rosenthal, Glick. An act to amend the Public Health Law, in relation to the manufacture and sale of seasonal and decorative lighting products containing lead.

ACTING SPEAKER AUBRY: Mr. Goodell.

MR. GOODELL: An explanation.

ACTING SPEAKER AUBRY: An explanation is requested, Mrs. Galef.

MRS. GALEF: Thank you very much. What this bill does is just require that all decorative holiday lights and lighting -- and it seems like we are developing more with all of our holidays. In fact, Halloween, I think there's probably more lights than -- than Christmas at this point. But the lighting products that are manufactured or distributed into New York that would carry a warning label that just says, *Warning: Handling the coated electrical wire of this product may expose you to lead. Wash your hands thoroughly after use.* And the purpose of the bill is to protect consumers, and particularly children, from exposure to lead through the contact with the lead-coated wires of decorative lighting. California has done a similar kind of -- of legislation, and, you know, we have passed, I think it was maybe a couple of weeks ago, legislation protecting ourselves against lead in jewelry, and we've also done that with tableware. We've done it with toys and furniture, and certainly with paint. I think we all are so much aware that particularly young children can be so impacted by lead in their bloodstream. And these wires, when children touch it, the dust from the wire can impact them, and if you don't wash your hands it can go right into your mouth. And this is just -- just to put a warning on --on our decorative wiring.

ACTING SPEAKER AUBRY: Mr. Mikulin.

MR. MIKULIN: Thank you. Will the sponsor yield?

MRS. GALEF: Certainly.

ACTING SPEAKER AUBRY: Will you yield?

MRS. GALEF: Yes.

ACTING SPEAKER AUBRY: Mrs. Galef -- Mrs. Galef yields, sir.

MR. MIKULIN: Just a few quick questions. Now, is there any evidence that hazardous substances are in holiday decorations, or does it pose a significant threat to public safety?

MRS. GALEF: Well, it's in -- what -- what happens is the polyvinyl chloride -- lead is used as a stabilizer and a fire retardant in the polyvinyl chloride, which is coated on the wires and the bulbs and the sockets and the holiday lights. There have been studies -- it makes it very flexible. You know, we've all put lights on something, it makes it very flexible. But when it's exposed to sunlight and light, that's when you start to get the decay. There have been studies. There was one recently -- well, it wasn't as recent as I'd like -- but 2008 with the Cornell University where they did lead swipe tests on some newly-purchased and older Christmas lights. And they found that actually the amounts of lead on the surface was in excess of the US EPA clearance level for lead on windowsills. So it was really worse than on windowsills. And then there was another report done in 2010 by the Ecology Center, a US environmental group, that tested 68 sets of Christmas lights and found that more than half of them contained more than the 210 Federal regulations allowed for children's products, and some of them even contained 30 times these limits. I think it's something that we really hadn't focused on. You know, over the time, I've had children, I've decorated trees. I haven't decorated for Halloween. But, you know, I don't think we think about that. But

when we have lead in all of these things that we put on trees and people handle and children handle -- I -- I remember the wonderful times I've had my grandchildren over to decorate the tree, and what a bad thing I probably did because I didn't think about the washing of the hands, et cetera. I didn't know about this until I started to get into the legislation, and then I was aware of it. And all we're doing is saying put a warning, you know, on your -- on your packaging and on your -- on your string of lights that you need to wash your hands after you deal with this.

MR. MIKULIN: Okay. Now, wouldn't the Federal Hazardous and Substances Act of Federal law, 15 U.S.C. Section 1261, wouldn't that handle that with labels on certain lead products and hazardous products?

MRS. GALEF: I'm not sure I quite heard that, but we have the ability here through our Consumer Affairs Committee and through the Assembly and the Senate to adopt legislation to require this labeling. We do this on --on many different kinds of items. And as I said, California has done it as a state. So, obviously, we could go forward to that. I think they did it back in -- I don't know what year it was, but it was a long time ago. It -- it was California's Proposition 65, whenever that was.

MR. MIKULIN: Yeah, but wouldn't -- wouldn't the Federal government, if there, you know, was a risk of lead require as a precaution the label on the -- the decoration? So, you know, if the Federal government's not doing this, why are we?

MRS. GALEF: We do a lot of things that the Federal government doesn't do. Because we actually probably want to protect -- I don't know, the Federal government wants to protect us, but I guess we want to protect ourselves even more. When we know there's a problem, that we want to go forward and -- and deal with that. I'm trying -- you know, we -- we had probably done -- when we passed -- I don't know how you all voted for that -- but the legislation on jewelry -- I can't remember who had the bill over there. You know, we -- we are doing something that the Federal government wasn't doing. You know, we -- we do that all the time. We have regulations, you know, within our housing and -- and in education. I mean, we -- we -- that's our role. That's our role to respond to problems and to protect the people of our State.

MR. MIKULIN: How about the sale of homemade holiday crafts?

MRS. GALEF: Well, homemade holiday crafts wouldn't come under this because they're homemade. It's -- it's with certifications -- it really says in the bill that "... a person, firm, corporation or association that" -- that -- well, that is actually for the civil penalty. Right. Okay. And the lighting products, the rule is the factory assembled with a push-in -- it -- it talks about the -- the factory being -- assembling this and so on, and the -- and -- did I miss anything in this one? It's -- it's all man -- it's all manufactured. It's not manufactured at home.

MR. MIKULIN: Okay. So if a person makes their

own homemade holiday decorations and sells them --

MRS. GALEF: It doesn't -- doesn't matter.

MR. MIKULIN: -- they --

MRS. GALEF: Well, we would hope that --

MR. MIKULIN: -- they wouldn't have any civil violation with this law?

MRS. GALEF: No. No. I would hope that they would now know that they -- they shouldn't, you know, have this kind of wiring as -- as they're dealing with their -- their home products. But, no.

MR. MIKULIN: Thank you very much.

ACTING SPEAKER AUBRY: Read the last section.

THE CLERK: This act shall take effect on the 90th day.

ACTING SPEAKER AUBRY: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

Mrs. Peoples-Stokes.

MRS. PEOPLES-STOKES: Mr. Speaker, if we can advance the A-Calendar, please.

ACTING SPEAKER AUBRY: On a motion by Mrs. Peoples-Stokes, the A-Calendar is advanced.

Mrs. Peoples-Stokes.

MRS. PEOPLES-STOKES: Thank you, Mr.

Speaker. We will begin on page 3 on the A-Calendar with Rules Report No. 65 by Mr. Cahill.

ACTING SPEAKER AUBRY: The Clerk will read.

THE CLERK: Assembly No. A00264-B, Rules Report No. 65, Cahill, Colton, Arroyo, Jean-Pierre, Taylor, McDonough, Jacobson, Steck. An act to amend the Financial Services Law, in relation to establishing protections from excess hospital charges.

ACTING SPEAKER AUBRY: An explanation is requested, Mr. Cahill.

Shh. Ladies and gentlemen, we are on debate.

MR. CAHILL: Thank you, Mr. Speaker. This bill would subject hospital charges for emergency services that follow to the -- to the independent dispute resolution process established to protect -- protect against excessive emergency charges. It is a process that exists for most other medical costs, and we're now expanding it to include emergency charges and the charges that follow.

ACTING SPEAKER AUBRY: Mr. Ra.

MR. RA: Thank you, Mr. Speaker. Will the sponsor yield?

ACTING SPEAKER AUBRY: Will you yield, Mr. Cahill?

MR. CAHILL: Yes, of course.

ACTING SPEAKER AUBRY: The sponsor yields.

MR. RA: Thank you. First off, I know we have voted on a very similar bill in the past. Can you just go through what is changed from the bill we passed last year?

MR. CAHILL: We had voted on a very similar bill, Mr. Speaker, Mr. Ra. The -- the bill that we voted on in the past was fairly identical in terms of the substance, with one exception: We've made it more narrow to take out the safety net hospitals, the hospitals that provide care to people using the Medicaid plan to the tune of 60 percent of their revenue or more. And we voted on it four times so far, unanimously.

MR. RA: So the -- that -- that piece, in terms of the 60 percent, where -- where's that number coming from? Is that -- is that reflected anywhere else in the law? Why -- why 60 percent Medicaid as -- as the exemption?

MR. CAHILL: It's -- it's our belief that at that particular threshold, that's a point at which the hospital needs to rely upon the commercial insurers to make sure they can stay afloat. It is not a specific number. And certainly, some would argue we should've gone to 51 percent, others would argue we should've gone to 75 percent. I think 60 is a good happy medium.

MR. RA: Okay. Now, just in terms of the, you know, the substance of -- of what this bill does. Currently, the patient is, you know, is protected by -- by our current law. This deals with, basically, between the insurance company and the hospital, correct?

MR. CAHILL: Well, directly, that is the case. Because we've done a -- a number of things to protect -- protect consumers from surprise billing. We've put protections in place that would prohibit the charges being incurred by the consumer in excess of anything they would've paid under their plan, even if they're using an out-of-network provider. But let's not for a moment think that this current set of circumstances protects consumers. There are a number of reasons why the current circumstance does not. And primarily is what could be the dramatic impact on the cost of healthcare, which then reflects itself as the cost of health insurance, which is oftentimes paid in an increasing percentage by the consumer.

MR. RA: So now, when a patient goes into an emergency facility at a -- at a hospital and it's out-of-network, what -- what currently happens when they are, you know, put into the emergency room and, you know, give over an insurance card for -- for a -- an insurance company that is not part of the network of that hospital?

MR. CAHILL: Let me tell you what usually happens. And by "usually" I mean almost all of the time. What happens is that a person goes into a hospital that doesn't happen to be a network within -- and they present their insurance card, and that hospital sends a bill to the insurance company that reflects what are their usual and customary charges, and the insurance company pays it. That's what usually happens. What could happen and what has happened is that insurance companies have received bills from hospital providers after

the contract has expired, when the contract is in negotiation, or when no contract exists, where the charges are no longer what they used to be. They're not what they were when they had a contract. They're not what they were charging other people. But they have been inflated to the point of being so high that they can't even be paid. And what happens then? Then the hospitals use those inflated bills to force a different kind of negotiation for the new contract as opposed to having a level playing field. What this bill will do is make sure that when we have those kind of disputes between these parties, that -- and only in those instances where we have those kind of disputes -- that there's a place where those disputes can be resolved by a neutral third-party.

MR. RA: Okay. Now, the -- the neutral third-party that -- that will be the arbiter of this independent dispute process, who selects that individual?

MR. CAHILL: The neutral third-party is an independent dispute resolution representative that is appointed by the Department of Financial Services.

MR. RA: Okay. And under this bill -- so you say currently, you know, they -- they go -- they send a bill and they'll -- the health plan will, you know, give the hospital or pay the hospital whatever is their usual and customary amount. But under this bill, then, the health plan is going to basically determine what they're going to pay, correct? And then if there's a dispute in that amount it goes to this process?

MR. CAHILL: The health plan will determine what

they are going to pay in the same manner that the hospital will determine what they are going to charge. If they cannot come to an agreement on their own, they have to submit it to an independent dispute resolution process. If it gets submitted to an independent dispute resolution process, that individual who is charged with determining the appropriate charge looks at both sides, and then uses something that -- that we call "baseball arbitration" - that's the actual term of art for it - where one of those sides is chosen. So, if the insurance plan has decided to lowball the hospital by -- by a rate that is not what they were paying their network providers, by a rate that is not what they would pay for a hospital that has the level of acuity of patients that they would pay for the complexity of the case, and the hospital submits a reasonable charge, the reasonable charge will be awarded by the -- by the independent Body. If the opposite is true, if the insurance company submits a charge, submits an offer to pay that is very reasonable consistent with what they've paid before and the hospital has all of a sudden started charging 150 percent or 200 percent of what they used to charge, well, then guess what's going to happen? The hospital is not going to win and the award is going to go to what the insurance company said it would pay. This form of award, which I was a little skeptical about at first, has proven to push both sides to the appropriate center. They both end up offering when they go into an IDR process the reasonable and appropriate amount because they want to win that resolution.

MR. RA: Sure. And as a baseball fan, I -- I'm

familiar with -- with that. That's how --

MR. CAHILL: I -- I had to quit -- I stopped watching baseball when Joe Namath retired, so...

(Laughter)

MR. RA: Unfortunately, as a long-suffering Mets fan, I can't walk away that easily. Sometimes I wish I could. But one of the concerns that's been raised by, you know, opponents of this piece of legislation is that this will throw kind of out of balance the -- the bargaining positions of those two parties, the hospitals versus the -- the insurance plans. Right now, you know, you'll have a negotiation, perhaps, to be included in a certain plan, and then you have, you know, this process which will take place if somebody's out-of-network. The -- the concern that's been expressed is that if something like this is -- is put in place, there will be less of an incentive for the health plans to basically, you know, put more hospitals into their network, and also that the bargaining power of those hospitals will be reduced because the health -- the health insurance policies will know that they have this process to fall back on.

MR. CAHILL: Well, Mr. Speaker, Mr. Ra, that -- that anticipates that what the insurance company intends to do is to lowball the payments. Why else would they do it if they couldn't save money? They're not going to go kick hospitals out of the network so that they can't have other things like quality assurance, like -- like affiliations with other parts of their network unless they were going to

do it to save money. If they low ball, when they get to the IDR process they're going to lose. So there is really no incentive for that to happen. What this really does is it prevents the disruption of the normal delivery of healthcare in a community, quite frankly, when a contract is coming to an end. Instead of that contract coming to an end abruptly, instead of that contract coming to an end after a modest cooling-off period, what happens is that the -- the consumer can continue to use that facility. That facility can continue to provide quality healthcare. The insurance plan can continue to offer to pay the plan, and an independent third-party will determine what's right until the two parties can get back into that kumbaya that they had before and enter their contract.

MR. RA: Okay. And that -- now one of, you know, the -- the other things that has been raised is, you know -- as we know when we do many of these laws, there are -- there are -- because of maybe the complexity of -- of, you know, health insurance and the way certain entities are -- are insured that, you know, we have many municipalities, school districts, things of that nature, that are self-insured.

MR. CAHILL: Yes.

MR. RA: Would -- would this do anything to protect people that are covered by that type of plan?

MR. CAHILL: Oh, absolutely. That's where it has some of the greatest impacts all together. And thank you for asking the question. When you have a self-insured plan, for all intents and

purposes, the sponsor of the plan is usually the employer - or perhaps even the employee, as isn't often the case - and those folks are responsible for the first nickle and the last dime of whatever is paid. And if the charges go up, the cost of that plan goes up for that municipality. And if the cost of that plan goes up for that municipality, the next thing that rises is your real property tax cap. And they come and they ask to pierce it because their insurance costs went out -- went through the roof. Or, a benevolent plan has an insurance plan and they have to pay those charges. They're not at the table. Who's at the table is the insurance company that's administering the plan for them. So, where the insurance company is the one that has the contract with the hospital, the self-insured plan oftentimes uses that insurance company to administer their plan. So it has a direct, even perhaps a greater dollar impact on those plans each and every day.

MR. RA: Okay. And just to go back to -- to one other thing that I believe is new to the bill this year, is this -- you know, that it's not just the initial emergency, you know, treatment, but it's any inpatient services that happen as a result and in the aftermath of that emergency visit?

MR. CAHILL: Yes. What -- what the bill -- what the bill was corrected to do was to address the problem that existed. The problem that existed was certainly that if you walk into an emergency room or get wheeled into an emergency room - which is maybe more likely in some circumstances - that charge is one part of

the equation. But the aftercare that follows from that emergency and the admission that follows from that emergency is often to the hospital or the hospital system that has admitted you -- that -- that has seen you for the emergency. So the issue about the billing oftentimes is -- is more concerned with what happens after the emergency room visit, but associated with that emergency room visit. So, yes, that was a correction that was made, and -- and I apologize, colleagues, for not having done so sooner.

MR. RA: Okay. Thank you very much.

Mr. Speaker, on the bill.

ACTING SPEAKER AUBRY: On the bill, sir.

MR. RA: So, you know, I know many of us who have been here in the past have voted on this bill, and -- and perhaps, you know, there have been some changes; some of them may be good, some of them may be, you know, troubling for different institutions. But -- but I do think that we need to be aware as we -- we vote on this -- you know, we've had many healthcare institutions, many of our hospitals in our State that have had their -- their difficulties. You know, we have this number of 60 percent Medicaid that is -- that is exempt from it. But regardless of what your, you know, rate is in any given, you know, county or any place where -- where a certain hospital is located, you know, those are patients that, you know, need services. They may be, you know, medically frail, they need extensive services. And -- and certainly, you know, that's an expensive thing for the hospitals to take care of. When we have a situation where, you know

-- and it could have been any number, as the sponsor indicated. Maybe, you know, this is maybe a happy medium. Maybe it could be higher, it could be lower on what -- what we use as the cutoff. But -- but there is the potential that certain institutions that service really vulnerable populations could -- could be hurt by this type of piece of legislation because of the -- the change in -- in the, you know, bargaining power that the hospitals are going to have with these plans and the reduction of the incentive for those plans to include hospitals in their -- in their networks.

So, I'm going to be voting in the negative on this piece of legislation. I do think there are measures that we can take to help continue to, you know, protect people from out-of-network charges. Certainly, we have a great pro-consumer statute to protect the individual consumer, and -- and -- and this is really about the relationship between those -- those health insurers and the hospitals. And I think there are other things we can do without doing something that could put that relationship out of balance. Thank you.

ACTING SPEAKER AUBRY: Thank you, sir.

Mr. Buchwald.

MR. BUCHWALD: Thank you, Mr. Speaker. And I -- I'm -- on the bill.

ACTING SPEAKER AUBRY: On the bill, sir.

MR. BUCHWALD: I -- I'm sorry to be rising today for a few reasons: First, because I have a number of good friends in support of this legislation, both inside this House and outside. And

I'm also sorry because I think there was another way to get to this point that would not have had as direct an impact on the region of the State that I represent. But nonetheless, because we are where we are, Mr. Speaker. I planned to speak for 30 minutes today in two 15-minute chunks, as are permitted under our Rules. So let me take a moment, if I can, Mr. Speaker, to explain from my perspective what this bill does, and then provide a little bit of the local impact on my district and my county and the Lower Hudson region.

This bill is not about patients and customers of hospitals. This doesn't do what the prior legislation did on surprise billing where folks who were getting bills from -- from medical providers were being forced to deal with those bills and we had to pass a surprise billing legislation in order to make that an issue that would be worked out between the medical provider and the insurance company. This bill isn't about that. This bill is only about the relationship of insurance companies to hospitals. And although that's a - a perfectly fine topic, it is very different than protecting the people of New York in the same way the prior legislation did. And in particular, I find it inappropriate for us to get in the middle of the relationship between insurance companies and hospitals when some of those hospitals and insurance companies right now are in the middle of negotiations. We all, in government, deal with negotiations between various parties. Usually it is our approach not to get involved in the middle and interrupt those negotiations. One of those negotiations is occurring right now between Westchester Medical

Center and Blue Cross Blue Shield, which happens to provide our insurance here in the State Legislature. So I know not just being a Westchester resident, but because I'm directly affected also have knowledge of that. But this is a broader issue than just about Westchester Medical Center. This is about whether insurance companies will have any incentive to have hospitals be in-network. Right now under existing New York State law, emergency services themselves are provided to customers at the in-network reduced rate. If you were brought by an ambulance to a hospital that happens not to be in your insurance company's network, you, as a customer, don't deal with that, and the -- effectively, the in-network rate applies. This bill deals with the second category of types of charges that a hospital have [sic], which is after you've received emergency care and are admitted to the hospital, what those charges are. And then there's a third category that charge -- that hospitals charge for, which is for elective surgeries. Elective surgeries are the ones that predominantly provide the vast majority of revenue to hospitals. That's the nature of -- of them. And only if those elective surgeries are sufficiently performed can the hospital fund the emergency care and the ancillary care to emergencies. That, frankly, is not nearly as lucrative. This bill deals -- as I said, with the second category, those admissions post-emergency care. Right now, New York State law, for better or worse, says, *Customers, you don't have to deal with that. The insurance company will simply have to accept the out-of-network charge of the hospital if the hospital is out-of-network.* And of course

you might say, *Well, that's not fair. Why should the insurance company have to pay that?* Obviously, the insurance companies don't feel that's fair. But, that system is what sets up the incentive for insurance companies to bring the hospital in-network and to negotiate a rate that is far less than the list price that a hospital charges. That category is, in fact, the reason why hospitals are brought in-network. It's not the third category, the elective surgeries, that are the reason to bring in -- the hospital in-network. An insurance company really only needs one hospital in every region to be in-network for those elective surgeries. They can say to their covered consumers, *Sorry, that elective surgery you're not going to be able to do at this hospital because it's out-of-network. You can -- you have to go to the one that's in-network.* But with regards to the ancillary to emergency care services, because, of course, people don't have the necessary control over what hospital they're brought to for an emergency, it's important from a marketing and other perspective for the hospital to have that in-network. And it is only the fact that an out-of-network hospital could charge those higher -- higher rates that forces the dialogue between insurance companies and hospitals. What this bill does is it -- instead of having the hospital be able to charge its higher rate, it says we're going to go to an -- the arbitrator rate. And of course, the arbitrator rate is lower. And vis-à-vis the insurance company, that's, of course, great. Vis-à-vis the employers and some friends in labor who negotiate with the insurance company for their prices, there's a hope that there will be passed-on lower prices. But from -- remember,

from the patient perspective, they're not cover -- they're not paying this charge anyway; at least for the basis of receiving it. If the hospital is not engaged with the insurance company in the negotiations to make it in-network and the insurance company does not have the incentive to have that negotiation, they will simply be able to leave a whole host of hospitals out-of-network, meaning diverting those elective surgeries to other hospitals. Meaning that hospitals that rely on those elective surgeries to fund their other operations will simply not be able to maintain any semblance of profitability. And that is crucially important for those of us who recognize that there are hospitals across the State that provide essential care, including essential emergency care, and if they're not able to have an economic model that works, those community services are going to be lost. In Westchester County, if insurance companies are able to put Westchester County Medical Center out-of-network and people divert their elective surgeries to other hospitals around Westchester, Westchester Medical Center, a heretofore historically struggling hospital network that for years required bailouts and public funds because of a former public hospital, now a public benefit corporation, but has finally, after so many years, got into financial stability, will once again revert to being reliant on taxpayer dollars. And fundamentally, we cannot, once again, establish that Westchester Medical Center - the Trauma Center for the entire Lower Hudson Valley, the Burn Center for everywhere in New York State from Westchester on north to Canada - for the crucial services that it provides as the social safety net hospital in the

area that so many other healthcare providers, including hospitals, rely on to provide the base-level of support for everything from trauma emergency services to inpatient psychiatric facilities. If Westchester Medical Center's financial stability is threatened, it threatens the entire healthcare system of Westchester County and the Lower Hudson region. And, ultimately, it would be irresponsible for me, as a representative from Westchester, to allow legislation to move forward that have that impact. And you might ask, *Well, since this legislation in a different form it could come up previously, you know, why did I and so many other colleagues vote for it*, it's because the legislation was different at the time. It applied across the entire State. It did not have an exemption for hospitals that provide over 60 percent of inpatient emergency services from -- inpatient services for Medicaid and Medicare services. This line was all hospitals were in it together. Now we are drawing a line, and instead of relying on the social safety net hospital line - which we often rely on, that would have included Westchester Medical Center -- we are drawing a line that, conveniently for some and inconveniently for others, excludes Westchester Medical Center. That is just simply not right. It's one thing for us to set policy on the overall healthcare industry, but to have there be winners and losers and have the Lower Hudson Valley be a definitive loser is not something that my constituents sent me here to stand for.

So instead, I stand against this legislation. I obviously urge colleagues to look carefully at what this means for the

hospitals in their own districts, to understand that even if their hospital isn't the first to suffer financially from the legislation. If they're not in the exempt category, they are at risk. And even if they are in the exempt category, if ever their -- their patient mix drops below the 60 percent threshold, then that hospital, too, will be at risk. And we have very important things to debate and discuss and to understand with -- with regards to our healthcare industry and certainly the way insurance is provided in New York State, I, frankly, find a number of the arguments of the insurance companies and their customers are making about how -- or if we just are able to knock a bunch of places out-of-network that lowers the costs, it will be a more efficient system. Well, frankly, those very same insurance companies will -- will be fighting tooth and nail if ever this House considers a single-payer system that would, in fact, be much more efficient, at least with regards to the ability to -- to determine payments to hospitals and other medical providers.

I -- I understand -- understandably -- I understand the motivations of, you know, the folks who will be the winners under this legislation, but I do not believe that we can pit one medical institution versus others. Not just one. I think of a hundred hospitals across the State that would be covered by this, and that fundamentally many of them, shortly after this bill became law -- if it becomes law, and I hope it doesn't -- many of them would find themselves out-of-network. And the idea that we would go back to our constituents and say, *The reason you couldn't get access to in-network coverage at your area hospital is*

because of something we did essentially is not the message we should be sending to our constituents.

So I would conclude, Mr. Speaker, but I cannot. Until that buzzer goes off, I will be standing here and I will be conveying how unfortunate it is that despite the efforts of many of us, and particularly the Westchester delegation, to simply say in the middle of negotiations with Westchester Medical Center, *Please, Westchester Medical Center is a safety net hospital. It is -- undermine -- underlies the entire healthcare structure of at least Westchester County and beyond. Please exclude Westchester Medical Center.* No option to do that. Instead, what do we have? A bill that before today was just simply in the Codes Committee. Today, put on -- well, last -- yesterday put on the Codes Committee agenda for today. The Codes Committee voted. It didn't even go through Ways and Means, even though it has a fiscal impact. It went straight to Rules -- straight from Rules to the floor for a vote. This bill is being rushed. It is being rushed because if enough New Yorkers find out what impact it will have on their area hospitals, it is quite possible that the supposed benefits of this legislation will be shown to have -- be matched with very significant costs.

And that is the buzzer, Mr. Speaker. I will be back for a second round.

ACTING SPEAKER AUBRY: As promised, you've elapsed the first time.

Mr. Montesano.

MR. MONTESANO: Thank you, Mr. Speaker. Will the sponsor yield, please?

ACTING SPEAKER AUBRY: Mr. Cahill, will you yield?

MR. CAHILL: Yes.

ACTING SPEAKER AUBRY: Mr. Cahill yields.

MR. MONTESANO: Mr. Cahill, just a follow-up question.

MR. CAHILL: Sure.

MR. MONTESANO: With regard to the, I think the IDRs they call them, the independent resolution people, the list -- the involvement from the Department of Financial Services, do they put out a list and then the parties, the hospitals and the insurer choose from that list, or does DFS actually appoint one of the companies?

MR. CAHILL: I am being advised by counsel that the process by which the independent dispute resolution representative is appointed is that it is appointed by the Department of Financial Services. A specific individual is appointed from a list that they have.

MR. MONTESANO: Okay. And the cost for that individual, is that shared by both parties?

MR. CAHILL: That's another interesting part, because, you know, we're using this process across the board. We're using this for a lot of healthcare in New York State. And the way it works, because we don't want to encourage people to have disputes, is that the loser of the resolution - because remember, there's a winner

and a loser, we're not going splitting the baby - the loser has to pay the cost unless there is some settlement agreement to the contrary.

MR. MONTESANO: Thank you very much. Thank you, Mr. Speaker.

ACTING SPEAKER AUBRY: Thank you, sir.

Mr. Sayegh.

MR. SAYEGH: Thank you, Mr. Speaker.

On the -- on the bill before us.

ACTING SPEAKER AUBRY: On the bill, sir.

MR. SAYEGH: I stand before you to -- to really focus on how important this bill is and the impact it would have on hospitals across the State, and more important, as my colleague Mr. Buchwald explained eloquently, on especially a hospital that is in my district. My district in the City of Yonkers, a high urban area, is part of Westchester County, part of the Lower Hudson Valley region. And Westchester County Medical Center is a known trauma center where all the local hospitals, whether in Westchester County, in Rockland and Sullivan and Dutchess and Putnam Counties, whenever there's trauma cases dealing potentially with serious matters - aneurysms and heart conditions and auto accidents and other trauma-related type of incidents - are often referred to Westchester Medical Center. And Westchester Medical Center has had a history of financial woes in the past, and have made serious attempts to try to settle down their fiscal woes and really develop some sense of stability, which is necessary for the entire region that we're talking about. I'm a little concerned of

how this bill was expedited in such a fashion to avoid the parties that are involved - namely, the insurance company and the hospital - to try to negotiate this matter. I think when the delegation members, especially from Westchester County, met with the parties not too long ago, the understanding was that they were encouraged to sit on the table and try to come up with what was reasonable for both sides. We're not in a philosophy or in a situation where there must be losers and winners. When you deal with healthcare, it's crucial to make sure that we're able to provide those institutions with the right to negotiate and the right to make sure that they're compensated for services provided. My concern is by rushing a vote on this bill, we have closed the door to negotiations. We have put Westchester Medical Center and many hospitals across the State potentially in -- in a bankruptcy situation, which is a lose-lose for many patients in our areas and throughout the State of New York.

So, I urge my colleagues, this is not the right time to pass a bill like this. Let's give negotiations an opportunity. Let's tell the parties, *Sit on the table and resolve this*, so that at the end of the day, the insurance company, patients are protected and the hospital is protected. And whatever issues that relate to labor, they will be addressed, also. So, I urge my colleagues to really, at this time more than ever, to vote this down. Thank you.

ACTING SPEAKER AUBRY: Thank you, sir.

Mrs. Galef.

MRS. GALEF: Yes. I've really never done this

before, like this. So I'm going to say I'm a little nervous about this. What did I learn at the Codes Committee meeting today? Well, first I learned that it was on the agenda, this bill was on the agenda. And within, I think, 20 minutes it went to the Rules Committee, and then it didn't go to Ways and Means even though there's this huge economic impact on this. And then it's here on the floor for us to debate when we're supposed to have a women's dinner anyway. Okay. So that's what I learned today. I also learned today that this is the only state that would have a policy like this. There's never been an experience like this anywhere else. Maybe the insurance companies are doing this so that they can use New York State as an example. I don't know. I hope not. What else? In the Codes Committee somebody asked the question - I have to say that my colleague sitting in front of me who asked questions later was absolutely terrific - but asking some questions about what is an excessive charge. Well, I didn't hear a clarification. What is an excessive charge? Who's going to determine the excessive charge? Another thing, what hospitals are going to be impacted? In the Codes Committee, I did not hear an answer to that. I have a list that I've seen, but I didn't hear an answer from the Codes Committee. Comparables. What kind of comparables are we going to use for a burn center or a trauma center, et cetera? I didn't really feel that I got an answer to that. The Burn Center is the only one in the area, I think, from down here. We kept the Burn Center going at the Medical Center because it's so expensive and nobody else wanted to deal with it, so we had it there. I don't know

about the comparables. And remember, we're dealing in a county that is a little bit more expensive than the Upstate counties. I wish it wasn't, but it is. Why -- we asked the question of why 60 percent, and the staff, I believe, had no answer to 60 percent. I know the sponsor of the bill has said something about well, it could've been 51 percent, it could've been whatever. Well, there's no data to say it should be 60 percent, so why did we choose 60 percent? They talked about a safety net hospital, and I don't know exactly what that definition is and that probably got into the 60 percent. I don't know. Then there was a question about why is Montefiore excused from this. Why, I don't really know. I guess they're at 63 percent so that they are. But what is the real difference between the hospitals? Then I heard that Albany has 59 percent. So the hospital here in Albany, if we get taken there with an emergency, will be covered. But we won't be covered if we stay at the Albany hospital because they're going -- it'll be out-of-network. Did they -- they look -- did the Codes Committee look at the impact on hospitals? We didn't get an answer that they looked at any impact on the hospital because nobody knows what impact is on hospitals. Have there been any hearings on this so that people can come in? I don't think so. It was so clear from the Codes Committee today that there's been no research or data on this issue.

Let me just talk about the Westchester Medical Center. I was a Westchester County Legislator starting in 1980. Before that, my husband was a County Legislator in 1975. And that hospital was a poor person's hospital. It wasn't even a medical center.

It was the Westchester Hospital. It was for only poor people. And they made the decision in about 7 -- 1978 that this hospital was going to take care of all patients in the region and be a hospital that had really, really top-notch care. It was going to be a tertiary care facility. And at that time, all the other hospitals around the area were all upset because they'd had a poor person's hospital and they sent all their poor people to the hospital. And all of a sudden, now there's going to be a hospital that is for everybody and they're going to take patients away from all of the other hospitals. They were so upset. I remember all of those hospital administrators in my house. I was a devoted wife. I gave them tea and coffee and cookies, and my husband negotiated with them. Now we've turned the tables, right? Anyway, it just -- I mean, it was incredible. They were so upset with the competition. So what we said was when I got on the County Board, we're going to be sure it's tertiary. We're going to take those burn patients, we're going to take the organ donations. We're going to take the heart transplants. And they were one of the hospitals that started the first heart transplant. Amy and I saw this weekend twins that had been separated at the hospital. You don't do that in every hospital. That is expensive. And if you -- neonatal facility, where those little babies that live when they're like two pounds, they go to the Medical Center. That's expensive. And you're going to say in this bill that they can come in for the emergency, I guess for the delivery, I don't know, and then when the baby is going to stay there that they're not going to be covered, they're going to be -- they're going to be out-of-network?

You know the cost of all that and the hospital's cost for those? And we're not dealing with that issue? It just doesn't make sense to me. I tend to think that if this bill went through, that the Westchester Medical Center would think about the Burn Center and maybe all the firefighters who end up at our Medical Center and other people that are in car accidents that end up at the Medical Center, that we're not going to have a Burn Center there because Albany dropped it. Do -- are other people going to drop it? We can drop it. It's really, really, really expensive, and people are there for a long time. And this is all about the insurance company. The insurance company just wants to make more money on all this stuff. I also think because it's a public benefit hospital now, it's going through - and I'm talking about the Medical Center, but if this -- any hospital in your district can be part of all this. Because you could be 60 percent today and 59 percent next year, and you could be out of the system. You can have the same problems that we're going to have. The public employees, because we put together public benefit corporation -- which we voted on here in the 1990's sometime to make it a public benefit corporation, and so during that period of time Westchester County taxpayers were putting a lot of money into the district. And even though it was a regional hospital, the other regions were not putting money in, and we were really funding that hospital. And now at this point, we made sure that our employees - remember, they all started out as County employees - we made sure that they were all in the unions. The nurses, all the workers there are in the unions. They're public employees. Public

employees cost more than the private employees at your private hospitals. So, yes. It's going to cost more to be able to have the Medical Center continue, and it's more for reimbursement. I tend to think if we pass this bill, our County is going to have to put more money into it. But I tend to think that we are going to, at the Medical Center, grab patients that are not tertiary care patients because we're going to have to start to be able to put more people in there because many of the -- because the way the system works, you go to the emergency room and then afterwards - and you get covered - and then afterwards, with your aftercare, you are going to end up with your aftercare maybe at another hospital. It's -- first of all, it's not really good to move people around when they're sick, but we may be having to do that. And if you're going to lose people out of beds, what you're going to do is you're going to put more people in the beds that maybe aren't tertiary. Then we have a ripple effect on all of our other hospitals, and they're going to have a problem.

You know, did this all start, this bill -- which did change, it's not the same bill that we have voted on in the past. It is a different bill. Did this all start because the Westchester Medical Center came in to rescue some hospitals in the Hudson region a little bit north? They rescued those hospitals because those hospitals were failing, and they came in. Are we upset because Westchester came in to help pull together some of those regional hospitals? Maybe that's the essence of why this bill is before us. I do not know. But I would suggest that the rush on this bill, this is not like anything we've ever

done before. Rush, rush, rush. Except maybe on the last night of Session. I mean, I can't imagine why we are doing this at 5: of 6:00

Let me talk a little bit about negotiations. This bill, in my mind, is trying to take away negotiations for what is -- what are going on right now. I don't know whether your hospitals that you're negotiating -- well, we're always -- they're always negotiating with healthcare providers. But the Medical Center is negotiating with the Empire Plan -- for the Empire Plan, and they've been in negotiations. And my understanding is last Friday in negotiations, the Medical Center accepted the rates that Empire had offered for the -- for the hospitals other than the Medical Center. So all the other hospitals they're a part of the Medical Center, they accepted the rates, and that Empire walked away from that. They also asked -- the Medical Center asked for two weeks to continue to negotiate, and Empire said no. And Empire said, *Let's get back up to the Assembly and let's get them to vote on this.* That's what going on. I've just never seen it so blatant in my -- in my time here of what is going on here. And the fact that there's no data, no facts. We don't know what hospitals are impacted. You -- you ought to question that. Is your hospital on the list? Do you know what's going on with your hospital? And what happens if your hospital changes from 6 -- 60 percent to 50 percent? Are you going to be in this boat, too? And are your services going to start to fail? I -- I'm -- I'm -- I told you, I started out with this Medical Center in 1975, pushing every way, whether it's legislation up here or at the County. I don't want it to fail. I don't want it to fall apart. It is

providing fantastic service to people. And, yes, they're doing tertiary care. It is more expensive than our regular primary care. But we're going to start putting all those primary care people in to try to get the revenues and to fill the beds. That's what will happen. And we're going to topple this whole system down. I think it's just a bad idea. If you want to exempt the Medical Center, I would love to do that. But I don't really think it's fair, because your hospital can be in it next year. And if we exempt one, we should -- we should just get rid of this whole policy. I don't know where the 60 percent came from. You could put it down at 2 percent. Nobody know, because nobody cares.

Thank you.

ACTING SPEAKER AUBRY: Mr. Walczyk.

MR. WALCZYK: Thank you, Mr. Speaker. Would the sponsor yield?

ACTING SPEAKER AUBRY: Will you yield, sir?

MR. CAHILL: Yes, sir.

ACTING SPEAKER AUBRY: The sponsor yields.

MR. WALCZYK: I appreciate that. Who exactly determines what an excessive charge is? Is there a specific individual that would do that?

MR. CAHILL: Thank you for the question. There are some standards written into the legislation. There are also some standards written into the legislation to which it refers, separate and apart from what is written in the bill in front of you. But the excess charges are based upon a number of different criteria, including what

was being charged before the contract ended, what is being charged to other people. The acuity of the patient before that -- that is being treated and that is being -- that the charges are based upon. And a number of other very specific factors. The idea is that -- that we are sending this to a neutral third-party to make a determination. That neutral third-party is the party that will ultimately determine whether it is an excessive charge. Both sides will make arguments that it is or is not, but the third-party will make that determination based upon the evidence before them and the standards that are put in -- that are -- that are -- that they are required to adhere to.

MR. WALCZYK: Maybe it was in your answer and I missed it, but how exactly do we find that neutral third-party? Who appoints them?

MR. CAHILL: I -- I answered that before to another individual who asked. It is appointed by the Department of Financial Services.

MR. WALCZYK: Okay. Who determines what an exorbitant fee would be?

MR. CAHILL: Again, it's the -- it's the criteria that are indicated in the -- in the bill and in the law, in the existing law today that we use where -- by the way, the history of this bill in New York State is where we can -- where we can get a reference point is where physicians have been subject to the bill, and the results have virtually been evenly divided by the independent dispute resolution representative between the insurance company and the provider. So,

the determination is made based upon the criteria in the statute, and based upon the evidence before the independent third-party.

MR. WALCZYK: Well, I'm glad that the sponsor brought up the history of this bill because it certainly predates me, and I understand that it has some history here. But there have been changes to the bill. Where exactly did this originate from? Where did the idea of this bill come from?

MR. CAHILL: Thank you for the question. The -- the bill originated from a couple of different places. But primarily, it -- it originated because we, as a legislative Body, were concerned with the runaway cost of healthcare and the increasing burden that is being placed -- that's being placed on individuals for surprise billing. There was a number of different studies that took place. But ultimately, we passed legislation that would prevent surprise billing, and we empaneled a commission, a work group, if you will. And that work group met, and in 19 -- and in 2017 offered a series of recommendations, one of which was to do exactly this bill. So, the origin was to protect consumers, number one; to rein in healthcare costs, number two; and to allow a -- a work group to study the issue more in depth and come back with recommendations. And to the point that some colleagues have made about this being rushed, it is anything but rushed. This is the fourth time the concepts that underlie this bill have been before this Body. The fourth time. The bill was introduced on January 9th. It wasn't introduced today. It was introduced on January 9th. It wasn't considered by the Codes

Committee for the first time this afternoon. It was considered by the Codes Committee and went on an agenda for the Codes Committee last week. The Codes Committee postponed consideration out of consider -- to -- to allow parties to continue to discuss, and the Codes Committee considered it today. It is not all unusual, Madam Speaker, my colleagues, for a -- a Committee to pass a bill, for it to go to Rules and then to wind up on the floor with just a -- in -- in due course.

There's nothing rushed about this. This is part of a longstanding process that we have undertaken as leaders in this country to rein in the cost of healthcare. I would also point out, if my colleague would allow me, that we are not alone. That we are being copied by other states -- the State of California, the State of Washington, the State of Colorado, the State of Texas either have or are considering doing these things either by statute or by regulation. The cost -- the runaway cost of healthcare is of great concern to the people of New York State, but guess what? It's of great concern to people across this country. And this is one of the many tools we're trying to bring to the floor to arrest some of those costs under control. But also to make sure we do it in a fair and impartial way. We didn't just stop paying hospitals. We didn't just say, *Oh, insurance companies, whatever you want to charge, you can charge.* We said let's allow a third-party to determine, based upon the criteria in the statute. Based upon the evidence before them whether a charge is exorbitant, whether it is an excessive -- or whether an insurance company is trying to take advantage of that provider by lowballing the payments.

MR. WALCZYK: I appreciate the sponsor's answer to my question of where did this idea come from, and I -- I think the answer was it was generally from this legislative Body. You also went into a -- a good amount of history that has brought a couple more questions to me to the forefront. In 2017, I was just a Watertown City Councilman served by the great Samaritan Medical Center at the time. While you were working on this with a work group, would you enlighten me as to who was on that work group and how that formed?

MR. CAHILL: Well, I wasn't on the work group. I believe the work -- work group was appointed consistent with what the original surprise billing laws provided, and I don't have that information in front of me. But it did include a variety of representatives and stakeholders from -- from different walks of life. And I -- if you want to wait one minute I'll ask the experts here and I'll give you the precise answer.

MR. WALCZYK: I'd appreciate it.

(Pause)

MR. CAHILL: We'll -- we'll get back to you with that information. But rest assured, I wasn't on there.

MR. WALCZYK: Yeah. And obviously, it coming before my time, I'm always curious about where the ideas for these bills come from, what the motivation is behind them and when they -- when they show up. You also brought up a -- a defense on process. I wasn't -- wasn't prepared to bring up process, but since you brought it up -- and I have noticed that since this bill was brought to the forefront

-- you know, and being a freshman in the Legislature, there's a lot of bills that are new to me. So I'm of -- off -- often found myself scrambling to get input from those individuals in my district who would be impacted. And I've been scrambling, you know, in the last couple of hours to get input from my hospital CEOs. But maybe this work group in 2017 or you, through this long process that you've described, have heard from Massena Memorial Hospital and you could enlighten me as to what their position on this bill would be.

MR. CAHILL: I have not heard from Massena Memorial Hospital. I would point out that -- that the -- that the bill has been introduced now for over five months. Or maybe it is exactly five months or getting there very soon. This is the third year that we've considered this bill. Hospitals are certainly aware of it. Rest assured, they are aware of it. We've heard from the hospital associations that represent the hospitals in New York State on this bill extensively. They have lobbied and -- and visited individual members. So there's no surprise to them that this legislation is moving forward. And, quite frankly, the -- the arguments that we've heard today are not new arguments. Some of them are not based on fact, but they are not new arguments that have been heard and considered now by multiple committees in this Legislature multiple times, and by this entire Body multiple times.

MR. WALCZYK: Well -- well, I'm disappointed to hear that you haven't heard from the great Massena Memorial Hospital. I was wondering if -- if you had heard from Claxton

Hepburn Hospital in Ogdensburg as to what the impact would be, or if the working group in 2017, in all of their due diligence in the long process of this legislation, has heard from that hospital at all, from Claxton Hepburn.

MR. CAHILL: Well -- excuse me for interrupting. But the -- generally speaking, those hospitals, I think, would be heard from through the associations of which they are a member. And we have heard from the associations of which they are a member, and they are opposed to this bill. They have registered in against this bill. Not in -- in a particular strident way, in my view. They raised some issues with it. They said that it would take away an advantage that they would have. They said that it would make a playing field that wasn't as level the way they wanted it to go. But the fact of the matter is, they have regis -- I don't know about your specific hospitals, but we have heard from hospital associations who have indicated their opposition. However, I would also point out that we heard from a lot of people who support this. I could -- I could go down the long, long list of people who have indicated they support it. Most recently, District Council 37, the Consumers Union, SEIU, BJ32 -- 32BJ. Here's an interesting pairing that we haven't seen in a while: The Business Council and the Trial Lawyers. How often do you see them on the same memos? United Federation of Teachers, the National Federation of Independent Businesses and the New York State United Teachers, the Civil Service Employees Association, an organization known as Healthcare for All of New York [sic], the Municipal Labor

Committee, and several other organizations have indicated their support. There's no question. Every time we take up a piece of legislation there are bodies in support and there are bodies in opposition. In this instance, if we're going to put them on the scale, forgetting the weight of the evidence, the weight of the witnesses, certainly indicates that there's much broader support than there is opposition for this bill.

MR. WALCZYK: I -- I appreciate that and understand that there are, on any issue, you know, two voices and -- and often opposing voices that we'll hear in this Chamber. And if the sponsor would continue to yield, I wonder if you've heard from the -- the great Samaritan Medical Center in Watertown, New York, whether they had the opportunity to review the amendments of this bill and whether they would support or oppose it.

MR. CAHILL: I -- I would point out, Mr. Speaker and my colleagues, that -- that these hospitals that you've mentioned, that have been mentioned here today, are -- are represented by an incredibly effective organization. One that is heard from on -- on a number of different issues and have been heard from on this. It is my assumption that that association did what they do well, and that is to communicate both ways; back to the hospital and then back to us, what the -- what the consensus was of their membership.

MR. WALCZYK: So you -- you have haven't heard specifically from Samaritan Medical Center on the -- on the amendments of this bill, then?

MR. CAHILL: I have not, but guess what? You've given us enough time for me to tell you who's on the work group. So, the work group consisted of physicians, consumer groups, businesses and other providers. Hospitals were not on the work group, per se, but they did weigh in.

MR. WALCZYK: Okay. So this -- this 2017 work group didn't have any hospital representation on it?

MR. CAHILL: The work group, to the best of my knowledge - and again, I'm doing this sort of seat-of-the-pants here - did not have an official representation from the hospitals, but the hospitals were heard from at the work group, as were a number of other parties.

MR. WALCZYK: And I'm -- I'm understanding -- tell me if I'm wrong -- you weren't on the work group either?

MR. CAHILL: No. I was certainly not on the work group.

MR. WALCZYK: Well, that's a -- that's a bold move, carrying a piece of legislation like this. I -- I certainly wouldn't want to carry a bill forward if I hadn't been -- you know, have a good knowledge of where it came from or been a part of the conversations with the impact that it -- it would have. But maybe if you've -- if you've had enough time to research with some of the staff on the side, they could enlighten both you and I as to whether River Hospital in Alexandria Bay, New York would be impacted by this legislation. Whether they've seen the recent amendments to it and what the impact

would be on River Hospital in Alexandria Bay, right in the front yard of America.

MR. CAHILL: Sure. Mr. Speaker, I cannot address how one individual hospital would be impacted by this bill at any point in time. What we have done in the bill, however, is to take those hospitals that are most in the public service, most reliant upon government dollars - that is our hospitals that are serving 60 percent or more Medicaid - and we have excluded them. So if one of those hospitals fits into that characterization, they would be excluded from this process. And let me also point out, if that hospital does not offer a charge that is different from the charges that they offered before, they also would not become part of this process. If that hospital continued - whether they were in a network or not - but to charge what were the usual and customary charges, they would not be in this process. Those charges would have to be paid. That's what the bill says. In terms of sponsoring something for which I was not a member of the work group, I think we almost always do that here. Rare is the time that we get the benefit of serving on the groups that we appoint to do some of the detailed work. And I would point out to my colleague, Mr. Speaker, that this legislation, although carried in this House by me here today, has been carried by my colleague, Senator Seward, in the Senate in the times in the past, is currently being sponsored by Senator Breslin in that House. And in national organizations, we have had strong bipartisan New York State support for legislation and model legislation exactly like this.

ACTING SPEAKER AUBRY: Your time is expired.

MR. WALCZYK: Is there any one else?

ACTING SPEAKER AUBRY: Oh, boy.

(Laughter)

Ms. Paulin.

MS. PAULIN: Thank you. I think this -- you know, it's end of Session. Lots of things happen end of Session, as we've learned today. And one of the things that I have seen before, having been here for as long as I have, that some of you might not have, is when a group of Majority members get up united and believe that something is hurting their community, you -- I think -- I think I've seen it only, actually when I think about it, once. And that debate was just like this one, except it was the middle of the night. You know, those of us who remember that. And it was speeded through just like this one, and some of us listened and decided that it was more important than the interest groups that were discussed, that are supporting it, to support their colleague because they understood that it could happen to them. And let me tell you, my colleagues, it is happening to us in Westchester County. Let me tell you about the Medical Center. The Medical Center is our only tertiary care facility. The Medical Center is a public hospital that takes our poorest of the poor. Our Medical Center is the place that when I was up here and my daughter was hit by a car and the local hospital couldn't accommodate her injuries, that took her and made her whole. That is the Medical Center. It is personal. We believe in this Body that healthcare is our

right. Look at the bills we pass. And look at the bills we're putting in jeopardy. If our healthcare facilities do not get the rates that they need to succeed -- and I can tell you, our Medical Center is not going to succeed if the rates aren't up to what they need to be and this bill goes through. So our Medical Center, we won't have a tertiary care facility. At least we will not have one that has a burn center and has a children's hospital. We will not have a Medical Center that could have accommodated my daughter. We will not have a Medical Center that when we pass safe staffing, that they can do. Why? Because they will not have the rates to pay the workers.

So, we are going to pass lots of bills. We're going to pass bills to give more resources to workers. Well, you know what? If they don't exist, they will not get paid. So when we want our nurses to get paid more, when we want more nurses, our Medical Center is going to go under. And then think about it. Think about it from your perspective. Think about it from your hospital. If you have a public hospital, this -- this bill is going to destroy that, too. But you know what? There isn't many public hospitals on that list. There's only two, and one of them is ours. And I am telling you that the Westchester delegation needs your support in this Chamber, because if it happens to you, you'd want ours. It's so upsetting for us that this is going to completely destroy our healthcare. It is our hospital of last resort. It's the place we go when we are hurt. I know I'm supposed to talk 15 minutes, this is hard.

You know, let me tell you about the interest group.

You know, we heard about the long list of interest groups that -- that are --

ACTING SPEAKER AUBRY: Mr. Buchwald, why do you rise?

MR. BUCHWALD: Would -- would the gentlelady yield for a question?

MS. PAULIN: Yes, thank you.

(Laughter)

ACTING SPEAKER AUBRY: Ms. Paulin yields, Mr. Buchwald.

MR. BUCHWALD: Thank you, Mr. Speaker. My appreciation to the lady. Could she go in -- could you enlighten us as to the history of Westchester Medical Center and why it is that Westchester Medical Center might have higher costs than other area hospitals? And for which, therefore, an independent arbiter comparing costs across the nearby hospitals might produce a result that is, in fact, below what Westchester Medical Center needs to be a viable institution.

MS. PAULIN: Thank you. Yes. And, in fact, that reminds me that -- well, let's -- let's talk about the, you know, the history, right? So, the history is that a long time ago - as my colleague to the side of me mentioned, a long time ago we were -- the hospital was a charity hospital, and it -- it was unsuccessful and falling under. And it was visionary that the elected officials at the County and State level 30 years ago decided that we wanted to have a model hospital.

And that model hospital doesn't just serve Westchester County, by the way. It's the entire Hudson Valley. And it's the only tertiary hospital up until the Albany Medical Center right here. So that whole catchment area is served by the Medical Center. They decided they wanted to have a great hospital. And so with County support, we got there. And it was at great County expense. A lot of taxpayer money went into making that a fine hospital. And now -- and now we are finally -- we had -- we learned -- we -- you know, we are finally solvent without taxpayer expense. And we're going to go back on taxpayer expense. But maybe not, because our taxpayers cannot afford it. Certainly not with the 2 percent cap, to be able to -- to give them the resources that they had been giving them, which was \$30- and \$40- and \$50- and \$60 million a year. We are down to zero. We are down to a self-sustaining hospital. And let me tell you, the interest groups. The interest group that we received a memo from was 1199. Why? Because they are the workers at the hospital, to your point. To your point, when we formed the Medical Center and we went forward and we made them a public benefit corporation, we made sure that the workers got the -- the -- the -- that they were unionized. Something that our House cherishes. We made sure that they received minimal pay so that because of that -- those contractual obligations that we, at the State, put on the Medical Center, because we decided -- we knew that we wanted to protect those workers, it -- it costs more. And when it costs more, they need higher rates. And if they don't get the higher rates, 1199, these workers, the nurses, they're going under. They're

losing their jobs. That is something that we need to protect. It is -- it is just a -- a very upsetting situation for us in this delegation. You're going to hear each of us talk about it. And I apologize, because I know that we want to be somewhere else tonight. But this is so important to us. You cannot believe how important this particular institution is to this community and to this delegation. So, you know what? I can't use my 15 minutes unless, David, you have another question.

MR. BUCHWALD: Well, actually -- if I -- if I could, could I ask, Mr. Speaker, is it the right of any member right now to move to adjourn until 10:00 a.m. tomorrow?

ACTING SPEAKER AUBRY: Learned counsel is going to advise me on this one.

Mrs. Peoples-Stokes, as we --

MRS. PEOPLES-STOKES: Mr. Speaker, thank you for reminding our colleague where we are at this point. We're in the middle of debate. If he wants to continue it, he could do that. But he's not going to be in a position to determine what we have on the floor.

MR. BUCHWALD: Mr. Speaker, if I could, I did not make the motion, I simply inquired --

ACTING SPEAKER AUBRY: I did --

MR. BUCHWALD: -- whether it was the right of any member --

ACTING SPEAKER AUBRY: I did understand your question.

MR. BUCHWALD: Okay. I'm just clarifying.

Thank you, Mr. Speaker.

ACTING SPEAKER AUBRY: The motion would be in order.

MR. BUCHWALD: Thank you, Mr. Speaker. But to ask my colleague --

ACTING SPEAKER AUBRY: You cannot, however, because you don't have the floor.

MR. BUCHWALD: I -- I understand that. Thank you, Mr. Speaker. I -- I would just -- to continue my line of questioning with my second question. Is it, in fact, the case that Westchester Medical Center is by no means unique in being impacted by this piece of legislation?

MS. PAULIN: We are not unique in being impacted by this legislation. However, because we're a public hospital, we are in a different situation than the private hospitals. But we are not unique. And I will just point out that if anybody is worried about the financial straights of their hospital and they are one of the hundred that are included, then they are in jeopardy, too. And since when do we put the insurance company's ability to make money -- because we have no guarantee. Let me just make that point. We have no guarantee. There's nothing in this bill that says any savings is going to go --

ACTING SPEAKER AUBRY: Ms. Paulin, for one minute. Just one minute.

(Banging gavel)

Ladies and gentlemen, we have some complaint from members who are trying to listen to the debate that the conversations that are going on our drowning out their ability to listen. So, I suggest if you're a member and you have something to say to another member, ask them to leave the Chamber with you as opposed to having the conversation where you stand. And I also suggest that members take their seats and don't wait me out.

I'm sorry, Ms. Paulin. Please proceed.

MS. PAULIN: So, in the legislation, you know, we've been promised a reduction of insurance costs. There's nothing in the legislation to guarantee that. There's nothing in the legislation that says where that money goes. So it's possible, because these are a lot of private insurance -- this isn't also limited to just one insurance company, it's all the insurance companies. So all of the insurance companies are now going to get a benefit. They're all going to get money, extra money off the backs of our institutions that pay our nurses and pay our doctors. And so when our doctors flee and our nurses flee because they don't have money, the insurance companies will have it. Okay, so you say where is the insurance money going to go? Well, it doesn't say it in the bill. It doesn't say it's going to go back into healthcare. It doesn't say it's going to go back into the consumer's pocket in any way. There's no guarantee it does that. So -- so here you have a promise or an expectation that somehow it's going to lower healthcare costs. Well, I can tell you, it's not going to lower healthcare costs. It's going to destroy healthcare. And it's starting first

in our County. So -- so -- but if you have a hospital on that list, I would worry. And I would look before I took this vote, because let me tell you, when your hospital goes down in a few years because of the negotiations, it's going to be because of this and it's going to come back to, *Did you vote for that bill? Because this hospital is now in jeopardy. Did you vote for that bill? Because now we can't pay our nurses. Did you vote for that bill? Because we're closing our Children's Center. Did you vote for that bill? Because we can't have a Burn Center. Did you vote for that bill? Because now we can't do -- we can't address heart failure. Did you vote for that bill? Because you know what? We don't have the technology, the new technology anymore.* You know, that's what it's going to come down to, because this bill takes money out of healthcare. It does not put money into healthcare.

MR. BUCHWALD: If the lady would continue to yield. Is there anything in this bill that directs the arbiter setting prices to take into account what services the hospital provides other than the one that's particularly at issue in the -- in the pricing dispute? In other words, if a hospital provides significant but below 60 percent Medicaid and uninsured coverage, the -- or services -- if the hospital also provides these unique but high-cost, low-profit endeavors, is there anything which the arbiter is supposed to take that into account under this bill?

MS. PAULIN: No. And so, in fact, we -- it doesn't say, and we don't know what that process is going to be like. It

doesn't -- it's not defined. It's brand-new. We don't really know if the people chosen and the people that are going to be implementing it are going to have any empathy toward the fact that the Medical Center has these extra services or that any hospital has extra services. We really don't know what the process is going to be. So, you know, we cannot feel confident that going forward, that our institutions that are providing these extra services are going to be protected in -- in any way. And, you know, I would just wonder -- you know, because the bill has changed so dramatically, you know, from last year when it was just emergency services and not other services, and when there weren't an arbitrary cap of 60 percent Medicaid set. You know, since those were such dramatic changes, were those changes that the work group in 2017, which might have recommended the legislation from 2018 -- did that work group suggest that? You know, or were these added -- you know, I would argue likely added in order to eliminate some hospitals from that list. That might be a political problem for passing this bill. So, you know -- so we are now -- we now have 100 hospitals in jeopardy. Luckily, we have a number that are not. But one year maybe your hospital is going to get included, and then maybe not the next year. So you don't know when you're going to be in jeopardy for -- for these kinds of draconian methods to put the onus or to get in the middle of the negotiations, which we have never, never done. We have never decided that we are going to pass a bill in the middle of negotiations -- Mount Sinai, NYU, the Medical Center. They're all --

ACTING SPEAKER AUBRY: Ms. --

MS. PAULIN: -- in the middle of their negotiation --

ACTING SPEAKER AUBRY: Ms. Paulin --

MS. PAULIN: -- and we're doing a bill to jeopardize that.

ACTING SPEAKER AUBRY: You have successfully done your 15 minutes.

MS. PAULIN: Thank you very much.

ACTING SPEAKER AUBRY: You're welcome.

(Laughter)

Mr. Abinanti.

MR. ABINANTI: Thank you, Mr. Speaker. To my colleagues first --

ACTING SPEAKER AUBRY: Sir, I presume this is on the bill?

MR. ABINANTI: Yes, on the bill, sir.

ACTING SPEAKER AUBRY: Thank you.

MR. ABINANTI: You're hearing from the Westchester delegation, but this is not just about Westchester. The bill got our attention because of the direct impact on Westchester's Medical Center. And because the advocate for Empire, Empire Insurance Company, admitted to us in a conversation that his insurance company was targeting the Westchester County Medical Center. But as you know, I spend a lot of time reading legislation and analyzing legislation, much to the chagrin of many people in this -- in this Legislature. But I want to assure you, this is not a good bill. This

is not just about the Westchester Medical Center. This is a bad bill. This bill would be better named "The Insurance Company Profit Enhancement Act." The Insurance Company Profit Enhancement Act. The premise of this bill is that the best way to reduce the high insurance rates is to turn over healthcare to the insurance companies. This bill is going to allow insurance companies to set prices. Some of us might think it's a good idea to have price controls. I've heard nobody ever suggest that we let the insurance companies set the price controls. That's what this bill does. It's a very simple bill. It insure -- inserts hospitals next to physicians in a bill that we passed a while ago. And some people are trying to say we can treat hospitals the way we treat physicians. I respectfully suggest that anybody that knows anything about healthcare knows there's a big difference between physicians and hospitals; the way they're financed, the way they function, their obligations. Public hospitals have to take anybody that walks in the door. Physicians don't have to do that. That puts them in a very difficult situation, especially if they take a lot of Medicaid patients or they're in a situation where they're available to Medicaid patients.

But I want to talk a little bit about what this bill does and doesn't do, so that those of you who want to vote no will understand that this is not just seven of us asking you to vote no. That this is a bad bill. It's bad policy, and it's badly drafted. What it does is it allows insurance companies to reject out-of-network hospital bills for inpatient services which follow an emergency room visit. And it

require -- it allows the insurance company to require that the bill be submitted to an independent dispute resolution entity. Now, you might be in favor of the baseball model, but think about how that applies to a hospital. This was, I believe, motivated by Empire. But how many health insurance companies are there in the -- in the State? So if one hospital finds that every one of the insurance companies decides not to let them into network because they may be an expensive hospital or because they're following the dictates of their national parent that has announced publicly that they are now going to trim down their networks. So they may decide this hospital's too expensive, we're going to use the less expensive hospital. And under this bill we can challenge every bill that we don't like for somebody who is admitted after an emergency. The bill that we have passed year after year after year applied only to emergency services. Not to the services after the emergency. Not to the admission after the emergency. That's a very big difference. And for an emergency-type hospital, that's a very expensive diff -- difference. So, this is not the same bill that we passed year after year after year, so don't be misled. The hospitals want you to think that it is. But this is a gimmick for the -- for the insurance companies to decide not to put hospitals in a network and then get the network rate. Because they're going to go to the IDR, the independent review, and they're going to say customary for this hos -- for this is what was our rate in-network, or what the guy down the street charges. And that may not be appropriate. So this is a bill that's designed to help the insurance companies, either because

they don't want to put a hospital in-network and they want the network rate, or in their negotiations. They can threaten the hospital, *You'd better give us a better deal or we're going to end up with a deal. And you're not going to get anything because we're going to be able to use this -- this bill, this legislation, to harass you.* So this is not a patient protection bill. This is an insurance company protection bill. It's an enhancement of their -- of their insurances and their profits.

By the way, it's interesting to note, as I said before, that this is a price fixing -- this allows the insurance companies, in effect, to fix prices. And let me ask you, how many people in your district think that insurance companies are known as consumer-friendly? Aren't we constantly complaining that insurance companies are rejecting claims of our -- of our constituents? Every time you turn around, you're getting one of those complicated things in the mail saying, *We're not paying this, we're not paying that. We're not paying this, we're not paying that.* They don't tell you why. You have to try to figure it out by matching up bills. But that's what insurance companies do. Do we think they're going to be any different with the hospitals if we turn them loose? Do we think that they're going to be gentler with a hospital that -- that now has somebody rushed in in an ambulance, emergency surgery, and then has to stay in that hospital for ten days? Do you think they're going to pay that bill willingly if they have a way around it?

You know, there was a reference, by the way, to the sponsor of this bill to a work group. I'm not familiar with that work

group, but this is a new bill. I didn't hear any assurance that the work group actually considered this bill, or was the work group talking about last year's bill, which we passed unanimously. And by the way, yes, the Senate has had this bill and we've passed it four times. But curiously, the Senate never passed the bill. Now, those of us who've been around for a while understand that the, let's say, the Senate was a little bit friendlier to insurance companies than we've been in the past, and yet it never passed the Senate. Because the sponsors in the Senate realized that if there's going to be a battle between the insurance companies and the hospitals, they were going to go with the hospitals. And I respectfully suggest, so should we. This is giving leverage to the insurance companies that they don't deserve, over every hospital in every one of our districts. You may not be hearing from them now because they may not realize what's happening here. And most of them have contracts with insurance companies, so they're in the network. But if they can take on a big medical center like Westchester Medical Center and get the support of the New York State Assembly in that effort, what chance does Massena Hospital have, or what chance does any of the other hospitals in the State have; the small, local hospitals, when the insurance company comes in and says, *Screw you. We're not cutting a deal with you unless you give us exactly what we want.*

You know, I find it interesting that this is being promoted as some kind of a consumer benefit. If it's such a great consumer benefit, why are we not applying it to all of the hospitals?

Why should this bill not apply to every hospital? Why are we saying only -- only 100 of the hospitals and not a 140? Why have we carved out 40 hospitals? Well, the sponsor earlier, I believe, said something about well, somebody made a determination that those hospitals needed the insurance company money so that they could survive and pay for Medicaid, Medicaid patients. Well, who did the analysis of each individual hospital to determine that that 60 percent number was the magic number? And let's talk about some fairness here. Are we being fair to Albany Medical Center when they last year were 59 percent Medicaid and they didn't make the 60 percent cutoff? Now they handled 11,000 Medicaid cases. 11,000. And yet, we have hospitals on this list who are exempted because they're over the 60 percent, handled far fewer Medicaid cases. Now I'm not talking about Westchester County Medical Center, I'm talking about Albany County [sic] Medical Center. And I've got a list here if you want to see where your hospital ranks. Many, many hospitals that are not excluded have handled more Medicaid patients than the hospitals who are excluded. So where's the fairness in this? And who says that in a particular region, the money that the hospital is getting from the insurance companies and the other sources is sufficient or isn't sufficient to pay for Medicaid? Let me take the hospital I know, which is the Westchester County Medical Center. They've handled some 10,000 cases last year of Medicaid patients. But every one of them was a high acuity. Westchester County Medical Center has the highest acuity rate in the country. So they are an expensive hospital in an expensive

county. And the Medicaid patients who go there don't go there because they have a cold. They go there because they have a serious problem. If you have a regular pregnancy, you go to White Plains Hospital, not the Medical Center. But if you walk into the White Plains Hospital and White Plains looks at you and says, *You know what? This is going to be a troubled pregnancy. You're going to have a real problem,* they put them in an ambulance and send them to the Medical Center. And so, the Medical Center may not have more than 60 percent of its admissions as Medicaid, but it certainly has a large number of people on Medicaid who deserve to get quality treatment. Very high-level treatment. And that's what this Medical Center does. And I bet you, you can look around at every one of your districts and you will have the exact same circumstance. You will have some medical center that's the best one around, and that's where somebody whose got a high level of problems needs to go. And we don't need them rejected or pushed away because that hospital can't afford it because they're not getting enough from the private sector to cover the Medicaid patients.

There are a lot of implications to this bill which we haven't discussed. But look at this list and tell me about the fairness of this. To say that a hospital that meets this arbitrary 60 percent and has 61 percent or 63 percent should be let out of this, but a hospital that makes 59 percent does not. As referenced before, the Albany Medical Center just closed down its burn center. Now I have a -- a personal experience with the Medical Center because I was the Westchester

County Legislator that passed the legislation that spun it off from being a county hospital. But we had certain goals in mind when we spun it off. Some people said, *You know it should be a private hospital.* Others said, *No, it should be a not-for-profit.* We Democrats on the Board of Legislators said, *No, it's going to be a public hospital. How do we free it from the -- from the confines of the politics of government and at the same time keep it public?* And we made it a public benefit corporation. And we insisted that it stay under Civil Service. So the Medical Center in White Plain -- in Westchester County, the Westchester Medical Center, is a Civil Service hospital. They can't change a job title without going to Civil Service. They have public pensions which they have to fund every year. And they have CSEA and they have the NYSNA. I find it very interesting to see the difference between the Statewide unions and the local unions. You take a look at where the Statewide unions are, but the CSEA local people who we've worked with to preserve their jobs over and over again, are begging us to turn this bill down. Because they understand the pressure on the Medical Center will mean that the Medical Center could no longer support public salaries. That's what we're doing here.

You know, I find it interesting as I look at this bill, there are lots of other questions which I'll come back to on my second round. But there are serious questions with this bill about what's in the bill and what isn't in this bill. There's no definition of excess cost. There's no definition of independent dispute entity and how it's

supposed to work. It was set up for the doctors. Well, somebody believes that that's going to work for hospitals. And -- and -- and there's nothing in the bill that requires that any savings at all, any savings, if there are any, actually go to the consumers. This is the same thing we hear from insurance companies all of the time. *Put us in charge and we'll save money.* While they're trying to save money on the backs of every hospital in this State. They've just started with Westchester Medical Center and NYU and Presbyterian and Northwell. They're the ones that they're starting with -- -

ACTING SPEAKER AUBRY: Mr. --

MR. ABINANTI: -- and they're aiming for every other one.

ACTING SPEAKER AUBRY: Mr. Abinanti, you are --

MR. ABINANTI: Thank you, Mr. Speaker.

ACTING SPEAKER AUBRY: -- ready for your second when we get around to you.

Mr. Byrne.

MR. BYRNE: Yes, thank you, Mr. Speaker.

On the bill.

ACTING SPEAKER AUBRY: On the bill, sir.

MR. BYRNE: Thanks. I'd like to add that I have great respect for the sponsor of this bill and what they're trying to accomplish. But I'm compelled to join my many colleagues from Westchester County across the aisle and oppose this proposal. As

someone from Putnam County but that represents a slice of northern Westchester, I can tell you the regional effects and service that the Westchester Medical Center provides is great. It goes well beyond Westchester and into Putnam County and the Hudson Valley. It is one of the main trauma centers that people in my district use, should they have to go through that tragedy of having a horrific automobile accident or some other severe trauma. Currently, hospitals have an incentive to be included in an insurance network so that insurers enrollee -- enrollees can access hospital services, including elective services. This proposal would eliminate or greatly reduce that incentive.

I also find it problematic that many hospitals are excluded from this proposal. And I agree with many of my colleagues' remarks regarding the transparency, and while I understand this bill was introduced earlier in the year, it most certainly was rushed through today, through two committees and on to the floor. We have a -- a policy with other proposals when they're controversial. Sometimes we do have public hearings. And I think there's an opportunity that if it does not become law, perhaps we have public hearings on a proposal like this to include all the stakeholders so the hospitals will have their representatives to -- to make sure that they express their opinions to all of our colleagues.

Again, I oppose this proposal. I will be voting no.
Thank you, Mr. Speaker.

ACTING SPEAKER ORTIZ: Mr. Otis to explain his

vote.

MR. OTIS: I'm going to be opposing this bill, and I think that when we're dealing with healthcare and insurance and healthcare institutions, we have a responsibility to do things carefully. And I think it's apparent from the comments that you've heard so far this evening that this bill needs more work. Westchester Medical Center, as has been stated earlier, is, in a sense, our public hospital in Westchester. It provides a lot of expensive services, provides services to the needy, and has had some tough years until today where they're -- have gotten to a place of some financial stability. What we're concerned about is the risk that this puts to future financial stability. Around the State we have lost many hospitals. And the hospital and healthcare business is a tougher business than it used to be, and so some of those reductions were inevitable. But you have to ask yourself the question, throughout the State do we have medical facilities, do we have hospitals in the places that we need them? Do we have tertiary care facilities with expert surgeons, expert people who deal with emergencies in proximity to where people can get to them in time to save a life.

So, I'm opposing this bill. My suggestion would be that we spend some more time not on the floor - you can have some applause for that - not on the floor, but back in -- in meeting rooms and figure out a better way to address these issues and to come up with something that provides cost containment for out-of-network costs, but also in a way that is rational and is not harmful to some of our

healthcare institutions.

I'll be voting no.

ACTING SPEAKER ORTIZ: Mr. Walczyk for the second.

MR. WALCZYK: Thank you, Mr. Speaker. If the sponsor would yield.

ACTING SPEAKER ORTIZ: Will the sponsor yield?

MR. CAHILL: Yes.

ACTING SPEAKER ORTIZ: Yes, Mr. Walczyk.

MR. WALCZYK: I appreciate the time and accommodation and patience as we try to get additional input, and I get a good feel for the Statewide impact of this bill and, certainly, obviously, my district at the forefront. I -- I wondered if, you know, either in 2015 when this bill first came up and 2017 when the working group that ignored hospitals - at least they weren't a part of the working group - if we had heard from hospitals in 2017 that would include Canton-Potsdam Hospital. Are you familiar with the position that Canton-Potsdam would have on this bill, on the amendments of the bill that were done recently? Have they been a part of the conversation, or you, Mr. Sponsor, are -- are you familiar with the impact that this would have on them?

MR. CAHILL: Mr. Speaker, as I have indicated before when my colleague has asked about a specific hospital, I will repeat that same answer. The hospital to which he refers most likely

belongs to one of the hospital organizations that have registered in opposition of this bill. That -- it is certainly true and undisputed that the two major hospital associations of New York State which communicate regularly with the hospitals all across New York State have registered in opposition to this bill. It is also true that public employee representatives from the CSEA, the municipal unions representing over 1.1 million members, 97 different municipal unions, the Trial Lawyers and a number of other entities who are not insurance companies and not hospitals have also indicated that they strongly support this legislation and have urged us repeatedly - not just this year, not just today, but over the course of the past five months, over the course of the past three years - to pass this bill that our colleagues, many of whom are standing here today and arguing against this bill, have voted for four times.

MR. WALCZYK: I -- I appreciate your response, and while I'm not privy to exactly who represents these hospitals, I wondered if -- if you were familiar with the hospitals in -- in Kingston, which include the -- the Mary's Avenue Campus, the Broadway Campus, and also in Margaretville, for the HealthAlliance of the Hudson Valley. Have -- have they been a part of the conversation? What would the impact be on those facilities?

MR. CAHILL: Well, I will -- and Mr. Speaker, I will answer that directly. The hospitals that are in my community - that is, the Kingston -- former Kingston Hospital, or now the Broadway Campus; and the former Benedictine Hospital, now the Mary's Avenue

Campus of Westchester Medical Center - have not specifically talked to me about this bill. However, it's important to note that I've had extensive conversations with representatives and employees of Westchester Medical Center about this legislation and I've heard their concerns. And I've incorporated some of their concerns into the legislation or at least considered it as we moved forward. Suffice it to say, we don't agree. We don't agree that -- that there's anything -- my view is that there's nothing wrong with telling people who disagree to come up with a means of finding agreement. There's nothing wrong with having a third-party determine whether a -- whether a fee being charged is exorbitant or whether an insurance company is trying to take unfair advantage of a hospital, be they a rural hospital or an Upstate hospital or a suburban hospital or even an urban hospital. That is exactly what this bill does. What this bill does not do, as has been portrayed many times, is line out specific hospitals that are covered and not covered. What does it do? It sets criteria for what circumstances are covered. And if you are not out of contract or not concluding your contract, it doesn't cover you. If you provide healthcare to 60 percent or more of your patients who are discharged through Medicaid, it does not cover you. If you are charging rates that are appropriate, not based upon what other hospitals charge, but what your hospital charges for other patients or for that patient when they are covered by a health plan, or when they are not covered by a health plan. Then you might be covered. If none of those circumstances exist, then this bill might have some impact on you. But I would

suggest to you that will not necessarily be a negative impact. It could have a very positive impact, because if the rates that your hospital wants to charge are reasonable, not in the view of the insurance company, but in the view of an independent dispute resolution representative appointed by a duly-appointed State agency, the Department of Financial Services, then your hospital will get those charges. That's what this process does. It actually gives a tool. And, quite frankly, while this year, at this exact moment, clearly this moment, the -- there are hospitals that oppose this, I would submit to you that in a few years or in different circumstances, those very same hospitals may come here and lobby for this kind of legislation. When the Department of Financial Services tells the insurance companies to narrow their network and the table has turned. When the insurance companies decide that there's more competition than -- than warrants the rates that they're paying, and the hospital wants to continue in the process, then they can take advantage of the independent dispute resolution process. Here's the thing: It has been portrayed today by people who have known about this legislation for three years that somehow or another this is insurance company legislation. I submit to you, and many of you have had visits from a lot of people who are not insurance company representatives who support this legislation because it brings about a process of fairness that can result in not just appropriate levels of care, continuation of care that won't be interrupted because contracts end, but also will make sure that the charges that are being offered and the charges that are being paid are

reasonable according to a neutral third-party, and criteria that is clearly lined out in the last page of the bill, which, you know, I know my colleagues have questions about it. None of the Westchester colleagues have advanced those questions to me in this debate. None of the Westchester colleagues have chosen to look at the legislation to see if the answers exist there. Indeed, they do. Instead, there's been a -- a choice, and I -- I specifically do not refer to my colleague who is standing here today before me at this moment -- but specifically as stated by some of those colleagues simply to filibuster because they disagree. And -- and with all due respect to my colleague who asked me to yield, I don't apply that to you because you have specifically asked me substantive questions, and I would urge my colleagues from the other parts of the State to do the same.

MR. WALCZYK: Well, thank you both for the answer and the sentiment. I appreciate it. And through you, Mr. Speaker, if the sponsor would continue to yield?

MR. CAHILL: Yes, sir.

ACTING SPEAKER ORTIZ: Yes, he will.

MR. WALCZYK: Thank you. With a paradigm shift in the relationship between community hospitals and insurance companies, are you concerned at all that insurance companies will be setting their own rates as a result of this legislation?

MR. CAHILL: To the contrary. I believe this legislation protects community hospitals from having insurance companies set their rates, because we've interjected into the whole

process an independent third-party who will now make a determination as to whether those rates are reasonable or not. If a hospital believes that they -- and -- and -- and let's also not forget this little -- little detail that hasn't been mentioned here today: Health insurance companies, by regulation, by supervision of the Department of Financial Services, and in some instances the Department of Health as well, are required to have what is called "an adequate network." That is, they can't go around willy-nilly dismissing contracts and going back to the Department of Health and saying, *Oh, it's okay. We're going to do everything out-of-network.* No. The requirement that the Department of Financial Services places on these insurance companies is that they develop a network. They need a network. And even if they didn't want one, the law requires them to have one. What this bill will do is make sure that when the contract ends or when a new one is being negotiated, there's not a gap for the people who we represent, as there was in my community for you want to know how long? Eighteen months. Longer, 18 months. That's how long people that I represent were not able to go to their community hospital because of a - don't say that word - a contest between an insurance company and a -- and a hospital conglomerate. You know who was left out in the cold? The people I represent. You know who ended up paying the bill? The County and -- and the municipalities who self-insure and who now have to pay significantly higher rates. And by the way, we talk about this coming to your town. It will come to your town. Because we're in the process of massive hospital consolidation. And

that's the paradigm shift, not the relationship of two hospitals because we've interjected an independent dispute resolution process. It's the fact that hospitals are being gobbled up like - for those of you who are my age and older - like Pac-Man on a video game.

MR. WALCZYK: Thank you, Mr. Sponsor. The -- the amendments to this bill were -- were issued relatively recently. Can you -- can you explain why there was a hurry-up on the amendments to this bill?

MR. CAHILL: Mr. Speaker, through you, I -- I don't believe there was a hurry-up. We modify legislation all the time. And in this instance, additional consideration was given to those hospitals that are primarily Medicaid hospitals - that is, greater than half, 60 percent Medicaid hospitals - and we felt there are enough sufficient controls on those hospitals already that it would not be necessary to -- to include them in this legislation. We also felt as a matter of public policy that we wished to exclude them. But it wasn't a hurry-up, it was just as we went along. And by the way, once it becomes law, as the independent dispute process already is law, somebody in this room may decide to put in a bill to modify that, and that would be fine, too. And if we can get on the floor and have a debate and maybe even have another - for the first time in my experience here - a filibuster debate, maybe we'll find out that somebody else wants to change the law that I am offering here today.

MR. WALCZYK: Understood. Would there be -- would there be, you know, any level of amendments to this bill that

would cause you to go back to a -- a working group like you had in 2017? What would trigger the need for greater public input? And I know that -- I know that you've continually worked on this to progress it through the process. It's already been an A-print and now a B-print in this Legislative Session. What sort of triggers for you, as a policymaker, give enough pause to hold your bill on the Assembly floor and say, *Hey, wait a minute. We probably need to hear from the public and the hospitals, the community hospitals that these members represent in this Chamber? This is time to -- to take a pause and -- and hear from those who would be impacted.* What would do that for you?

MR. CAHILL: Mr. Speaker, that is exactly what happened here. When the inde -- independent dispute resolution process was introduced into law, there did not appear to be a need to include charges for emergencies and those charges that followed emergencies. Because it appeared that there was a stasis, that there was a balance that was taking place. What occurred over the past several years is -- is it became clear that there was not a balance. So, if we found in the future that there was an imbalance, whether it was that it did not contain those costs as we anticipated it would; it did not allow for continuity of care, as is the primary objective of this legislation; or that hospitals were being treated unfairly in the process, I absolutely would be back here. You mentioned the two hospitals in my community, and the one hospital, Margaretville, on the peripheral of my community. I have stood on this floor a number of times and

defended those hospitals. I have advocated for those hospitals in the budget and secured pretty near \$200 million to keep them afloat through their tough times. And I continue to advocate for money, including \$100 million-plus that I advocated for for Westchester Medical Center, the very hospital we're talking about here today, so that they could continue to provide quality care throughout the Hudson Valley, including in their home county. So, yes. There's a lot of things that could happen that would cause me and others in this room to revisit this, and that's exactly why we are here, to be able to have that sort of dynamic approach to the changing nature of the issues before us, including healthcare.

MR. WALCZYK: Thank you. And through you, Mr. Speaker, if the sponsor would continue to yield?

MR. CAHILL: Absolutely.

ACTING SPEAKER AUBRY: The sponsor continues to yield.

MR. WALCZYK: And just remind me, because I'm not sure that I heard you correctly earlier. But you said you hadn't specifically heard from the hospitals in your district to include the -- the Mary's Avenue, the Broadway and then the hospital that's on the periphery of your district, Margaretville, about this legislation specifically?

MR. CAHILL: I believe that there was a meeting held - forgive my memory - I think it was earlier this year, but it might have been last year - with representatives of the Westchester Medical

Center. And under the affiliation agreement that exists between these hospitals right now, it is the Westchester Medical Center that serves as the management of my local hospitals. And -- and I will be honest with you; it was a very cordial and open meeting where both sides discussed their point of view. And I have been in regular communication and have had my door open to people who represent my community hospitals. I count as the people I see in the grocery store, sometimes when I leave this building at night, members of the boards of those hospitals, and -- and they are aware of the legislation. They haven't registered one way or another with me specifically on this. But yes, I've heard from them through their representatives at Westchester Medical Center.

ACTING SPEAKER AUBRY: Sir, your time has expired.

MR. WALCZYK: It's been a pleasure.

ACTING SPEAKER AUBRY: It's been a pleasure listening to you.

Ms. Reyes.

MS. REYES: Thank you, Mr. Speaker.

On the bill.

ACTING SPEAKER AUBRY: On the bill.

MS. REYES: I've been sitting here listening very intently to my colleagues on this debate, and everybody's been talking about hospitals. But not a single person has mentioned a patient and the astronomical costs that patients in our districts that each and every

one of us represents are straddled with when it comes to hospital bills. Because in an emergent situation, nobody has the option to decide whether their doctor or their medical provider is in- or out-of-network. So I think that we're missing the broader picture here, and it's that this bill really addresses the -- the -- the costs that so many families have to deal with. And let's be frank. This will bankrupt many, many families and many patients. And those of you that have experienced that, that have experienced instances where you have to go into the emergency room, you know what that means. So, I'm no lawyer, but I am a nurse. And I read through the language of this bill, and I have not seen a single mention of any hospital. So I don't know where people are getting this from. But I have -- I did understand that there is a 60 percent carve-out for those that take care of predominantly the indigent care pool, which is our Medicaid patients, those that are Medicare and Medicaid recipients, those that are underinsured, which means that a lot of -- a lot of the hospitals that serve overwhelmingly a poor population will not be affected by this piece of legislation. But it also talks about creating a dispute resolution. So, if you are a patient that has insurance and you find yourself in an emergent situation in an emergency room, and you are out-of-network with the medical provider, then you have the ability to enter a dispute resolution where then those charges will be able to be negotiated with the insurance companies at an in-network rate. And if we look at the salaries of many of these CEOs, they go up to the millions and millions of dollars. So I don't foresee there being a huge fiscal impact on many of

these hospitals. If the -- the payment, the reimbursement that they will receive under a dispute resolution would be an in-network rate --

ACTING SPEAKER AUBRY: Mr. Buchwald, why do you rise?

MR. BUCHWALD: Would the lady yield for a question?

MS. REYES: No. No.

ACTING SPEAKER AUBRY: The lady said she will not yield.

MS. REYES: So I don't foresee that these medical institutions would lose an astronomical amount of money if what the dispute resolution -- or what this language on this bill talks about is them receiving an in-network rate that they had previously bargained for or negotiated in the first place. It just means that those individuals that find themselves in an emergent situation where they cannot pay or they don't have the option to choose an in-network provider, they will not find themselves with this astronomical bill.

But I want to say something about Westchester Medical Center. And I -- I do understand that many years ago they found themselves in a bankrupt situation, and the hospital that went forward -- that set forward a plan to bail them out of that was Montefiore Medical Center, which is the largest employer in the Bronx, but also takes care of one of the largest indigent care pools in the Bronx as well. And we have a population -- Bronx County is the -- ranks 52nd in healthcare outcomes in all of New York State, and we

found one of our medical centers trying to bail out also Westchester Medical Center.

So I think we need to look at this from the lens of the patients and of those individuals that we represent, because the hospitals did not vote me in here and they did not send me here to speak just for them. But the people of my district, those people that are suffering every day that have lost their homes because they have been straddled with astronomical medical debt, those are the people that voted for me.

I think this is a good piece of legislation, and I urge my colleagues to rethink this. Thank you.

ACTING SPEAKER AUBRY: Thank you.

Mr. Pretlow.

MR. PRETLOW: Good -- good afternoon, everyone -- or good evening. Would Mr. Buchwald rise for a question?

ACTING SPEAKER AUBRY: Mr. Buchwald, will you yield?

MR. BUCHWALD: I would, Mr. Speaker.

ACTING SPEAKER AUBRY: Mr. Buchwald yields.

MR. PRETLOW: David, we've been talking a lot about Westchester hospital. How -- how does this directly affect the Hospital?

MR. BUCHWALD: Westchester Medical Center right now is in the middle of a negotiation with a major insurance

company, Blue Cross Blue Shield, which I think is under the Anthem set of companies. And right now, this bill would impact that negotiation because if this bill became law it would essentially mean that Anthem would not have any particular reason to have Westchester Medical Center in-network except with regards to elective surgeries. But insurance companies do not particularly need hospitals to be in-network for elective surgeries, because they can instead tell their customers, *Go to another hospital for those elective surgeries*. And, of course, there are other hospitals in Westchester County who would be happy to have that lucrative business. But for Westchester Medical Center, it needs the revenues from those elective surgeries to provide the social safety net services that it provides to Westchester's county, but also to provide the Trauma Center, Burn Unit and so forth that it provides to the entire region.

MR. PRETLOW: And if this bill would pass as is written, would there will be a direct negative impact to patients?

MR. BUCHWALD: If Westchester Medical Center stopped being to provide those services, it would be a dramatic negative impact to those potential patients. And I should -- if I could, Mr. Pretlow, just respond that otherwise, this bill, if it goes into effect, does not affect the bills patients get at home with connection -- in connection with emergency services. It is already separately the law that with regards to emergency services, someone who has insurance who goes to a, quote, unquote, "out-of-network hospital" will be charged the in-network rate. So it is -- and with regards to those

services that come after admittance to the hospital, post-emergency services, is already the law in New York State that the insurance company has to pay the hospital's stated charge. So none of this, unlike what we did with surprise billing for the -- the medical providers and physicians, is about the bills that go to patients and families and that do, indeed, create bankruptcies -- or at least did, especially here in New York, before we passed that surprise billing legislation. So I hope that clarifies things for the gentleman.

MR. PRETLOW: Yes -- yes, it does. And, Mr. Speaker, I -- I know the sponsor of this bill had -- had all good intentions, but I think that this bill negatively affects the County of Westchester, the people of Westchester, which you've heard from your Westchester representatives. And I have -- I want to offer an amendment to this bill, changing the -- the percentage from 60 percent to 40 percent of those that are eliminated from this bill. I have the -- the amendment in my hand, and I would like to hand it to you now.

ACTING SPEAKER AUBRY: Please have it up and we'll look at it.

(Pause)

Mr. Pretlow, we have examined your what appears to be a hostile amendment. And it is out of order in accordance with the custom and practice of the House that hostile amendments be disposed of before consideration of the bill-in-chief and not in the proper form.

MR. PRETLOW: But I appeal the ruling of the Chair.

(Laughter)

ACTING SPEAKER AUBRY: Mr. Pretlow appeals the ruling of the Chair. The question before the House is shall the decision of the Chair stand as the judgment of the House. Those voting yes vote to sustain the ruling of the Chair, those voting no vote to override the decision of the Chair.

The Clerk will record the vote.

(The Clerk recorded the vote.)

MRS. PEOPLES-STOKES: Mr. Speaker, clearly, some of our colleagues --

(Pause)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The ruling of the Chair is sustained.

Mr. -- Mrs. Galef.

MRS. GALEF: Yes. There were a couple of questions that -- that have come up, one of which -- it was mentioned that Senator Seward, who had the bill before had dealt with it, but I believe that the Senate never approved it. So, you know, it was kind of like a non-issue. There have been a lot of questions about who's -- what hospitals are on this list that are 60 percent or less with Medicaid patients. And since the sponsor hadn't really given us much information, I have a list about six pages, and I'd like to start to read them so that you know whether your hospital might be included. The Albany Medical Center is at 59, so obviously, that is less than 60

percent. I -- I want to do a clarification, too, on what one of my colleagues said. If you're going to the emergency room, you're not out-of-network. But what we're talking about here is inpatient and being out-of-network. So, Albany Medical Center is 59 percent. We go to Albany Medical Center, we're out-of-network. Albany Memorial Hospital is 29 percent. St. Peter's Hospital is 30 percent. Cuba Memorial Hospital is 35. Jones Memorial Hospital is 33. Lourdes Hospital - I don't know whether I pronounced it right - 37. Olean General Hospital, 43 percent. TLC Health Lakeshore Hospital, 53 percent. Auburn Medical Hospital, 43 percent. Brooks Memorial Hospital, 50 percent. UPMC Chautauqua at WCA, 53 percent. Arnot Ogden Medical Center, 43 percent. St. Joseph's Hospital is 67, but you never know whether the next year it might be down below, and that's in Elmira. UHS Chenango Memorial Hospital, 51 percent. Champlain Valley Physicians Hospital, 20 percent. Columbia Memorial Hospital, 47 percent. Cortland Regional Medical Center, 48 percent. Margaretville Hospital, 19 percent. UHS Delaware Valley Hospital, 58 percent. O'Connor Hospital, 15 percent. Now these are all hospitals that would be out-of-network. Vassar Brothers Medical Center, 31 percent. Northern Dutchess Hospital, 27 percent. Erie County Medical Center is at 63, but that's pretty close to 60. Mercy Hospital of Buffalo, 33 percent. Roswell Park Center Institute, 22 percent. Sisters of Charity Hospital, 40 percent. Kaleida -- mispronounced it, probably -- Health (inaudible), 28 percent. Kenmore Mercy Hospital, 27 percent. Bertrand Chaffee Hospital, 17

percent. Berlin Hospital is 30 percent. Elizabethtown Community Hospital, 22 percent. Moses Ludington Hospital, 7 percent. Adirondack Medical Center, 33 percent. Nathan Littauer Hospital, 58 percent. United Memorial Medical Center is at 64 percent, so close to the 60. I'm not doing the other hospitals that are above. Little Falls Hospital, 34 percent. Samaritan Medical Center, 23 percent. River Hospital, 21 percent. Carthage Area Hospital, 40 percent. Lewis County General Hospital, 41 percent. Noyes Memorial Hospital, 40 percent. Oneida Healthcare Center, 42 percent. Community Memorial Hospital, 19 percent. Highland Hospital of Rochester, 41 percent. Rochester General Hospital, 39 percent. Strong Memorial Hospital, 39 percent. United Hospital of Rochester, 36 percent. St. Mary's Healthcare in Amsterdam, 50 percent. Glen Cove Hospital, 27 percent. NYU Winthrop Hospital, 25 percent. Mercy Medical Center, 42 percent. That's page one. I've got six pages. You want me to go through it. South Nassau Community Hospital, 34 percent. North Shore University Hospital, 24 percent. Plainville Hospital, 25 percent. St. Joseph's Hospital Bethpage -- I'm sorry, they're 10 percent. St. Francis Hospital of Roslyn, 11 percent. Eastern Niagara Hospital, 47 percent. Niagara Falls Memorial Medical Center, 57 percent. Mount Saint Mary's Hospital, 37 percent. Rome Memorial Hospital, 65, so that's pretty close. And St. Elizabeth Medical Center, 64, pretty close. Faxton St. Luke's Healthcare, 47 percent. St. Joseph Hospital in Syracuse, 30 percent. Upstate University Hospital in Syracuse, 47 percent. Crouse Hospital, 31 percent. Geneva General Hospital, 30

percent. Clifton Hills [sic] -- Springs Hospital and Clinic, 46 percent. F.F. Thompson Hospital, 30 percent. St. Luke's Cornell Hospital, 43 percent. Orange Regional Medical Center, 36 percent. St. Anthony's Community Hospital, 32 percent. Medina Memorial Hospital, 40 percent. Oswego Hospital, 52 percent. Aurelia Osborn Fox Memorial Hospital, 28 percent. Bassett Medical Center, 25 percent. Putnam Hospital, 25 percent. Samaritan Hospital in Troy, 44 percent. Helen Hayes Hospital - great hospital, 19 percent. Nyack Hospital, 53 percent. That's only page two. They're four more to go. Did you see here a hospital that, you know, would be included in all this? Massena Memorial Hospital is 46 percent. Gouverneur Hospital is 37. Canton-Potsdam Hospital, 32 percent. Clinton-Fine Hospital, 32 percent. Saratoga Hospital, 41 percent. Four Winds of Saratoga, 39 percent. Ellis Hospital, 38 percent. Sunnyview Rehab Hospital, 17 percent. Cobleskill Regional Hospital, 17 percent -- percent. Schuyler Hospital, 11 percent. Cornell Hospital, 29 percent. St. James Mercy Hospital, 40 percent. Ira Davenport Memorial Hospital, 58 percent. Brunswick Hospital Center, 43 percent. Brookhaven Memorial Hospital, 49 percent. Stony Brook Southampton Hospital, 30 percent. Eastern Long Island Hospital, well, it's 61, so it's close. John T. Matthew -- Mather Memorial Hospital, 22 percent. St. Charles Hospital, 43 percent. Stony Brook University Medical Center, 37 percent. Huntington Hospital, 29 percent. Southside Hospital, 44 percent. Good Samaritan Hospital in West -- West Islip, 40 percent. Peconic Bay Memorial Center -- Medical Center, 22 percent. St.

Catherine of Siena Hospital, 28 percent. South Oaks Hospital, 57 percent. Catskill Region [sic] Medical Center at Harris, 55 percent. Catskill Regional Medical Center Hermann, 29 percent. Cayuga Medical Center at Ith -- Ithaca, 36 percent. Health Alliance Hospital Mary -- Mary's Avenue, 61, that's close. Health Alliance Hospital Broadway, 41 percent. Ellenville Hospital, 30 percent. Glen Halls Hospital -- Glens Falls Hospital, 37 percent. Newark-Wayne Community Hospital, 49 percent. New York Presbyterian Hospital Valley, 27 percent. White Plains Hospital, 21 percent. Burke Rehabilitation Hospital, 14 percent. Montefiore Medical Center in Mount Vernon, 63, it's close to 60. Mount Vernon Montefiore Medical Center in New Rochelle is 48 percent. Northern Westchester Hospital, 18 percent. New York Presbyterian Lawrence, 29 percent. Phelps Memorial Hospital, 39 percent. Westchester Medical Center is 47. Four Winds, 55. Wyoming County Community Hospital, 50 percent. Soldiers and Sailors Memorial Hospital, 42 percent. Calvary Hospital, 29 percent. New York Presbyterian Brooklyn Methodist, 53 percent. Mount Sinai Brooklyn, 41 percent. These are all hospitals that will be affected. Mount Sinai Beth Israel, 56 percent. Hospital for Special Surgery, 5 percent. Lenox Hill Hospital, 30 percent. Memorial Sloan Kettering Cancer Center, 16 percent. Mount -- Mount Sinai Hospital, 48 percent. Mount Sinai New York Eye and Ear Infirmary, 55 percent. Mount Sinai St. Luke's and West [sic], 54 percent. New York Gracie Square Hospital, 58 percent. New York University Langone Tisch Hospital,

41 percent. New York Presbyterian Hospital, 44 percent. Long Island Jewish Medical Center, 48 percent. And the last one that I have on this paper, you'll be glad, Richmond University Medical Center, 52 percent. That's a lot of hospitals that are going to be affected by this legislation if it gets passed tonight. Again, I don't think there have been hearings on this bill. I think hospitals need to express their concern about it. We did have an amendment that was offered that would bring it down to 40 percent instead of 60 percent. Now all these hospitals wouldn't be helped by that, but a good number of hospitals would be helped by that. I think we're making a -- a terrible decision tonight if we go forward with this legislation. And maybe we can just have it withdrawn and start the process all over again and involve everybody that's in the hospital community and the medical community. This all affects patients, what we're doing tonight. If we don't have good services in our hospitals because they're not being reimbursed, it is going to have a negative impact on our patients. So this is really a patient-related piece of legislation before us. If anybody wants to come and see -- see this list, they are welcome to do it. I'm surprised that the Codes Committee or the expression at -- at the meeting did not have this kind of information available for people to understand what the impact was for their community. Thank you.

ACTING SPEAKER AUBRY: Mr. Sayegh.

MR. SAYEGH: Thank you, Mr. Speaker. On a -- as a follow-up, and having been someone that's been involved, I often say education, but healthcare also, I've had five brothers that are

medical doctors, and I've had an extensive involvement serving on hospital boards. And I got to tell you, what is happening this evening with this bill took place a number of years ago that diminished primary medical practices. We have witnessed a whole overhaul in the way we conduct medi -- medicine in our State, because insurance companies and large businesses have taken over and dictated what and how medical doctors provide medical services. Today our medical graduates no longer look to open private practices. The only way you can survive as a medical doctor is you have to join a group, because insurance companies and business executives that have made the most out of healthcare dollars are the big winners in this. And tonight, this type of resolution that empowers insurance companies again to now target healthcare institutions like hospitals, is really leading us in the same direction. Many of us that called our doctors many years ago spoke to their private staff and were able to set appointments. Now you'll hear from a receptionist in Carolina or elsewhere and other parts of the country that try to tell you, *Well, you can't really speak to the doctor because there's no longer primary care practice.* And as someone -- I spoke earlier about Westchester Medical Center being a trauma center. And I got to tell you, for many individuals that would be impacted, it's a serious problem. From a personal experience, one of my brothers a number of years ago, a medical doctor that had an aneurysm and was brought to the local hospital and basically was told, *We can't save him,* and the only way was to send him to Westchester Medical Center. Now, the ambulance went about 70 miles per hour to

take him from St. John's Riverside in Yonkers to Westchester Medical Center. They were able to save him and were able to share with him for two years - he ended up passing away - but those two years were of great value for our family. And this is a situation that will impact many families, and this is not just the Westchester delegation. The entire Lower Hudson Valley would be impacted by potentially shutting down one of the most productive and most technical and experienced trauma centers in the entire State. So I ask my colleagues to keep in mind that for especially many of us, like myself, that -- that were elected recently and are freshmen members of this Assembly, I don't want to hear what happened two years ago and last year. I want to be able to look at a bill, look at a resolution and be able to understand it to make a decision based on the facts before me. Not what was before last year or ten years ago. So I ask us to look at this resolution and to recognize this is, in my opinion, the last minute because I personally became aware of it three days ago. That's all. And -- and a day or two ago, we thought there was negotiations going on. Now why are those negotiations being cut back? Why is it that we can't put this on the table and have the parties negotiate and put it back so that we can begin to become familiar with it and make sure that whatever options are on the table, similar to the one presented by my colleague, Assemblyman Pretlow, that seems to be pretty reasonable. But let's put aside -- party politics aside, and let's make sure we look at this and make the best decision in the best interests, as was stated early -- early -- earlier, of patients. Because when we talk

about hospitals, we're primarily talking about patients.

Thank you very much.

(Applause)

ACTING SPEAKER AUBRY: Mr. Schmitt.

MR. SCHMITT: Thank you, Mr. Speaker. Would the sponsor yield?

ACTING SPEAKER AUBRY: Will you yield, Mr. Cahill?

MR. CAHILL: Yes, Mr. Speaker.

ACTING SPEAKER AUBRY: The sponsor yields.

MR. SCHMITT: Thank you, Mr. Chairman. I appreciate you taking a few minutes to answer a few more questions.

MR. CAHILL: Sure.

MR. SCHMITT: Coming from Orange and Rockland Counties, Westchester Medical Center in particular services many of my constituents, those who work, reside or visit my area. If this legislation were to pass and be enacted, how do you see it affecting healthcare over the next 5, 10, 15 years? I know that when it comes to -- to healthcare, healthcare delivery, there -- that's kind of the model that we're looking at in the longer-term view. What is your opinion?

MR. CAHILL: Thank you, Mr. Speaker. Anybody that professes to know what's going to happen to healthcare in the next 15 years or ten years or five years or even the next couple of years is really making it up, because healthcare is dynamic. It's changing constantly in -- in unpredictable ways. We had the Affordable Care

Act, and then we had attempts to destroy the Affordable Care Act that weren't successful. And then we had attempts that was death by a thousand cuts and it seriously hindered the Affordable Care Act. We had a Legislature that considered for many years a single-payer bill, but it looked like it would never see the light of day. We're now conducting serious hearings on a single-payer bill. We had hospitals that were born and bred in our communities, as you heard some of our colleagues describe Westchester Medical Center here today, and we've seen those hospitals gobbled up by conglomerates. We've had hospitals in other communities that have closed. We have seen health insurance companies had their rates drop by 40 percent just a few years ago, and then we've seen them climb right back up again. We've seen healthcare costs take dramatic twists and turns. We've seen changes in healthcare. Something I think none of us anticipated that in our lifetimes we would see the life expectancy of human beings in this country to stop rising. We've seen that. We've seen an opioid epidemic. We've seen Lyme Disease. There is no predicting what the future holds. But, what is the impact of this bill on the future of healthcare in the Hudson Valley, in the -- in the Western part of New York, on Long Island, in the City of New York, in the Adirondacks and all over the State? It is a stabilizing force. This is a stabilizing force. This will prevent the dislocation that would otherwise have occurred when a contract is concluded. This will allow a neutral third-party appointed by us, for all intents and purposes, to determine what is the appropriate charge to -- to charge when the two parties

cannot decide it themselves. Let me reiterate that most of the time, our providers and our insurers agree. Most of the time. Even when they are not in contract, they agree. This is for those outlier circumstances that have been, up to this moment, unsolvable. This will solve it. It doesn't solve it by giving one side a gun to point at the head of the other side. Instead, what it gives the two sides is a third neutral place to go, to have the merits of their position weighed by an independent third-party.

So, what is the future of healthcare because of this bill? This vastly improves healthcare. Nothing about this bill diminishes healthcare. For all of the rhetoric we heard today about how it will destroy hospitals, it will absolutely not destroy hospitals. And rest assured, for my colleagues who would assert that I would introduce a bill that would destroy hospitals is a little bit personally offensive. This bill is intended to bring stability. This bill is intended to bring an opportunity for unresolvable issues to be resolved. It will be a positive.

MR. SCHMITT: Thank you for that explanation, Mr. Chairman. You mentioned the changes or, you know, the different opinions on the Affordable Healthcare Act, obviously, the single-payer discussions that we're having in the State and we're seeing across the nation. In your opinion will -- I'm not supportive of the single-payer model, but should that be advanced or should there be other changes at the Federal level, would that make this legislation null and void at that point? Will there still be a need for it at that point

if -- if that's the road that we go down?

MR. CAHILL: Mr. Speaker, my colleague, at this moment I would love -- I won't do it, but I would love to yield to my, colleague, Mr. Gottfried, so he can give his consistent answer to that question of yes, yes, yes.

MR. SCHMITT: He -- he looks ready, Mr. Speaker.

(Laughter)

MR. GOTTFRIED: I -- I think I've been asked to say something.

(Laughter)

In -- in -- for many years now in almost every meeting --

ACTING SPEAKER AUBRY: Mr. Smith [sic] has the floor, so if he wants you to -- he would have to yield. Mr. Cahill did not have the floor, he was answering a question.

MR. GOTTFRIED: It'll be quick.

MR. SCHMITT: Mr. Speaker, I will gladly yield to the Chair --

MR. GOTTFRIED: Oh, cool.

(Laughter)

ACTING SPEAKER AUBRY: Mr. Smith [sic] yields to Mr. Gottfried.

MR. GOTTFRIED: I wasn't planning on getting involved in this discussion, but in almost every meeting about health policy that I'm in, there comes a point where I say, *This is the point in*

the meeting where I say if the New York Health Act was law, we wouldn't have to be talking about this. Thank you.

(Laughter)

ACTING SPEAKER AUBRY: And I'm sure that provided some illumination to the discussion.

Now Mr. Smith [sic].

MR. SCHMITT: Thank you, Mr. Speaker. Mr. Chairman, I go back to the -- the 2014 budget negotiations when I was a young staffer over on the Senate side, and we saw the initial real breakthrough when it comes to, you know, the out-of-network protections that we saw. And at that point we saw doctors, patients really working together and I feel like there's kind of -- there are similarities here and differences to what we went through during that 2014 budget negotiation until the final product. Do you -- do you think that it is in line with what we saw out of that 2014 budget negotiation? This is an outgrowth of it or this -- this is really a modification going in a different direction?

MR. CAHILL: No, I think -- and -- and, Mr. Speaker, in response to the question by my colleague, yes, it is consistent with what the findings were in 2014. And -- and let's look down the road a little bit. Today the Insurance Committee took up a bill by our colleague, Mr. Magnarelli, concerning ambulance services. We have to resolve that one as well. Our goal here is to get healthcare costs under control to make sure them predictable for consumers, and to make sure that our healthcare delivery system remains intact in the

process. I believe this is entirely consistent with those goals as stated back in '14, '16 and '17 when the -- when the working group came out with their findings.

MR. SCHMITT: Now, there seems to be a -- a change in the position of the insurance industry in that -- since that time, Mr. Chairman. Is that just based on the experiences they've seen on the other parts since 2014, or do you feel that's related to something else or...

MR. CAHILL: Mr. Speaker, I can't speak for the insurance industry, and -- and in spite of the protests of some of our colleagues, I don't speak for the insurance industry. And if you ask the insurance industry, I can assure you they will tell you that I don't speak on their behalf. But I would say that the -- that the determination to move forward was motivated by a reflection not just from the working group which included a number of different entities, including hospital employees, including consumer groups, including business groups, that said that we should continue to do all we can to rationalize our healthcare costs so that we don't come to the point where we have to ration our healthcare.

MR. SCHMITT: Absolutely. Now, Mr. Chairman, you had in a previous response alluded to closed hospitals which we have seen, obviously, in various parts of the State. I'm sure you're aware in my district in particular, we saw the closure of the emergency room at St. Luke's Cornwall Hospital combining with St. Luke's Campus in the City of Newburgh. And obviously, some other changes

in -- in the services that are being provided in Orange County and in the immediate area of my district. Do you believe that this legislation would have impacted that closure, or would it potentially aid in preventing future closures or have any impact in that in any way?

MR. CAHILL: Mr. Speaker, in response to the question I -- I -- I would say I couldn't predict or even reflect upon what it would have done in the St. Luke's situation. St. Luke's Cornwall was -- was the closure of that emergency room and that -- that service was a product of a lot of different factors, and -- and some of them longstanding and having nothing whatsoever to do with the matter before us. What I would say is that this would lend stability where right now there's some level of unpredictability. You know, one of the things that's been lost in this discussion where we talk about the charges that the hospitals might or might not incur is where do the patients go? Patients tend to still go where their network is. And in the case of my hospital, 40 or 50 percent of the patients stopped going to our community hospital and they have not returned as of this time. They have not returned to our community hospital because there was this breach between the two parties that -- that leaked out into the community and caused healthcare to be interrupted. Anything that can bring order where there is chaos, in my view, particularly in healthcare, is -- is helpful. Can we stem all of the problems that will exist now and for the future in healthcare? We should strive to. But do I think this bill will do it? Of course not. Will it contribute to it? Of course it will.

MR. SCHMITT: Thank you, Mr. Chairman. I just want to -- to read a statement that was provided by the Greater New York Hospital Association just to get your opinions on it, if you believe it's accurate to what the bill reflects. They stated, "There is no evidence to suggest that hospital charges for our emergency services are excessive. This amendment provides no additional consumer protections, as consumers are already held harmless for any additional costs in emergency situations. This bill would harm rather than help consumers by making it easier for insurers to exclude hospitals from their network, limiting consumer access to hospitals of their choice." So, do you find that statement to be inaccurate, accurate, in part, in whole, and maybe what would be a better direction to interpret the legislation than that?

MR. CAHILL: Mr. Speaker, insofar as the statement is concerned, I will address the factual portions of it and leave the opinion portion of the Greater New York Hospital Association to them. I can't substitute my opinion for theirs, and I respect their opinion. But as for the factual portion of -- of their statement that there is little evidence that -- that the vast majority of charges are -- are not inappropriate, I agree. The vast majority of charges are not inappropriate. Most of the time, hospitals and insurance companies agree. The vast majority of the time, hospitals and insurance companies agree. The vast majority of time, hospitals are -- are asserting charges that are legitimate, that are consistent with what they have been charging before. That is the usual circumstance, and that is

not what this bill is addressing. The bill is addressing for those instances where it doesn't happen. And it doesn't happen sometimes, and we have an obligation to make sure that we intervene to provide an orderly process for dealing with those anomalies, those unusual situations. Yes, by and large, I think the people who run our hospitals - and I don't consider them to be the administrators, I consider them to be the boards - the people who run our hospitals are very responsible and responsive to the communities. Occasionally, strategic decisions are made that don't reflect that responsibility, and when that occurs, than this bill would take hold. Occasionally, those decisions are appropriate, even if they seem to be an outlier. This would provide a means by which those outlier decisions could be validated and carried forth with a payment by an insurance company. So, order out of chaos.

MR. SCHMITT: Thank you, Mr. Chairman. I -- I know previous colleagues had mentioned various different hospitals, hospital systems. Do you have any -- and their -- their percentages read off. Bon Secours, Orange Regional Medical Center, St. Luke's that service Orange and Rockland Counties, do you have any specific knowledge or any specific requests that have come to your office from any of these entities?

MR. CAHILL: Mr. Speaker, no. I -- I am not even aware of the source of the list that was cited by a colleague here today. I'm sure it is well-sourced and I'm sure it came probably -- I'm not sure, but I believe it probably came from people affiliated with the

hospital industry who have indicated their opposition to this bill so that they could bolster their case as to why they are against it.

MR. SCHMITT: Thank you for that answer, Mr. Chairman. Also mentioned, some uncertainty in Washington at the -- at the Federal level and how that could impact our -- our health situation here in the State of New York. And I know that also the Rochester Regional Healthcare Advocates had said they feel the -- the threats and uncertainty from Washington on the ongoing healthcare debate, this will exasperate their concerns. Do -- do you also feel that is an adequate or inadequate concern, and -- and is there any -- is there any other avenue other than this that might be able to alleviate it without placing an extra concern on those entities?

MR. CAHILL: Mr. Speaker, there are many things we could do other than this, and one of the things we could do is we could mandate fees. *We could say, This is what you will be paying, and, This is what you will pay, insurance companies.* We could do that. I think it would be a big mistake to do that. We're not in that business. But we could do it, and we could do it in a way that maybe would be politically popular for a little bit of time because we would tell our hospitals here, *Have anything you want, it's a blank check*, and tell our insurance companies, *Pay it*. But that would be a short-term solution because within very short order, our insurance companies would be bankrupt. If we did the opposite, our hospitals would be bankrupt.

MR. SCHMITT: Thank you, Mr. Chairman. I

appreciate it.

ACTING SPEAKER AUBRY: Thank you, sir.

Mr. Ra.

MR. RA: Thank you, Mr. Speaker.

On the bill.

ACTING SPEAKER AUBRY: On the bill, sir.

MR. RA: Thank you. So, you know, I -- I thank my colleagues for their comments on the -- on this bill and, you know, particularly, we've heard from a lot of our colleagues from Westchester. But I -- I don't want anybody to forget that there are other parts of the State that are going to be greatly impacted, and I heard -- we heard from many of our colleagues, for example, Long Island. We have some hospitals on Long Island where, you know, they've dropped out-of-network on certain plans and it's caused, you know, local patients and consumers a great hardship to have a local hospital that they could go to. So we are -- you know, it's been alluded to that many plans are, you know, in the process of negotiations with, you know, with -- with different hospitals, and -- and I think many are looking at this and paying attention to what we're doing. And, you know, I would say from a business standpoint, why would you not wait to see if something like this is going to be done that may change the playing field and the balance of that negotiation and who's going to have the leverage. You know, I -- I certainly would see why an insurance company would wait to see this legislation enacted.

A few years ago, you know, I had the opportunity when we were talking about -- about, you know, there had been all this talk about these surprise out-of-network bills -- charges and, you know, I -- I went to some of the roundtables that were held and, you know, there was a comprehensive approach put forth to help protect the consumer and -- and help ensure that -- that bills get paid in a timely manner and that -- that we, you know, certainly started with that premise. The consumer needed to be protected. And then we put together processes in certain areas to help ensure that claims were paid and the system could move forward.

You fast forward to now, you know, regardless of how you want to look at it, you know, this -- this bill was put on an -- an agenda in one committee, moved to another, straight out to the floor. We -- we don't see a ton of that here other than maybe, you know, the budget or -- or some Big Ugly that maybe we'll see in -- in a few weeks here. So, I do feel it's being rushed. I do feel it's, you know, depriving us of an adequate opportunity to -- to hear from different hospitals that we represent. Just during the course of this debate, my understanding -- you know, I've heard from multiple people who suddenly got memos or got some comments from their local hospitals who didn't realize that this was moving forward at this pace, and they wanted to weigh in. And they're doing it in the middle of a debate. You know, it was alluded to earlier that we had these hearings and we are having hearings ongoing about an issue like single-payer, and I participated in a hearing a few weeks ago. And,

yeah, that's how it should be done. You know, that's legislating and having hearings on -- on important issues and -- and having that input reflected in what a bill ultimately looks like is how the legislative process should be done. And -- and, you know, I feel that there's many things that are left unanswered. You know, is that 60 percent number the appropriate number for the Medicaid populations? I - I've looked through the list that my colleague had and, you know, that amendment that, you know, was discussed earlier. There's a hospital right in my own backyard that -- that I've utilized on Long Island that -- that would have benefitted from -- from making that type of change. Greatly, I'm sure. You know, it -- it's always dangerous when the -- when the Legislature, you know, moves forward something that is going to have far greater impacts than what's on the paper that it's printed. And it's certainly going to impact those negotiations that are ongoing, and -- and I wanted to just, you know, state for the record here today that it's going to impact Long Island as well. I know there's a very clear impact on Westchester, and I thank my -- my colleagues for their, you know, for their comments today. But there -- there's going to be an impact on -- throughout the State. And just one thought to leave you with. We wouldn't be looking at a number or a threshold number for exemptions if we weren't operating under the premise that the hospitals are going to be given less. That would be the only reason we would have that threshold. So we have to, you know, remember that you're going to deal with not just the amount of money, but also cash flow. How many times have we heard about different cash flow

issues that institutions undertake? And this has the potential, also, with this new process, to delay those claims being paid which -- which could have, in some cases, catastrophic results.

So, I -- I thank my colleagues, you know, on both sides of this issue and both sides of the aisle for their debate today. But, again, I think that -- I think we're moving forward on this with -- without having had truly the, you know, type of hearings that we should have on an issue of this magnitude.

Thank you.

ACTING SPEAKER AUBRY: Thank you, sir.

Mr. Buchwald for his second.

MR. BUCHWALD: Thank you, Mr. Speaker. And, Mr. Speaker, let me first, if I could, ask -- ask you, am I correct that under your prior ruling, this is the first time now that I have the floor, that I could move to adjourn if I wanted to?

ACTING SPEAKER AUBRY: You could move it.

MR. BUCHWALD: But this is the first time, correct? Before now, all the times I've spoken, I've only been yielding since I asked that last question, correct?

ACTING SPEAKER AUBRY: For you, personally, to make that motion, yes.

MR. BUCHWALD: Thank you. And I -- I want to say to colleagues -- and I know we are now hitting past 8:00 -- there's a part of me that is tremendously sorry, because this is not what we should be doing right now. Members should be at the Women's

Caucus dinner, should be otherwise enjoying whatever their normal plans were for this evening. But I -- I have to convey, I've been asked by leadership not to move to adjourn. If others think that's the wrong decision, feel a certain point -- a decision for each person to convey their thoughts. I have respect for what the gentleman who spoke prior said in terms of the idea this bill may be subjected to hearings and so forth. I want to make it clear, though: My request is simply let's do it another day. We've got another two, two-and-a-half weeks of Session. There is no particular reason this bill has to be voted on today. I've had numerous colleagues come up to me, asking what is the impact on their hospitals. And I understand that not every hospital either has its own government relations team or is as proactive. There is a -- Statewide hospital association. My personal view has always been I care far less what a Statewide association says than what my own hospitals say. Some of them because they're particularly on the front lines of this - maybe because they're in the middle of negotiations - have been very proactive. But members deserve the right to learn what the impact is on them. And I want to convey thanks to my neighboring colleague, Mrs. Galef, for reading that list because even I learned of another hospital in my district that is subject, potentially, to this; Four Winds Hospital, which is both based in Katonah, Cross River, in my district but also has a branch in Saratoga Springs, which I don't consider typically a hospital because they're not the typical sort of hospital. They provide, for the most part, inpatient psychiatric services, a crucial component of things. And maybe it's the case that

because they don't have traditional emergency services, for the most part this might not affect them. I'd love to learn that. There are enough hospitals in my district and nearby that have conveyed direct concerns. That's sufficient for me. But to have that list read did shed light and even I would have some questions. And -- and, Mr. Speaker, I do have some questions. Having been essentially requested to make some questions of the sponsor of the bill, I wonder whether the sponsor would yield for a question.

ACTING SPEAKER AUBRY: Mr. Cahill, will you yield, sir?

MR. CAHILL: Yes, sir.

ACTING SPEAKER AUBRY: Mr. Cahill yields.

MR. BUCHWALD: Thank you, Chairman Cahill.

And thank you, Mr. Speaker. The bill refers to bills for inpatient services which follow an emergency room visit. Is there any definition of what "following an emergency room visit" is? In other words, is there anything actually in the bill that says "immediately follow" or the in -- or the admittance that immediately succeeds an emergency room visit as opposed to an emergency room visit that occurred months or years ago?

MR. CAHILL: Is that the end of the question, Mr. Buchwald?

MR. BUCHWALD: Yes.

MR. CAHILL: No, I think the plain reading of the language indicates that if an admission is from an emergency room

visit and there is aftercare from there within that facility or associated with that facility, that is exactly what's referenced here. I think it is -- it is -- how can I put this? Probably not a fair and reasonable interpretation to think that if you ever went to the emergency room that this bill intends or that anyone would interpret it to mean any other time that hospital provides you care, that it would be covered. So, that which is done at the emergency room and that which follows as a course of care from that emergency room. I -- I will point out that there could be some concurrent conditions that are associated with it that may raise some question that would be subject to review by the Department of Financial Services, perhaps if there was an independent dispute resolution process. That's where it could be hashed out.

MR. BUCHWALD: Mr. Speaker, if -- if -- if the sponsor would continue to -- to yield to questions.

MR. CAHILL: Yes.

ACTING SPEAKER AUBRY: He'll -- continues to yield.

MR. BUCHWALD: Having said that's the plain language and plain meaning of the bill, could -- could the gentleman be so kind as to point to what line or lines of the bill actually contain that plain meaning that are not subject to interpretation?

MR. CAHILL: I -- the last part of your statement dropped, so I didn't hear what the --

MR. BUCHWALD: Which -- which one of the -- maybe, Mr. Speaker, could we have some order?

ACTING SPEAKER AUBRY: Certainly, sir.

(Banging gavel)

Please, we are still on debate and it will help us get to the end of debate if you're quiet.

MR. BUCHWALD: Thank you, Mr. Speaker. My -- my -- my question, just to reiterate, was if -- if there is a plain meaning of the language of the bill that's not subject to interpretation, could the sponsor point to the line or lines of the bill that contain that plain meaning about what follow an emergency room visit means? I understand what the gentleman's intent is, but he said it was a plain meaning, and so I'd like to ask where in the bill that plain meaning is contained.

MR. CAHILL: Sure. Line 7 and 8 on page 1 of the bill, the plain language reference is made. I would also point out that there are other standards that could be applied in the case of a dispute that was being resolved, and those standards could include, say, a Federal definition, and a Federal definition might be, I think, under Medicare. When a patient is stabilized. That's what considered the aftercare. A -- a plain reading of the statute here and a plain reading of any time that this might come up would be that if a patient is admitted through the emergency room, that course of care continues until they are discharged from the hospital or complete the services affiliated with that emergency room admission. The idea that it could go on forever is -- is something that I think any reasonable dispute resolver would see through in a heartbeat. And presumably, my

colleague and Mr. Speaker, if parties are submitting to an independent dispute resolution, they may find themselves - as has been the experience other places where this form of dispute resolution has been used - to get closer and closer to one another with each dispute reduces the need for that intervention in the future because the parties have a better understanding of what is reasonable, what is acceptable, and what they will prevail upon when they go to -- to the independent dispute resolution process. So, you know, it -- it may be a case-by-case basis, but I think it's fair and reasonable from the language in the bill that a responsible decision can be made by an independent third-party, not an insurance company.

MR. BUCHWALD: I -- Mr. Speaker, I retain my time, but I thank the gentleman for -- for answering some questions. The only lines purported to contain that plain meaning were sections -- lines 7 and 8 of the first page of the bill, which say, "... a bill for inpatient services which follow an emergency room visit", which, to me, is not a clear statement of what follows. If -- if you want a clear statement you can say, "immediately follow" or "directly follow without an intervening discharge" or anything to that regard. The fact that those -- that language is not there, perhaps not there because the bill moved through the two committees and onto the floor with a debate immediately today, the process that committees would ideally go through. To me, I understand the intent that the sponsor's trying to put forward with regards to that phrase. But I would not say it's the plain meaning of --of the language. And, you know, I -- you know, I

think untenable for hospitals to have any uncertainty with regards to that provision.

And so, Mr. Speaker, I would -- I would say once again, I -- I would -- would recall a conversation I had here in my first year in the State Assembly with a colleague who had legislation that had a very significant direct harm in that case to a portion of my district. Not because that was the intent of the legislation, but because that was the effect of the legislation. That colleague totally understood that if it was their district that was being adversely impacted, it would be their responsibility to stand up for their district. And so I would ask colleagues, as inconvenient as a debate at 8:10 in the evening on a Wednesday is, to understand that those of us who were sent here representing particular districts, that we feel are considered genuine basis are going to be particularly harmed have a duty to speak up. And I know that is not inherently as collegial as it would be nice to be able to be. But were the shoe on the other foot, I would not expect other colleagues to not defend the needs of their districts.

And so I -- I stand by my original pledge, Mr. Speaker. I am compelled to make sure that as many colleagues as possible understand the implications of -- of this -- this bill for their districts, and on the principle that we operate, particularly on our side of the aisle, of looking out for issues that affect in this case not just one member's district, but a whole host of members' districts to try to take into account their concerns, not because it absolutely has to be done tonight, but because only with time will there be a possibility of

trying to address this. And I -- and I would say, it has been certainly my approach and a number of colleagues' approaches to simply ask for some expansion of the exclusion, and I've not heard any particular willingness to entertain that tonight or before tonight. There's been opportunity; I'm not just referring to the formal amendment. There -- there is no doubt in my mind that a lot of the debate tonight could have been avoided if those to whom the Westchester delegation and others conveyed concerns were in some form or another, those concerns were heard and accommodated in the text of the bill. But the text of the bill has not been amended in the last few days. The last time it was amended was May 17th in this House. And I -- I very much hope that this effort is not in vain, but the effort, nonetheless, must be made. And I want to thank those colleagues who've either participated in the debate or who have conveyed that they begrudgingly understand that this bill did not need to be up for consideration this evening. That there other ways -- it could still end up being postponed to another day. But for now, Mr. Speaker, I just very much would insist that if anyone had -- has evidence this will not adversely affect Westchester Medical Center, please ask me to yield to them now and I will yield and you can make the point about why Westchester Medical Center, which is at the baseline of the healthcare provision in Westchester County and Lower Hudson Valley, of why we should not be nearly as concerned as we are. But I assume without points being made to that effect, that indeed, we are correct on that point.

Thank you very much, Mr. Speaker.

ACTING SPEAKER AUBRY: Thank you, sir.

Ms. Paulin.

MS. PAULIN: So, I -- I want to just clarify a couple of things that I heard on the floor. This dispute resolution is not for patients. It has nothing to do with patients. The -- the concern that the Westchester delegation has is actually for the patients. And if we gave a false impression that it was for the hospital, it's because we're concerned that the hospital had the services for the patients. So, the reason -- or the dispute resolution only comes into play for the contract negotiations between the insurance company and the hospital. And, in fact, that's where we are with many of the hospitals that are being targeted by this bill. And I want to read the opposition memos that I have so that my colleagues can understand exactly why these -- this particular bill would be a problem for the patients. This is from the Greater New York Hospital Association. "Assembly Bill 264/Senate Bill 31 -- 3171-A would amend the State Financial Services Law to extend the dispute resolution process in place for excessive physician emergency charges to hospital emergency charges." Again, not for the patient, for the negotiation between the emergence -- between the hospital and the insurance company. "GNYHA opposes this amendment because there is no evidence that hospital charges for emergency services are excessive, and the amendment provides no additional consumer protections. Consumers are already held harmless from any additional cost in emergency situations. In fact, the bill would harm consumers by making it easier for insurers to exclude

hospitals from their network, limiting consumer access to the hospital of their choice." And I'm going to pause here for a minute because that's exactly what's happening now with the negotiation between the Medical Center and Empire. What's happening is that Empire deci -- the Medical Center in the negotiations said, *We will extend the network provisions for two weeks while we continue the negotiation.* Instead, Empire rejected that and said, *No, no, no. We'd rather -* in their minds, I can imagine - *get a headline about the fact that we're going to go out-of-network because it scares people, knowing that this bill might be in place.* I'll continue. "We strongly believe that there is no demon -- demonstrable need to expand the law which would increase government involvement in hospital and insurer payment processes and make it easier for insurers to limit consumer access to their providers. New York State Financial Services Law already provides a process for insurers, consumers and providers to resolve disputes over excessive physician emergency charges. This law was part of a comprehensive bill that significantly enhanced consumer protections in out-of-network situations, including by requiring that consumers be held harmless from additional costs in out-of-network emergency situations. This bill was enacted after years of discussions among the Legislature, the Department of Financial Services and stakeholders about problems some patients experienced while receiving out-of-network care in emergency situations. It was prompted partly by an unwelcome surprise, a March 2012 DFS report that detailed the significant burden imposed on consumers by

excessive emergency service charges. The problems which were identified in the report and in the discussions that preceded the law's enactment all pertained to physician charges, not hospital charges. The DFS report gave specific examples from more than 2,000 complaints that DFS received annually from consumers about payment issues, and not a single example - not a single example - involved hospital charges. During the negotiations leading to enactment of the independent dispute process, there was never any discussion of applying it to hospital charges." Perhaps that the work group that we're talking about. "If there was a significant problem in this area, surely the DFS report would have identified it or would have -- have raised during the years of negotiations leading up to the law's enactment."

Opposition memo two, 1199. "On behalf of the 3,000 -- 300,000 New York State members of 1199 SEIU, we write to oppose Assembly Bill 264/Senate bill 3171 which would amend the State Financial Services Law to extend the dispute resolution process which is in place for excessive out-of-network physician emergency charges to all hospital emergency charges. Unlike the original legislation creating the independent dispute resolution process, this bill does not - does not - address consumer complaints. According to the 2012 Department of Financial Services report, an unwelcome surprise, those were driven by surprise physician, not hospital bills. Rather, it only serves to put a thumb on the scale in favor of multi-billion-dollar insurance companies by limiting hospitals' ability

to negotiate. This amendment provides no additional consumer protections. Consumers are already held harmless for any additional costs in emergency situations. It harms consumers by making it easier for insurers to exclude hospitals from their networks, limiting consumer access to hospitals of their choice. It also harms safety net hospitals who are already struggling to cover costs by reducing their ability to incentivize insurers to include them in their networks. For these reasons, we reject this legislation." And I would say if we really wanted to protect safety net hospitals, we would include all safety net hospitals and not arbitrarily set it at 60 percent, which includes our hospital which is being targeted in this because we are in negotiations. If you want to include all safety net, include all safety net and include us, because we are a safety net hospital. We should not be absorbed by this bill.

And I want to apologize to my colleagues that we are having this debate right now. We had asked to postpone the debate, knowing that there was a dinner tonight. We asked leadership to postpone this debate. We were told that, no, we were not going to postpone this debate, we're going to have it now. So we are forced into this position. And I want to apologize to everyone who wants to be at a different place right now, which I want to be at, too.

So, again, I am sorry. But this bill is so important to us, critically, in Westchester County, to the patients and to our constituents and to us as a delegation. Thank you.

(Applause)

ACTING SPEAKER AUBRY: Thank you.

Mr. Abinanti.

MR. ABINANTI: Thank you, Mr. Speaker. I want to follow up on the apology from -- from my college -- colleague. I recognize that the hour is late. I even suggested why don't we have a conference on this bill before we -- we take the bill up and before we have a -- a full discussion on it, because there are a lot of details to this bill. This bill could be improved. It could be -- it could be made fair for all of the -- the hospitals in the State. But instead, it was fast-tracked. I don't understand why. This bill could be -- this is not the end of Session. We could do this bill any time over the next two weeks with some improvements if we had a chance to be consulted, and to have all of our colleagues consulted to say, *How does this impact you and what can we do to deal with the issue?*

You know, I -- I thought it strange that -- that there was some reference to consumer protection. This bill has nothing to do with consumers. This bill protects insurance companies. It gives rights to insurance companies that the consumers don't even have. Just look at the face of the bill. It says insurance companies can challenge bills. It doesn't say consumers can challenge bills, it says insurance companies. It also talks only about post-emergency services in the hospital. So, if somebody is admitted because they have to be admitted after an emergency, that's what we're talking about here.

Now, it's -- you know, I find it -- I -- I agree with the -- the sponsor of this legislation that we need to get healthcare costs

under control. But I suggest that you don't put the fox in charge of the henhouse. And you don't put an insurance company in charge of hospital charges. You don't put insurance companies in a position where they can thwart the services of a hospital. The insurance companies don't even have to pay any part of the initial bill. The bill -- the legislation before us says that an insurance company can pay what they think is reasonable. So if you have somebody in a high-acuity hospital, anyone in the State who is there because they were in an emergency situation and they're now being admitted, the insur -- and they've been there for ten days, the insurance company could look down the road at a small hospital and say that's what they would have charged, that's what I'm going to pay you, even though it's a third of what you normally get. So it's -- it's -- puts everything in the hands of the insurance company. And then it suggests that well, you can -- you'll have an independent third-party. Well, who is the independent third-party? It's the Insurance Department. It's the Financial Services Department. Their obligation is to make sure insurance companies are solid. Why not put the Health Department in charge of the -- of the -- of the dispute? Because the Health Department is in charge of making sure that hospitals are safe. We're putting in the hands of the insurance regulators the determination as to what should be the charges in the health field. We have 28 hospitals in this State that are in danger of going down the drain. The Health Department is monitoring them. Not the Financial Services Department, the Health Department. So where is the connection

between the two? Where is there somebody who is worried about hospital health as opposed to insurance company health? This bill does nothing to deal with the skyrocketing insurance premiums. There are 15 -- I'm sorry, 28 financially-struggling hospitals in this State with less than 15 days cash on hand, and they're on the State watch list. What happens if the insurance companies hold up the payments for more than 15 days, which is certainly guaranteed to happen? Those hospitals go down the drain. So we're putting in the hands of the insurance companies the ability to sink our hospitals and force the hospitals to pay them anything they demand -- or accept whatever the insurance companies will offer -- otherwise, they could go down the drain. So we're saying the -- the insurance companies are going to control the health of our hospitals in this State.

You know, it's interesting. While the hospitals are in this situation - and there's been some reference to the Westchester Medical Center - they're a \$220 billion operation that is \$4 million cash flow. They're at that margin. They're running that close. So -- and they're not one of the 28. They're not one of the 28. On the other hand, let's take a look at how the insurance companies are doing. A 2019 RAND Corporation study found that the rates private insurers in New York State payer hospitals are the third-lowest in the country. So the insurance companies in this State are already gipping our hospitals. A 2019 study by the RAND Corporation found that the rates private insurers in the State-pay hospitals are the third-lowest in the country. And we're going to give them the option of the determining what our

hospitals should be paid?

It -- it's interesting if you take a look at the experience. The sponsor of this legislation could point to no studies. Could point to no history anywhere where this has been applied to hospitals. There was some reference that other states are looking at it, they may want to follow our lead. But there's no evidence that it will not hurt our hospitals and healthcare. In fact, it's interesting that Anthem, which is the parent of Empire, which has been the -- the major supporter of this bill, has nationwide announced that it's going to trim back its networks. In other words, what it's going to do - it's not hard for us laypeople to figure it out - they're going to find all the less expensive hospitals in a region, form agreements with them, force all of their consumers to go to those less expensive hospitals, and then when a consumer has to go to a more expensive hospital because they have an emergency, they're going to rely on this bill to say, *Yes, you're not getting the benefit of the networks. We're not sending our people to you for the elective surgeries. But we're going to demand that you pay us the network rate for those hospitalizations after an emergency where people were brought to you because you're the place they have to go to be saved.* So the -- the insurance companies are trying to increase their profits on the backs of the hospitals.

And I spoke before about fairness. If we're worried about the hospitals that do a lot of -- of Medicaid, why don't we take a look at the numbers? There's a little hospital here in Troy that does 435 Medicaid admissions a year, but that's 60 percent of their

admissions and discharges. They're protected from this bill. But Albany Medical Center, that does 11,000 discharges of Medicaid, is covered by this bill. Let's take another look at another one. We have -- here we go. Long Island Jewish Medical Center, from my colleagues from Long Island. Long Island Jewish does 28,000 Medicaid a year. 28,000 -- oh, that's in Queens? I'm sorry. Oh, I thought it was Nassau. These two can argue where it is. You can both claim it, but you should both be aware, they do 28,000 Medicaid discharges a year, but that's only 48 percent of their discharges, and so they're covered by the bill. They're not exempted. So where is the fairness? Where's the -- where's the argument that those who do a lot of Medicaid deserve to be exempted from the bill? And how about going to NYU Langone? 18,500 Medicaid discharges. New York Presbyterian, 36,000 Medicaid discharges. And yet, neither one of them qualifies with the 60 percent. So where's the incentive for them to take -- to continue to take Medicaid? Why don't they just cut back on their services and say, *We're not taking Medicaid anymore*. This bill is going to penalize them anyway. We should be incentivizing them, not disincentivizing them. And I've already referred to the lack of -- of studies, the lack of success rate anywhere else. But the real question is why did we come to the 60 percent out of nowhere? There are several places in New York State law that already determine what a safety net hospital is. This is a brand-new standard devised by the insurance companies for the insurance companies. And I don't understand why this Body is even considering a bill that's going to

benefit insurance companies to the detriment of healthcare in our State.

There's nothing in the bill that says any savings have to go to consumers.

(Pause)

I will repeat that there's opposition, and I want to make a correction in the record. I've been told that the local CSEA in Westchester Medical Center opposes this bill. I still believe that they oppose this bill. But I have been told by the Statewide CSEA that the local doesn't oppose the bill because the Statewide is supporting the bill. So I can't -- I just want to make sure that the Statewide CSEA that's listening to the debate thinks I should correct the record, so I will tell you what I understand to be the case. But I don't think that matters. I think what matters is the -- is the merits of the bill. And I hope that we've explained to you that price control by insurance companies over hospitals is not the way that we should be running our healthcare system in this State.

I know I haven't used my full 15 minutes, but I'm not going to take up 15 minutes. I think we want to get out of here. I think we, from Westchester County, have tried to point out to you that this is a bad bill for the State of New York. We're just feeling the brunt of it right now because Empire walked out of negotiations over the weekend. As soon as it became clear that this bill was going to move in the Assembly, they cut off negotiations with the Westchester Medical Center. And we're now hearing from NYU that they're

having similar rough -- a similar rough road as this bill is moving forward. This bill is about giving the insurance companies more leverage over hospitals throughout the entire State.

So I appreciate all of your listening. I do hope that you will -- you will consider voting with us and -- and -- and sending a message that we're very concerned about the cost of healthcare in this State. But giving the insurance companies the right to set the rates is not the way to solve the problem.

ACTING SPEAKER AUBRY: Mr. McDonald.

MR. MCDONALD: Thank you, Mr. Speaker.

Would the sponsor yield?

ACTING SPEAKER AUBRY: Mr. Cahill, will you yield?

MR. CAHILL: Over Mr. Abbate's objections, yes.

MR. MCDONALD: Over many people's objections, I'm sure. So, I -- I have a question, and this is a question I probably would have asked in Conference if we had the opportunity to ask this question. And it came up briefly in our Insurance Committee meeting this morning. I just want to understand the process. And, you know, I get the context what's going on. Health systems and hospitals are growing deeper into the community. They're gobbling up more practices. It's making it difficult for the insurance companies to negotiate, because there's less to negotiate with. But in this situation, I just want to make sure I'm clear. We're only talking about situations where a person might be flown in from the Adirondacks to

Westchester, bad burns. They're admitted into the ER, and then they are admitted into the hospital for follow-up treatment. Is that -- is that a good way of describing the situation?

MR. CAHILL: Mr. Speaker, the answer to that question is no. That is not the circumstance that this bill covers. That is a circumstance that may be covered by this bill, but this bill covers when emergency care is given and the aftercare from an emergency is -- is provided by a hospital and a contract does not exist, and the two parties cannot agree to an amount that should be paid, and then this would provide a means by which an independent third-party could determine what the appropriate charges are, based upon that which was submitted by the hospitals and by the insurance companies.

MR. MCDONALD: And -- and who is that independent third-party? Who is that independent third-party?

MR. CAHILL: It would be an independent dispute resolution person appointed by the Department of Financial Services.

MR. MCDONALD: By DFS.

MR. CAHILL: Correct. The regulatory agency that oversees and regulates insurance.

MR. MCDONALD: And in that process, do they use national or Statewide benchmarks to help get to a -- an appropriate reimbursement?

MR. CAHILL: They may -- they may refer to national or Statewide benchmarks, but the guidelines are lined out right in the existing law today of what they have to follow. And quite

frankly, in spite of some of the comments here today, one of the most important criteria that gets used is how much that hospital charges people. That hospital, not other hospitals. How much does that hospital charge people.

MR. MCDONALD: And do they get into what went into that service being provided?

MR. CAHILL: There's an acuity factor that is required for the independent Body to consider. There are the complexities that -- that the patient brings to the table. There is the -- the nature of the facility, as we've talked about a burn center would secure one rate. An emergency room maybe in my town wouldn't get the same rate. So, all of those factors are required of the independent third-party to judge which party is coming in with the appropriate charge or payment proposal.

MR. MCDONALD: And because I don't know the law, if you can explain to me. What is the -- how long is -- is there -- is there a defined timeline for the process?

MR. CAHILL: There's music in my back ear, so --

MR. MCDONALD: That's okay.

MR. CAHILL: -- I'm having a little bit --

MR. MCDONALD: I hear it -- I hear it, too. Is there a defined --

MR. CAHILL: Thirty days. I think 30 days.

MR. MCDONALD: Thirty days? Okay. Thank you, Mr. Speaker.

ACTING SPEAKER AUBRY: Read the last section.

(Applause)

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER AUBRY: The Clerk will record the vote.

(The Clerk recorded the vote.)

Mr. Cahill to explain his vote. And the music you heard was "Goodnight, Irene."

(Laughter)

MR. CAHILL: I think that's what it was. Thank you, Mr. Speaker, and colleagues. I -- I appreciate the time that you've given this, and I appreciate the thought that's gone into the debate from everybody who stood up to speak tonight. And let me be clear that if I felt that this was detrimental to my hospital, to healthcare in my community, I would argue and debate with the same fervor that our colleagues did here tonight. That is not the case. This does not put power in the hands of insurance companies. This puts power in the hands of an independent third-party to resolve disputes that would otherwise not be able to be resolved and could result in protracted litigation or interruption of service, as it did in my community. And there are many aspects of this bill that are not what were represented here tonight in this debate. I chose not to engage, just as my colleagues who made those representations chose instead of asking me those questions so I could answer them with some authority. They -- I chose not to ask them to give me the opportunity to -- to respond so

they could use their full 30 minutes and filibuster as they did.

I think the bill stands on its merits. I think the bill is one that will advance healthcare, stabilize healthcare, contain some costs, but also provide a means by which those disputes that could not be resolved can now be resolved.

And I would withdraw my request, Mr. Speaker, and urge a vote in the affirmative, and I will cast my vote in the affirmative.

ACTING SPEAKER AUBRY: Mr. Cahill in the affirmative.

Mr. Goodell.

MR. GOODELL: Thank you, sir. By now I think it should be clear to everybody here this is not a bill about patients because it doesn't affect the amount that a patient pays in co-pays and deductibles. We've already addressed that issue and we've already made it clear by law that what a patient pays, whether it's in-network or out-of-network, is unaffected by this legislation. As has been repeatedly pointed out, this is all about whether we want to help insurance companies at the expense of the local hospitals. That's what it's all about. We're told it's an independent dispute resolution, but we don't ask the one agency in our State government that monitors the reimbursement rates for doctors and hospitals, who has a full staff, that has a multi-billion-dollar budget that monitors healthcare costs, and that's the Department of Health. So this is not about making sure it's an independent party. This is an insurance bailout bill with the

independent review being done by the Insurance Department and not the Health Department that actually has the data and the expertise.

So make no mistake about it. If you have a hospital in your district that's facing tough financial issues, this bill will hurt your local hospitals. Now on the other hand, if you have an insurance company in your district that's facing financial issues and you're worried about them going out of business, then I would recommend you vote for this. In my district, it's the hospitals that are struggling, not the insurance companies.

Thank you, sir.

ACTING SPEAKER AUBRY: Mr. Goodell in the negative.

Mr. Walczyk.

MR. WALCZYK: Thank you, Mr. Speaker. I -- I had one final question for the sponsor that I just ran out of time to ask today. But I would have asked him how -- how -- if he hadn't heard from the hospitals in his region, if they hadn't been an integral part of crafting this legislation, how he could vote for this bill today. Because on -- on process -- and -- and many members from both sides of the aisle today have brought up the lack of input, the ushering through, the rushing this legislation through. But on process, without the opportunity to ask Massena Memorial Hospital, to ask Claxton Hepburn, to ask Canton Potsdam Hospital or River Hospital or Samaritan Medical Center what this would do to the constituents that I represent, there's no way in good faith that I could vote for this bill.

So, I withdraw my request and I vote in the negative.
Thank you, Mr. Speaker.

ACTING SPEAKER AUBRY: Mr. Walczyk in the negative.

Ms. Fahy to explain her vote.

MS. FAHY: Thank you, Mr. Speaker. I rise to explain my vote. And I've -- the one good thing about a late hour is you actually get a little bit of a chance to listen to the debate instead of being distracted with 15 other things. And the debate, quite frankly, has been disturbing. While I think this bill is well-intended in terms of trying to assist and -- in indirectly protect the consumers or -- or trying to keep the consumers in mind, I -- I would be remiss if I did not say this process has been incredibly upsetting. And I did not know when I was voting to report this out of Codes tonight that the bill would be on the floor tonight. I -- I made a specific point -- I made a specific point in Codes tonight -- this morning or this afternoon -- asking that we go back at this and address a number of the questions that I thought were very legitimate, very fair questions that have come up. And even in listening to the debate tonight, the questions have not come up -- or have not been answered to the extent that I think they should have. And I can only come away from this thinking that this is big insurance against big hospitals. And -- and that really -- and I think the patients are somehow being a little left -- left aside here. And I do worry that this is insurance companies being left in charge of hospitals. I don't believe this is a way to bring costs down. I don't believe that this is

the way to help healthcare. In the end, though, however, I have to go back to what I'm hearing from Albany Med. And by the way, Albany Med serves 80 -- takes in 80,000 ER patients just in 2018. Over 80,000. However, I'm told, quote, unquote, their impact from this bill could possibly be moderate because the size of the network is so large.

Consequently, because I am hearing more from the advocates and the consumer groups, I'm going to support this legislation but very reluctantly. Thank you, Mr. Speaker.

ACTING SPEAKER AUBRY: Ms. Fahy in the affirmative.

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

Mrs. Peoples-Stokes.

MRS. PEOPLES-STOKES: Do you have any further housekeeping or resolutions?

ACTING SPEAKER AUBRY: At the request of Mr. Gottfried, Calendar No. 100, Bill A1125, the bill is starred.

On a motion by Ms. Rosenthal, page 5, Calendar No. 19, Bill No. 1024-A on the main Calendar, amendments are received and adopted.

On a motion by Ms. Paulin, page 22, Calendar No. 316, Bill A225 on the main Calendar, amendments are received and adopted.

We have numerous fine resolutions which we will

take up with one vote.

On the resolutions, all those in favor signify by saying aye; opposed, no. The resolutions are adopted.

(Whereupon, Assembly Resolution Nos. 499-504 were unanimously adopted.)

Mrs. Peoples-Stokes.

MRS. PEOPLES-STOKES: Mr. Speaker, I move that the Assembly stand adjourned until 10:00 a.m. Tuesday -- Thursday, June the 6th, tomorrow being a Session day.

ACTING SPEAKER AUBRY: The Assembly will stand adjourned.

(Whereupon, at 8:49 p.m., the House stood adjourned until Thursday, June 6th at 10:00 a.m., that being a Session day.)