



Legislation Text

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Int. No. 844

By Council Members Menin, Schulman, Narcisse, Abreu, Brannan, De La Rosa, Stevens, Bottcher, Feliz, Ung, Williams, Sanchez, Krishnan, Dinowitz, Hanks, Velázquez, Louis, Hanif, Marte, Lee, Avilés, Ossé, Salamanca, Riley, Cabán, Joseph, Brewer, Gutiérrez, Brooks-Powers, Restler, Moya, Richardson Jordan, Hudson, Ayala, Nurse, Gennaro, Won, Farías, Powers, Rivera, Kagan and the Public Advocate (Mr. Williams) (by request of the Manhattan, Queens, Brooklyn and Bronx Borough Presidents)

A Local Law to amend the New York city charter, in relation to establishing an office of healthcare accountability

Be it enacted by the Council as follows:

Section 1. Section 20-m of chapter 1 of the New York city charter, as added by local law number 164 for the year 2021, is renumbered section 20-o.

§ 2. Chapter 1 of the New York city charter is amended by adding a new section 20-p to read as follows:

§ 20-p. Office of healthcare accountability. a. Definitions. For purposes of this section, the following terms have the following meanings:

Director. The term “director” means the director of healthcare accountability.

Office. The term “office” means the office of healthcare accountability.

b. Establishment of office. The mayor shall establish an office of healthcare accountability. Such office may be established as a standalone office or within any office of the mayor or within any department. Such office shall be headed by a director of healthcare accountability, who shall be appointed by the mayor or, if the office is established within an agency other than the office of the mayor, by the head of such agency.

c. Powers and duties. The director shall have the power and duty to:

1. Provide recommendations to the mayor, council, comptroller, or trustees of the city pension systems regarding healthcare and hospital costs, including, but not limited to, the proportion of healthcare costs spent on hospital care;

2. Audit city expenditures on health care costs for city employees, city retirees, and their dependents;

3. Provide, on the office's website in a simplified and publicly accessible format, information on the costs of hospital procedures. Such information shall be based on any publicly available information relating to the cost of hospital procedures, including disclosures required pursuant to state and federal law, and shall be formatted in a way to allow for comparisons between procedure costs for specific hospitals; and

4. Provide on the office's website a summary of the cost transparency of each hospital located in the city, categorizing each hospital as very transparent, satisfactory, or not transparent. Such summary shall be updated at least annually and shall be based on the office's assessment of the information that each hospital has disclosed relating to the cost of hospital procedures, including:

(a) Whether such disclosures comply with the requirements of state and federal law; and

(b) Whether such disclosures were provided within the time period required by state and federal law.

d. Reporting. One year from the effective date of the local law that added this section and annually thereafter, the director shall submit to the mayor, the speaker of the council, and the attorney general of the state of New York, and shall post conspicuously on the office's website, a report detailing the pricing practices for hospital systems in the city of New York. Such report shall include, but not be limited to, the following:

1. A summary of any audits conducted pursuant to paragraph 2 of subdivision c of this section, including the costs of hospital procedures paid for by the city disaggregated by hospital;

2. A summary of prices charged for hospital procedures disaggregated by:

(a) Hospital;

(b) Type of procedure, and;

(c) To the extent available, the average rate of reimbursement received by the hospital from each health

insurance provider or other payer for each procedure;

3. A summary of each hospital's level of transparency pursuant to paragraph 4 of subdivision c of this section;

4. To the extent available, a breakdown of each major insurance provider's and other payer's profit margins, employee headcounts, overhead costs, and executive salaries and bonuses; and

5. To the extent available, a summary of each hospital's community benefit information as publicly reported on the Internal Revenue Service's Form 990, Schedule H, as required pursuant to section 501(r) of the Internal Revenue Service code, and each hospital's publicly available implementation report regarding the hospital's performance in meeting the health care needs of the community, providing charity care services, and improving access to health care services by the underserved, as required pursuant to section 2803-l(3) of the public health law.

§ 3. This local law takes effect 120 days after it becomes law.

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