STATE OF NEW YORK

5795--A

2023-2024 Regular Sessions

IN ASSEMBLY

March 23, 2023

Introduced by M. of A. PAULIN -- read once and referred to the Committee on Health -- reported and referred to the Committee on Ways and Means -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the public health law, in relation to payment rates for managed long term care plans

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

Section 1. Subdivision 8 of section 4403-f of the public health law, as amended by section 21 of part B of chapter 59 of the laws of 2016, is amended to read as follows:

8. **(a)** Payment rates for managed long term care plan enrollees eligible for medical assistance. The commissioner shall establish payment rates for services provided to enrollees eligible under title XIX of the federal social security act. Such payment rates shall be subject to approval by the director of the division of the budget and shall reflect savings to both state and local governments when compared to costs which would be incurred by such program if enrollees were to receive comparable health and long term care services on a fee-for-service basis in the geographic region in which such services are proposed to be provided. Payment rates shall be risk-adjusted to take into account the characteristics of enrollees, or proposed enrollees, including, but not limited to: frailty, disability level, health and functional status, age, gender, the nature of services provided to such enrollees, and other factors as determined by the commissioner. The risk adjusted premiums may also be combined with disincentives or requirements designed to mitigate any incentives to obtain higher payment categories. In setting such payment rates, the commissioner shall consider costs borne by the managed care program to ensure actuarially sound and adequate rates of payment to ensure quality of care shall comply with all applicable laws

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

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and regulations, state and federal, including regulations as to actuarial soundness for medicaid managed care.

(b) Supplemental quality improvement payments. (i) For the period beginning April first, two thousand twenty-three through March thirty-first, two thousand twenty-four, payment rates for managed long term care plans shall be adjusted to increase payments to all plans that (1) have received four or more star ratings for an overall score in the most recently available managed long term care consumer regional quality guide produced by the department on April first, two thousand twenty-three, and (2) have a relative risk score greater than one and one-tenth in effect on April first, two thousand twenty-three. Funding for such rate increases shall be provided by reducing payment rates to plans not eligible for a rate increase pursuant to this paragraph, by one percent or thirty million dollars, whichever is less.

(ii) Eligible plans shall receive an amount determined by (1) each eligible plan allocated an equal share of such funding, and (2) multiplying that amount by one hundred percent for each eligible plan that received a rating of five stars in the managed long term care consumer regional quality guide, and eighty percent for each eligible plan that received a rating of four stars in the managed long term care consumer regional quality guide.

§ 2. This act shall take effect immediately; provided, however, that the amendments to subdivision 8 of section 4403-f of the public health law made by section one of this act shall not affect the repeal of such section and shall be deemed repealed therewith.