

# STATE OF NEW YORK

6021--A

2023-2024 Regular Sessions

## IN ASSEMBLY

March 30, 2023

Introduced by M. of A. PAULIN, GUNTHER -- 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 social services law and the public health law, in relation to establishing a quality incentive program for managed care providers

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

1 Section 1. Subdivision 18 of section 364-j of the social services law  
2 is amended by adding a new paragraph (c-1) to read as follows:

3 (c-1) In setting such reimbursement, the commissioner of health shall  
4 establish a quality incentive program for managed care providers that is  
5 distributed based on managed care providers' performance in meeting  
6 quality objectives, which shall be set by the commissioner in advance of  
7 the period during which quality is measured. In establishing the manner  
8 in which to measure quality and distribute quality incentive program  
9 funds, the commissioner of health shall establish a methodology that  
10 provides the greatest level of funding to managed care providers receiv-  
11 ing the highest quality scores and shall consult with representatives of  
12 managed care providers and other key stakeholders.

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

16 8. Payment rates for managed long term care plan enrollees eligible  
17 for medical assistance. The commissioner shall establish payment rates  
18 for services provided to enrollees eligible under title XIX of the  
19 federal social security act. Such payment rates shall be subject to  
20 approval by the director of the division of the budget and shall reflect  
21 savings to both state and local governments when compared to costs which  
22 would be incurred by such program if enrollees were to receive compara-

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

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1 ble health and long term care services on a fee-for-service basis in the  
2 geographic region in which such services are proposed to be provided.  
3 Payment rates shall be risk-adjusted to take into account the character-  
4 istics of enrollees, or proposed enrollees, including, but not limited  
5 to: frailty, disability level, health and functional status, age,  
6 gender, the nature of services provided to such enrollees, and other  
7 factors as determined by the commissioner. The risk adjusted premiums  
8 may also be combined with disincentives or requirements designed to  
9 mitigate any incentives to obtain higher payment categories. In setting  
10 such payment rates, the commissioner shall consider costs borne by the  
11 managed care program to ensure actuarially sound and adequate rates of  
12 payment to ensure quality of care shall comply with all applicable laws  
13 and regulations, state and federal, including regulations as to actuari-  
14 al soundness for medicaid managed care. In setting such reimbursement,  
15 the commissioner shall establish a quality incentive program for managed  
16 long term care plans that shall be distributed based on such plans'  
17 performance in meeting quality objectives, which shall be set by the  
18 commissioner in advance of the period during which quality is measured.  
19 In establishing the manner in which to measure quality and distribute  
20 quality incentive program funds, the commissioner shall establish a  
21 methodology that provides the greatest level of funding to managed long  
22 term care plans receiving the highest quality scores and shall consult  
23 with representatives of managed long term care plans and other key  
24 stakeholders.

25 § 3. This act shall take effect immediately; provided, however, that  
26 the amendments to section 364-j of the social services law and section  
27 4403-f of the public health law made by sections one and two of this act  
28 shall not affect the repeal of such sections and shall be deemed  
29 repealed therewith.