

# STATE OF NEW YORK

3146--A

Cal. No. 1366

2023-2024 Regular Sessions

## IN SENATE

January 27, 2023

Introduced by Sens. MANNION, CLEARE, FERNANDEZ, HINCHEY -- read twice and ordered printed, and when printed to be committed to the Committee on Health -- reported favorably from said committee and committed to the Committee on Finance -- committee discharged and said bill committed to the Committee on Rules -- ordered to a third reading, amended and ordered reprinted, retaining its place in the order of third reading

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:

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

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

§ 2. 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. 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

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

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

28 § 3. This act shall take effect immediately; provided, however, that  
29 the amendments to section 364-j of the social services law and section  
30 4403-f of the public health law made by sections one and two of this act  
31 shall not affect the repeal of such sections and shall be deemed  
32 repealed therewith.