STATE OF NEW YORK

9398

IN SENATE

March 9, 2026

Introduced by Sen. BORRELLO -- read twice and ordered printed, and when printed to be committed to the Committee on Health

AN ACT to amend the social services law, in relation to establishing a non-emergency medical transportation administrative modernization pilot program to strengthen program integrity and reduce improper payments, and requiring program integrity review by the office of the Medicaid inspector general

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

Section 1. The social services law is amended by adding a new section 365-q to read as follows:

§ 365-q. Non-emergency medical transportation administrative modernization pilot program. 1. Establishment. The commissioner of health shall establish a pilot program to implement a unified administrative platform for the authorization, coordination, monitoring, and payment of non-emergency medical transportation services provided pursuant to this title.

2. Purpose. The purpose of the pilot program shall be to evaluate whether improved administrative coordination, data integration, and trip verification processes can reduce improper payments and support fraud detection and recovery efforts, enhance accountability in the administration of non-emergency medical transportation services, and maintain beneficiary access to transportation services.

3. Scope and duration. (a) The pilot program shall operate in not fewer than two and not more than five counties selected by the commissioner.

(b) The pilot program shall operate for a period of two to three years from the date of implementation of the unified administrative platform.

(c) Prior to such implementation, the commissioner of health shall establish baseline improper payment indicators, audit findings, and related program integrity metrics in pilot counties for comparison during and after the pilot period.

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

LBD15045-01-6

(d) The commissioner of health may modify or discontinue the pilot program based upon demonstrated outcomes and shall provide written notice of any such action to the governor and the legislature.

4. Platform requirements. The administrative platform shall, at a minimum:

(a) provide verification of Medicaid eligibility and enrollment status;

(b) incorporate electronically documented level-of-service determinations consistent with criteria established by the department of health;

(c) permit communication among the department of health, its transportation manager or contractor, transportation providers, health care providers, and eligible recipients;

(d) allow recipients or their authorized representatives to schedule rides and obtain trip status information;

(e) include objective validation of trip initiation and completion, including location-based or comparable verification methods where practicable;

(f) support claims processing and improve payment timeliness for clean claims; and

(g) generate reporting regarding utilization, expenditures, denials, complaint trends, and provider performance sufficient to support program integrity review.

5. Integration with program integrity functions. (a) The commissioner shall ensure that data generated through the pilot platform is made available to the office of the Medicaid inspector general in a format sufficient to support audit, investigation, and recovery efforts.

(b) The platform shall support identification of utilization patterns and billing trends for review by the office of the Medicaid inspector general.

(c) Nothing in this section shall limit the statutory authority of the office of the Medicaid inspector general under section thirty-two of this chapter.

6. Reporting. (a) No later than February first of each year in which the pilot is in operation, and within ninety days following its conclusion, the commissioner shall submit a report detailing operational outcomes of the pilot.

(b) Such report shall be submitted to the governor, the temporary president of the senate, the speaker of the assembly, the minority leader of the senate, and the minority leader of the assembly.

(c) The report shall include: (i) a comparison of pilot and non-pilot counties on access and program integrity measures, including but not limited to improper payment trends; (ii) changes in improper payment indicators and audit findings during the pilot period; and (iii) an analysis prepared in coordination with the office of the Medicaid inspector general regarding the pilot's impact on fraud detection, referrals, and recoveries.

(d) The report shall include recommendations regarding continuation, modification, or statewide expansion of the pilot program.

7. Federal compliance. The commissioner shall seek any federal approvals necessary to implement the pilot program. Nothing in this section shall be construed to alter Medicaid eligibility standards or beneficiary rights under federal law.

§ 2. This act shall take effect immediately.