STATE OF NEW YORK

10159

IN ASSEMBLY

February 12, 2026

Introduced by M. of A. PAULIN -- read once and referred to the Committee on Health

AN ACT to establish the managed long term care high acuity stabilization pool; and making an appropriation therefor

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

Section 1. Managed Long Term Care High Acuity Stabilization Pool. (a) Establishment. There is hereby established within amounts appropriated for the medical assistance program a managed long term care high acuity stabilization pool in an amount not to exceed fifty million dollars ($50,000,000) for the state fiscal year commencing April 1, 2026.

(b) Purpose. The managed long term care high acuity stabilization pool shall be used to support managed long term care plans that:

i. demonstrate high performance on quality measures established by the department; and

ii. serve a disproportionately high share of members with complex long term care needs or high service utilization.

(c) Eligibility and Use of Funds. i. Payments from the managed long term care high acuity stabilization pool may be made only to eligible managed long-term care plans whose medical loss ratios exceed a threshold established by the commissioner, not to exceed 92 percent, after application of final premium rates and risk adjustment for the applicable rating period.

ii. Pool payments shall be limited to the amount necessary to offset costs above such threshold and shall not be used to increase plan margins beyond such level.

(d) Administration. The commissioner of health may establish criteria, methodologies, and reporting requirements for distribution of funds from the managed long term care high acuity stabilization pool, including specific quality performance standards, acuity or utilization benchmarks, and safeguards to ensure fiscal accountability.

(e) Limitations. i. Payments under this section shall not be incorporated into base premium rates.

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

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ii. Nothing in this section shall be construed to create an entitlement to payment.

(f) Relationship to Rate Setting. The managed long term care high acuity stabilization pool is intended as a supplemental and transitional mechanism and shall not supplant the commissioner of health's obligation to establish actuarially sound premium rates.

§ 2. The sum of fifty million dollars ($50,000,000), or so much thereof as may be necessary, is hereby appropriated to the department of health out of any moneys in the state treasury in the general fund to the credit of the managed long term care high acuity stabilization pool, not otherwise appropriated, and made immediately available, for the purpose of carrying out the provisions of this act. Such moneys shall be payable on the audit and warrant of the comptroller on vouchers certified or approved by the commissioner of health in the manner prescribed by law.

§ 3. This act shall take effect immediately.