STATE OF NEW YORK

5825

2025-2026 Regular Sessions

IN ASSEMBLY

February 20, 2025

Introduced by M. of A. K. BROWN -- read once and referred to the Committee on Governmental Operations

AN ACT to amend the executive law, in relation to directing the state comptroller to conduct an audit of the department of health and other agencies to ensure that the agency meets its responsibilities to review and assess Medicaid managed care organizations for compliance with federal and state requirements to maintain adequate health care providers within network, and to meet mental health and substance use disorder parity requirements

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

Section 1. The executive law is amended by adding a new section 41-b to read as follows:

§ 41-b. Audits of agencies by the comptroller. 1. At least once every three years, the state comptroller shall conduct an audit of the department of health, and any other department, bureau, board, commission, authority or any other agency or instrumentality of the state deemed necessary by the state comptroller, for the purpose of ensuring the state meets its responsibility to review and assess managed care organizations, including health management organizations, prepaid health services plans, and HIV special need plans that provide health insurance coverage through the New York state Medicaid program, for compliance with federal and state mental health and substance use disorder parity requirements.

2. (a) Upon completion of such audit, the state comptroller shall publish a report that details the results of such audit including, but not limited to, a determination of the state's effectiveness in measuring and evaluating Medicaid managed care organizations for compliance with statutory and regulatory requirements pursuant to article forty-four of the public health law. Such requirements to be considered and evaluated shall include annual reports of complaints of fraud and abuse,

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

LBD09647-01-5

as well as a plan to remedy such deficiencies submitted by Medicaid managed care organizations, managed care organization compliance in maintaining a network of health care providers adequate to meet the needs of plan enrollees, and adherence to federal and state mental health and substance use disorder parity requirements by managed care organizations. The state comptroller shall also determine if each Medicaid managed care organization is compliant with federal and state requirements and provide thorough explanations detailing the reason, or reasons for each Medicaid managed care organization compliance determination.

(b) The state comptroller shall provide such report to the governor, the attorney general, the temporary president of the senate, the speaker of the assembly, the minority leader of the senate, the minority leader of the assembly, the chair and the ranking member of the senate committee on alcoholism and substance use disorders, the chair and the ranking member of the assembly committee on alcoholism and drug abuse, the chairs and the ranking members of the senate and the assembly committees on health, and the chairs and the ranking members of the senate and the assembly committees on mental health no later than the first day of July of the year immediately succeeding the effective date of this section. Subsequent reports detailing results and determinations of the comptroller shall be completed and published at least once every three years following publication of the first such report on or before the first day of July.

§ 2. This act shall take effect immediately.