

STATE OF NEW YORK

7518

2025-2026 Regular Sessions

IN SENATE

April 21, 2025

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

AN ACT to amend the public health law, in relation to payment rates for managed long term care plans

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

1 Section 1. Subdivision 8 of section 4403-f of the public health law,
2 as amended by section 21 of part B of chapter 59 of the laws of 2016, is
3 amended to read as follows:

4 8. (a) Payment rates for managed long term care plan enrollees eligi-
5 ble for medical assistance. The commissioner shall establish payment
6 rates for services provided to enrollees eligible under title XIX of the
7 federal social security act. Such payment rates shall be subject to
8 approval by the director of the division of the budget and shall reflect
9 savings to both state and local governments when compared to costs which
10 would be incurred by such program if enrollees were to receive compara-
11 ble health and long term care services on a fee-for-service basis in the
12 geographic region in which such services are proposed to be provided.
13 Payment rates shall be risk-adjusted to take into account the character-
14 istics of enrollees, or proposed enrollees, including, but not limited
15 to: frailty, disability level, health and functional status, age,
16 gender, the nature of services provided to such enrollees, and other
17 factors as determined by the commissioner. The risk adjusted premiums
18 may also be combined with disincentives or requirements designed to
19 mitigate any incentives to obtain higher payment categories. In setting
20 such payment rates, the commissioner shall consider costs borne by the
21 managed care program to ensure actuarially sound and adequate rates of
22 payment to ensure quality of care shall comply with all applicable laws
23 and regulations, state and federal, including regulations as to actuari-
24 al soundness for medicaid managed care.

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

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1 (b) Supplemental quality improvement payments. (i) For the period
2 beginning April first, two thousand twenty-five through March thirty-
3 first, two thousand twenty-six, payment rates for managed long term care
4 plans shall be adjusted to increase payments to all plans that (1) have
5 received four or more star ratings for an overall score in the most
6 recently available managed long term care consumer regional quality
7 guide produced by the department on April first, two thousand twenty-
8 five, and (2) have a relative risk score greater than one and one-tenth
9 in effect on April first, two thousand twenty-five. Funding for such
10 rate increases shall be provided by reducing payment rates to plans not
11 eligible for a rate increase pursuant to this paragraph, by one percent
12 or thirty million dollars, whichever is less.

13 (ii) Eligible plans shall receive an amount determined by (1) each
14 eligible plan allocated an equal share of such funding, and (2) multi-
15 plying that amount by one hundred percent for each eligible plan that
16 received a rating of five stars in the managed long term care consumer
17 regional quality guide, and eighty percent for each eligible plan that
18 received a rating of four stars in the managed long term care consumer
19 regional quality guide.

20 § 2. This act shall take effect immediately; provided, however, that
21 the amendments to subdivision 8 of section 4403-f of the public health
22 law made by section one of this act shall not affect the repeal of such
23 section and shall be deemed repealed therewith.