*** § 4403-a. Special purpose certificate of authority.** 1. The commissioner may issue a special purpose certificate of authority to a provider, applying on forms prescribed by the commissioner, seeking to offer a comprehensive health services plan on a prepaid contractual basis either directly, or through an arrangement, agreement or plan or combination thereof to an enrolled population, which is substantially composed of persons eligible to receive benefits under title XIX of the federal social security act or other public programs.

2. A not-for-profit corporation established to operate a hospital pursuant to article twenty-eight of this chapter, a government agency, an entity or a group of entities seeking to provide comprehensive health services pursuant to the provisions of this section may apply for a special purpose certificate of authority; provided, however, that a shared health facility, as defined by article forty-seven of the public health law, shall not be eligible for such a certificate.

3. The commissioner shall not issue a special purpose certificate of authority unless the applicant has demonstrated to the commissioner's satisfaction that the requirements of this article and any regulations promulgated pursuant thereto have been met and will continue to be met, provided, however, that the commissioner may waive one or more of such requirements, or portions thereof, pertaining to financial risk, employer requirements and subscriber contracts if he determines that such waiver will serve to promote the efficient provision of comprehensive health services and that the proposed plan will provide an appropriate and cost-effective alternative method for the delivery of such services in a manner which will meet the needs of the population to be served.

4. (a) No contract for the provision of comprehensive health services pursuant to this section shall be entered into by a local social services district unless the commissioner certifies that all pertinent requirements with respect to financial arrangements, rates, and standards relating to arrangements for and the delivery of patient care services have been satisfied and that the contract and related arrangements will ensure access to and the delivery of high quality,

appropriate medical services including an assurance that recipients' access to preventive health services is not diminished.

(b) No contract for the provision of comprehensive health services to persons eligible for medical assistance under title eleven of article five of the social services law shall be entered into without the approval of the commissioner of social services pursuant to section three hundred sixty-five-a of the social services law and the state director of the budget. The commissioner of social services shall not approve such a contract unless the contract:

(i) provides that enrollment shall be voluntary and contains provisions to ensure that persons eligible for medical assistance will be provided sufficient information regarding the plan to make an informed and voluntary choice whether to enroll or, in the event that enrollment in the entity is pursuant to section three hundred sixty-four-j of the social services law, provides that enrollment in the entity is governed by that section;

(ii) provides adequate safeguards to protect persons eligible for medical assistance from being misled concerning the plan and from being coerced into enrolling in the plan or, in the event that enrollment in the entity is undertaken pursuant to section three hundred sixty-four-j of the social services law, provides that enrollment in the entity is governed by that section;

(iii) establishes adequate opportunities for public review and comment prior to implementation of the plan;

(iv) provides adequate grievance procedures for recipients who enroll in the plan; and

(v) establishes quality assurance mechanisms.

5. A special purpose certificate of authority shall be issued to an approved provider of comprehensive health services for a maximum effective period of twenty-four months subject to the applicable provisions of section forty-four hundred four of this article and provided that federal financial participation is available for expenditures made on behalf of recipients of medical assistance. The commissioner upon application, after consultation with the commissioner of social services, may issue a certificate for an additional period of up to twenty-four months if satisfied that the plan has and will

continue to demonstrate satisfactory performance and compliance with all requirements imposed for initial certification. If the plan provides comprehensive services pursuant to a contract solely to individuals eligible for medical assistance under title eleven of article five of the social services law, the certificate shall expire when (a) the medical assistance contract is revoked or expires and is not extended or renewed or (b) federal approval of the medical assistance contract is withdrawn.

6. All individuals eligible for medical assistance enrolling voluntarily in a comprehensive health services plan offered by an entity with a special purpose certificate of authority will be given thirty days from the effective date of enrollment in the plan to disenroll without cause. After this thirty day disenrollment period, all individuals participating in the plan will be enrolled for a period of six months, except that all participants will be permitted to disenroll for good cause, as defined by the commissioner of social services in regulation.

7. Notwithstanding any inconsistent provision of this section, the commissioner shall issue special purpose certificates of authority pursuant to this section to no more than eighteen entities other than those entities initially authorized by chapter seven hundred fifteen of the laws of nineteen hundred eighty-two and by a chapter of the laws of nineteen hundred eighty-four authorizing the Monroe county medicap demonstration project.

* NB Expires March 31, 2029