*** § 364-g. Medical assistance capitation rate demonstration project.** 1. The department and the county of Monroe are authorized to participate in the "Monroe County Medicap Plan" research and demonstration project, for the purpose of testing the feasibility of converting from a fee for service payment system to a capitation payment system as a means of financing health care services for medicaid recipients residing in Monroe county.

2. The department shall undertake the research and demonstration project authorized by this section only if it has determined that there is a reasonable expectation that the total cost of benefits under such project would be less than the total cost of benefits if the project was not in effect.

3. Expenditures made in connection with the research and demonstration project authorized by this section shall be subject to state reimbursement in accordance with a schedule of reimbursable amounts approved by the department, the department of health and the director of the budget.

4. The department shall, in a manner to be decided upon by the commissioner, determine what portion of the total expenditures made under the research and demonstration project authorized by this section are attributable to the provision of the services specified in paragraph (g) of subdivision one of section three hundred sixty-eight-a of this title, and shall ensure that the increased state reimbursement available for such services shall be provided.

5. Notwithstanding any inconsistent provision of this chapter or any other law to the contrary, the commissioner may, subject to the approval of the director of the budget, apply for appropriate waivers of federal law and regulation, and shall be authorized to waive any provisions of sections three hundred sixty-six, three hundred sixty-seven-b and three hundred sixty-eight-a of this title and accompanying regulations of the department, consistent with waivers approved by the federal department of health and human services, when such action would be necessary to assist in promoting the objectives of this section; provided, however,

that in the event that the research and demonstration project authorized by this section requires a waiver of article twenty-eight or forty-four of the public health law or accompanying regulations of the department of health, the project shall be conducted jointly with the department of health, and the commissioner of health may waive such provisions of the public health law or department of health regulations with the approval of the commissioner and the director of the budget.

6. Every person eligible for or receiving medical assistance who resides in the county of Monroe shall participate in the demonstration project authorized by this section except for good cause as defined by the commissioner in regulation.

7. Notwithstanding any inconsistent provisions of this section, participation in the project authorized by this section shall not affect a recipient's medical assistance eligibility or the scope of available medical services to which he or she is entitled.

8. The department and the county of Monroe shall jointly submit to the governor and the legislature a long term care capitation implementation plan by March thirty-first, nineteen hundred eighty-five.

9. Providers participating in the research and demonstration project authorized by this section shall submit reports to the commissioner, at such times as he may require, evaluating the results of such project.

10. The department shall submit to the governor and the legislature an interim report and a final report evaluating the project's impact on medicaid costs, access to services, quality of services rendered and any other subjects which the commissioner shall deem relevant. The interim report shall be due January first, nineteen hundred eighty-six and the final report shall be due at the conclusion of the project.

11. This section shall be effective if, and as long as, federal financial participation is available for expenditures made for the project conducted pursuant to the provisions of this section.

* NB Expired March 31, 1988 per sub 11