§ 364-kk. Condition of Participation. 1. Notwithstanding any provision of law to the contrary, in addition to the requirements for participation in the medical assistance program as may be required to be met by nursing facilities and assisted living programs, such facilities and programs, adult homes and enriched housing programs receiving payment under this chapter shall enter into arrangements with social services districts to admit, on a priority basis, a number of individuals eligible to have medical assistance paid on their behalf who are otherwise appropriate for nursing facility or other long-term residential care, as described in this section, and whose health and safety reasonably cannot be maintained in their own homes by the provision of personal care services, home health services, or other home and community-based services, as determined by the local social services official pursuant to standards promulgated by the department pursuant to section three hundred sixty-seven-m of this chapter.

2. The department shall by regulation establish a method or formula for determining a fair and equitable distribution of priority admissions under this section in order that all providers of nursing home and long-term residential care services share the responsibility for accepting placements required under subdivision one hereof, and accept such placements, and that no one provider of nursing facility or long-term residential care, group or classification thereof is required to accept a number of such placements as would jeopardize the profitability or viability of such provider, group of providers or classification of providers, or as would otherwise unduly burden or impair the operation, character or continuation of such provider, group of providers, or classification of provider.

3. The commissioners of health and social services shall monitor the implementation of this section and, on or before March first, nineteen hundred ninety-six, report to the governor and legislature on such implementation and the effects thereof and shall include recommendations for continuation or other modifications to the provisions of this section.