§ 365-e. Optional or continued membership in entities offering comprehensive health services plans. 1. In accordance with applicable federal requirements and subject to the approval of the commissioner and the director of the budget, a district shall offer to persons eligible for medical assistance the option of membership in any health maintenance organization or other entity which is certified under article forty-four of the public health law or licensed pursuant to article nine-C of the insurance law or otherwise authorized by law, and which offers comprehensive health services plans to persons residing within the social services district unless granted a waiver by the commissioner on the grounds that the organization or entity is not geographically accessible so as to provide medical assistance to eligible recipients who reside within the district or that the per recipient capitation rate is above the expected average per recipient fee-for-service cost within the local district or that the health maintenance organization or other entity refuses to enter into a contract with the district.

2. Nothwithstanding any inconsistent provision of law, persons who, prior to becoming eligible for medical assistance, are enrolled in a health maintenance organization or other entity offering a comprehensive health services plan shall be offered the option of continuing that enrollment.

3. The commissioner shall offer to social services districts such technical assistance as may be appropriate to assist in the development of contracts between the districts and such entities.