§ 365-n. Department of health assumption of program administration. 1. Notwithstanding the provisions of title two of article three of this chapter or of section three hundred sixty-five of this title or of any other law to the contrary, the commissioner of health (commissioner) is authorized to take actions explicitly authorized by this section that are necessary to transfer responsibility for the administration of the medical assistance program from local social services districts to the department of health (department) by March thirty-first, two thousand eighteen.

2. For purposes of this section, the administration of the medical assistance program includes: processing applications for benefits and services available under this title and title eleven-D of this article; making determinations of initial and ongoing eligibility for such benefits and services; making coverage determinations with respect to benefits and services requiring prior authorization; notifying applicants and recipients of these determinations and of their rights and responsibilities, authorizing benefits and services for persons found eligible; exercising subrogation rights with respect to amounts received from insurance carriers or other liable third parties; imposing liens and pursuing recoveries; and any other such tasks and functions identified by the commissioner.

3. Notwithstanding sections sixty-one, sixty-three, seventy, seventy-eight, seventy-nine, eighty-one and eighty-one-a of the civil service law or any provisions to the contrary contained in any general, special, or local laws, all lawful appointees of a county performing the functions established in subdivision two of this section as of the effective date of this section or any such appointees who meet the open competitive qualifications for positions established to perform these functions will be eligible for voluntary transfer to appropriate positions, in the department, that are classified to perform such functions without further examination, qualification, or probationary period; and, upon such transfer, will have all the rights and privileges of the jurisdictional classification to which such positions are allocated in the classified service of the state.

4. Within one hundred twenty days of the effective date of this section, the department shall develop and implement a local department of social services statement of interest. The statement of interest will elicit from local departments of social services their interest in and capacity to contract with the department to perform the functions established in subdivision two of this section. To the extent practicable and in the best interest of the medical assistance program, the department shall contract with local social services districts to perform all or a portion of the functions described in subdivision two of this section. In no event, however, shall the department, by means of such a contract, delegate its authority to exercise administrative discretion in the administration or supervision of the state plan for medical assistance submitted pursuant to section three hundred sixty-three-a of this title, or to issue policies, rules, and regulations on program matters nor may any contracted entity be given the authority to change or disapprove any administrative decision of the department, or otherwise substitute such entity's judgment for that of the department with respect to the application of policies, rules, and regulations issued by the department. Notwithstanding any inconsistent provision of sections one hundred twelve and one hundred sixty-three of the state finance law, or sections one hundred forty-two and one hundred forty-three of the economic development law, or any other contrary provision of law, the commissioner is authorized to enter into a contract with local departments of social services without a competitive bid or request for proposal process.

5-a. (a) The commissioner may take necessary action to review the accuracy of determinations of initial and ongoing eligibility under the medical assistance program, and to identify and eliminate inappropriate instances of concurrent or duplicate benefits and authorizations. The commissioner is authorized to contract with one or more entities to assist the state in implementing the provisions of this subdivision.

(b) Notwithstanding the provisions of sections one hundred twelve and one hundred sixty-three of the state finance law, or section one hundred forty-two of the economic development law, or any contrary provision of law, the commissioner is authorized to enter into a contract or contracts under paragraph (a) of this subdivision without a competitive

bid or request for proposal process, provided, however, that:

(i) The department of health shall post on its website, for a period of no less than thirty days:

(1) A description of the proposed services to be provided pursuant to the contract or contracts;

(2) The criteria for selection of a contractor or contractors;

(3) The period of time during which a prospective contractor may seek selection, which shall be no less than thirty days after such information is first posted on the website; and

(4) The manner by which a prospective contractor may seek such selection, which may include submission by electronic means;

(ii) All reasonable and responsive submissions that are received from prospective contractors in timely fashion shall be reviewed by the commissioner; and

(iii) The commissioner shall select such contractor or contractors that, in his or her discretion, are best suited to serve the purposes of this section; and

(iv) No contract entered pursuant to this paragraph shall have a term that ends later than March thirty-first, two thousand seventeen.

6. The commissioner shall submit an annual report to the governor, temporary president of the senate, speaker of the assembly, the chair of the senate health committee and the chair of the assembly health committee by December thirty-first, beginning in two thousand twelve and for each year thereafter until the year following full implementation. The initial report shall consist of modifications to the plan developed pursuant to section forty-seven-b of part B of chapter fifty-eight of the laws of two thousand ten, and shall include anticipated implementation of the revised plan, its elements, a timeline for such implementation, recommendations for legislative action, and such other matters as may be pertinent.

The report shall include a plan and timeline for the state to:

(i) assume specific functions related to the administration of the medical assistance program; (ii) coordinate the implementation of provisions of federal law with the assumption of the administration of the medical assistance program; and (iii) address the financing of the

medical assistance program administration and any associated administrative cost relief to local social services districts. The report shall also indicate any function that the state intends to enter into a contract with a public and/or private entity to perform, and the date in which the state anticipates entering into any such contract. In addition, reports shall, at a minimum, indicate: (i) any progress the department has made regarding its proposed timeline, including a summary of all functions assumed by the state during the previous year; (ii) any anticipated and/or actual delay from the proposed timeline; (iii) the reason for any such delay; and (iv) actions the department has undertaken to mitigate any such delay.

7. The commissioner shall promulgate such regulations that are necessary to carry out the provisions of this section. In addition, the commissioner shall make any amendments to the state plan for medical assistance, or develop and submit an application for any waiver or approval under the federal social security act, that are necessary and required to carry out the provisions of this section.