§ 366-i. Long-term care financing demonstration program. 1. Notwithstanding any inconsistent provision of sections three hundred sixty-six or three hundred sixty-six-c of this title, or any other provision of law, the commissioner of health is authorized to develop the long-term care financing demonstration program, an alternative program for the establishment of eligibility under the medical assistance program for up to five thousand persons.

2. The provisions of this section shall not take effect unless all necessary approvals under federal law and regulation have been obtained to receive federal financial participation in the costs of health care services provided to persons determined to be eligible for medical assistance pursuant to this section.

3. Defined private contribution. Upon being determined eligible for the demonstration, a person shall disclose his or her household's resources and income to the local social services district, or an entity acting on behalf of such district pursuant to subdivision five of this section, and shall enter into an agreement with such district or entity. The agreement shall require the person to apply a defined private contribution toward the cost of institutional or non-institutional long-term care, as defined by the commissioner in regulations. Such regulations shall provide for two levels of contribution: (a) a level that would permit a full medical assistance resource exemption pursuant to paragraph (a) of subdivision four of this section; and (b) a level or levels that would permit a medical assistance resource exemption that is equivalent to the value of the contribution pursuant to paragraph (b) of subdivision four of this section.

4. Medical assistance eligibility. Upon completion of the defined private contribution required by such agreement, the person may apply for medical assistance under this title and, if otherwise eligible, shall be eligible for such assistance either: (a) in the case of an individual who opts for a contribution level under paragraph (a) of subdivision three of this section, without regard to otherwise applicable resource requirements of this title; or (b) in the case of an individual who opts for a contribution level under paragraph (b) of

subdivision three of this section, without regard to an amount of resources that is equivalent to the value of the contribution. In either case, eligibility for medical assistance under this title shall, with respect to the amount of resources that are exempt from consideration under this subdivision, be without regard to the lien and estate recovery provisions of section three hundred sixty-nine of this title; provided, however, that nothing herein shall prevent the imposition of a lien or recovery against property of an individual on account of medical assistance incorrectly paid.

5. The commissioner is authorized to enter into a contract with a private entity to assist in the administration of the demonstration program established by this section. Such a contract may include, without limitation, assistance in the development of the criteria for the defined private contribution, drafting of the defined contribution agreement, accepting and processing applications for demonstration participation under this section, and accepting and processing applications for medical assistance for demonstration participants. Notwithstanding any inconsistent provision 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 other law, the commissioner is authorized to enter into a contract under this subdivision without a competitive bid or request for proposal process.

6. If the commissioner exercises his or her authority to implement a demonstration program under this section he or she shall submit a report to the governor, president pro tem of the senate and speaker of the assembly by the first day of November, two thousand fifteen, on the implementation of this section. Such report shall include a statement as to the extent to which individuals have opted to participate in the demonstration, an analysis of the impact of the demonstration on medical assistance program long-term care costs, any recommendations for legislative action, and such other matters as may be pertinent.