§ 369-n. Relationship of program to medical assistance program. 1. Any person eligible for medical assistance benefits under title eleven of this article or who would be eligible for such benefits if an application were to be made pursuant to section three hundred sixty-six of this article shall not be eligible for the payment of all or part of such person's health insurance costs under this program. If all members of a household can establish eligibility for medical assistance benefits under the excess income program by use of paid or incurred bills, no person in that household shall be eligible for the payment of all or part of such person's health insurance costs under this program.

2. Notwithstanding any inconsistent provision of law, expenditures incurred by social services districts under this title related to program expenses shall be considered expenditures under the program of medical assistance for needy persons under title eleven of this article and there shall be paid to each such district fifty percent of the amount expended by such district under this title, and for the administration thereof, after first deducting therefrom any federal funds properly received or to be received on account thereof.