



121 STATE STREET
ALBANY, NEW YORK 12207-1693
TEL: 518-436-0751
FAX: 518-436-4751

March 4, 2026

RE: AN ACT to amend the social services law on the public health law, in relation to establishing a quality incentive program for managed care providers

A.2044 (Paulin)
S.6266 (Salazar)

MEMORANDUM IN SUPPORT

Submitted on behalf of the Blue Cross and Blue Shield Plans

The New York State Conference of Blue Cross and Blue Shields Plans strongly supports the enactment of this bill, which would codify quality incentive programs (“QIPs”) for New York State’s Medicaid Managed Care (“MMC”) and Managed Long Term Care (“MLTC”) programs, rewarding managed care organizations (“MCOs”) that meet quality objectives set by the New York State Department of Health (“DOH”). This bill would provide the greatest level of funding to those MCOs with the highest quality scores and would fund these QIPs at a level of 1% of the total annual premium paid to MCOs, or \$300 million, whichever is greater.

Under its administrative authority, the DOH currently operates QIPs which aim to ensure high-quality care for enrollees through incentives to MCOs. These incentives fund critical investments and quality initiatives and other services which would not otherwise be covered by Medicaid. These investments result in higher quality infrastructure, programs, and resources allocated to enrollees, and reduce any systemic health disparities often faced by MCO enrollees. Such incentives are therefore instrumental to ensure that these vulnerable populations receive the quality of care they deserve.

Unfortunately, QIPs have repeatedly been targeted for funding reductions by the Executive, including the FY 2025 Executive Proposal to eliminate funding for QIPs altogether. This bill would codify QIPs, remove their funding jeopardy, and ensure that enrollee quality of care is prioritized by State funds.

Additionally, this bill would require the DOH to set quality objectives to be met by MCOs in advance of the period during which the quality is measured. This structure would allow both MCOs

and healthcare providers to collaborate in advance of the quality measurement period. As typically QIPs are structured around a specific enrollee concern, such as certain screenings or immunizations, such collaborations are vital to ensure that the quality objectives are met, ultimately benefiting MCO enrollees through better healthcare outcomes.

For the foregoing reasons, the New York State Conference of Blue Cross and Blue Shield Plans supports this bill and urges that it be enacted.

Respectfully submitted,

HINMAN STRAUB ADVISORS, LLC
Legislative Counsel for the Blue Cross and Blue Shield Plans