



STATE OF NEW YORK  
EXECUTIVE CHAMBER  
ALBANY 12224

APPROVAL # 94  
CHAPTER # 812

December 28, 2022

MEMORANDUM filed with Assembly Bill 9542, entitled:

“AN ACT to amend the public health law, in relation to the program of all-inclusive care for the elderly (PACE)”

APPROVED

This bill establishes a state-level consolidated Program of All-inclusive Care for the Elderly (PACE). PACE is a federally regulated comprehensive and community-based model of care that coordinates medical, behavioral, and social services for individuals ages fifty-five and older who have high care needs but can remain safely in the community. PACE programs offer an all-inclusive integrated model, in contrast to the Managed Long Term Care plans (MLTCs) that only cover certain Medicaid services like nursing home or home care services without social services. The current PACE programs in New York are operated by private health insurance companies who independently develop the all-inclusive benefit plans for members in accordance with broad federal and State requirements: PACE programs must be licensed in New York as MLTCs and must carry licenses for each service category they cover. The result of the current approach is a patchwork of inconsistent care that varies depending on the health insurance company of the enrollee. Additionally, the PACE programs are struggling to succeed in the current environment given the multiple existing regulatory standards.

I recognize the need for a State-level program, as I proposed in my Fiscal Year 23 Executive Budget, and this legislation is a worthy effort to create such a program. However, a number of technical issues exist within this legislation as drafted. These include the authority for PACE programs to act as fiscal intermediaries, narrower eligibility standards, and the need for regulations.

To that end, I have reached an agreement with the Legislature to address these issues and start the process for PACE program licensure sooner. The expanded access to these comprehensive services will reach more New Yorkers as our aging population grows.

With these changes, I am pleased to sign this legislation into law.

This bill is approved.

*Ruth Hochul*