

~~(F) A CAPITATION ADJUSTMENT UNDER THIS SECTION MAY NOT BE MADE IF, FOR THE CALENDAR YEAR FOR WHICH AN ADJUSTMENT IS CONSIDERED:~~

~~(1) THE 3 YEAR AVERAGE MEDICAL LOSS RATIO OF THE MANAGED CARE ORGANIZATION IS LESS THAN 85%, BUT EQUAL TO OR GREATER THAN 80%; AND~~

~~(2) (I) THE SERVICE COUNT RATIO, WHICH IS THE NUMBER OF SERVICES COMPARED TO THE AVERAGE YEARLY ENROLLMENT, FOR THE MANAGED CARE ORGANIZATION IS AT OR ABOVE THE AVERAGE MANAGED CARE ORGANIZATION SERVICE COUNT RATIO FOR ALL MANAGED CARE ORGANIZATIONS AS DETERMINED BY THE SECRETARY; OR~~

~~(II) THE MANAGED CARE ORGANIZATION ACHIEVED:~~

~~1. "ACCEPTABLE" SCORES FOR ALL ELEMENTS OF THE SECRETARY'S QUALITY PERFORMANCE INITIATIVE; OR~~

~~2. AT LEAST AS MANY "INCENTIVE" SCORES AS "DISINCENTIVE" SCORES.~~

~~(G) (1) A MANAGED CARE ORGANIZATION THAT IS SUBJECT TO AN ADJUSTMENT UNDER THIS SECTION:~~

~~(I) SHALL RECEIVE NOTICE THAT AN ADJUSTMENT IS BEING CONSIDERED AND THE GROUNDS FOR THE ADJUSTMENT; AND~~

~~(II) IS ENTITLED TO A HEARING UNDER THE TITLE 10, SUBTITLE 2 OF THE STATE GOVERNMENT ARTICLE.~~

~~(2) THE FILING OF A REQUEST FOR A HEARING SHALL STAY THE IMPLEMENTATION OF THE ADJUSTMENT.~~

~~(H) (1) AS PART OF A QUALITY PERFORMANCE INITIATIVE AND IN ORDER TO ENSURE THE DELIVERY OF QUALITY HEALTH CARE BY MANAGED CARE ORGANIZATIONS, THE SECRETARY, IN CONSULTATION WITH THE COMMISSIONER AND IN ACCORDANCE WITH THEIR MEMORANDUM OF UNDERSTANDING, MAY ADJUST CAPITATION PAYMENTS FOR A MANAGED CARE ORGANIZATION.~~

~~(2) THE QUALITY PERFORMANCE INITIATIVE UNDER THIS SUBSECTION SHALL:~~

~~(I) BE BASED ON A CORE SET OF PERFORMANCE STANDARDS AND QUALITY MEASURES THAT:~~

~~1. ARE RELEVANT TO AND IN PROPORTION TO THE POPULATIONS SERVED BY THE MANAGED CARE ORGANIZATIONS;~~

~~2. ACCOMMODATE DIFFERENCES AMONG MANAGED CARE ORGANIZATIONS IN TERMS OF STRUCTURE, HEALTH CARE DELIVERY SYSTEM, AND POPULATION SERVED;~~