

March 13, 2024
HCP Memo 2024-4

MEMO IN SUPPORT

Legislative Budget Bills enacting into law major components of legislation
necessary to implement the State Fiscal Year 2024-2025 Budget

Aid to Localities: A8803-B / S8303-B
Health and Mental Hygiene Article VII: A8807-B / S8307-B

Introduction

The New York State Association of Health Care Providers, Inc. (HCP) supports these bills which address areas of deep concern to the home care industry within the Executive Budget Proposal and related 30-day amendments.

Discussion

HCP commends the legislature for including the following actions within the Assembly and Senate Aid to Localities (A8803-B / S8303-B) and Health and Mental Hygiene Article VII (A8807-B / S8307-B) bills.

- Buying back the unallocated Medicaid reductions included in the Executive Budget Proposal and adding a 3% across-the-board Medicaid rate increase are good first steps, however, Licensed Home Care Services Agencies (LHCSA) and other home care agencies were not awarded any additional funding like hospitals, skilled nursing homes, hospice, and the Assisted Living Program were, and have been historically.
- Rejecting the governor's proposal to cut Personal Assistants in the Consumer Directed Personal Assistance Program (CDPAP) from Worker Wage Parity (WWP) benefits.
- Rejecting the governor's proposals to eliminate designated representatives from the CDPAP program, require an authorization process for Fiscal Intermediaries, and prohibit common ownership and control relationships between LHCSAs, MLTCs, and Fiscal Intermediaries.
- Rejecting the governor's Hospital at Home amendments to PHL 2805-x and the community paramedicine program.
- Including OMIG reform as reflected in S5239-C (Harckham) / A6813-B (Paulin) begins to bring fairness and due process to the OMIG audit process.

We do, however, continue to recommend further increase of 10% or more for home care agencies to ensure the elderly, disabled, and the loved ones of families have access to care at home instead of long-term institutionalization in hospitals or nursing homes. Your constituents deserve nothing less.

The New York State Association of Health Care Providers, Inc. (HCP) is a statewide trade association representing the full spectrum of home and community-based care providers through information, advocacy, and education. HCP represents licensed home care services agencies, certified home health agencies, fiscal intermediaries, and related health organizations. Through a strong network of regional chapters and an active State office in Albany, HCP is a primary authority of the home health care industry.

We also ask that both houses work to pass into law A7335 (Paulin) / S6963 (Rivera), the **Fair Pay Accountability Act**. Including it in the budget will help ensure that home care providers receive fair reimbursement from private insurers, thereby enabling them to offer adequate wages and benefits to home care workers.

Home care worker wages and adequate reimbursement rates for their employers are inextricably linked and inseparable. The 2024 state budget brought predictability to the wage side of this equation. This legislation helps to solve the reimbursement side of the equation and must be included as a component of any reforms to the Medicaid payor structure. The Fair Pay Accountability Act is comprised of the following:

- Defines elements comprising reimbursement rates, ensuring they cover direct care-related payments, operational expenses, and administrative costs. Operational expenses have not been adequately funded nor adjusted in more than a decade, leaving many agencies to make do with negative margins.
- Establishes a regional minimum hourly base reimbursement rate for home care and personal care.
- Provides annual adjustments to reimbursement rates based on a transparent trend factor.
- Requires the Department of Health to establish accountability measures and publicly post relevant data.

Conclusion

HCP supports the Assembly and Senate Aid to Localities (A8803-B / S8303-B) and Health and Mental Hygiene Article VII (A8807-B / S8307-B) bills, which correct, omit, or reject many of the destabilizing proposals advanced by the governor. HCP remains committed to working collaboratively to ensure equitable and effective policies for the benefit of all stakeholders in the home care sector.

About HCP

Through advocacy, information, and education, HCP influences the future of the home care industry and leads it in adapting, evolving, and thriving in an ever-changing health care environment. We contribute to setting the standards for quality, cost-effective care, and firmly believe that patients do better at home.