

January 29, 2022

The Honorable Kathy Hochul  
Governor  
New York State  
The Capitol  
Albany, NY 12224

Re: Executive Budget Proposal to Competitively Procure Managed Long Term Care Plans

Dear Governor Hochul:

I am writing on behalf of LeadingAge New York and its not-for-profit, mission-driven members to request that your upcoming amendments to the Executive Budget *withdraw* the proposal to conduct a competitive procurement of managed long term care (MLTC) plans. This proposal and the upheaval it will cause will be detrimental to older adults and people with disabilities and the providers that serve them.

Our members participate in the MLTC program both as network providers of MLTC plans and as plans sponsored by not-for-profit, long-term care providers. Providers and the people they serve benefit from partnerships with mission-driven MLTC plans that have close connections to their communities and a deep understanding of the challenges that consumers and providers face. Over the course of the pandemic, MLTC plans and their network providers have been a critical lifeline to older adults and people with disabilities, who continue to experience the effects of isolation, loss of informal supports, shortages of formal caregivers, and associated cognitive and physical decline.

*The State should continue to embrace MLTC plans sponsored by non-profit long-term care providers.*

The apparent aim of this procurement proposal is to significantly narrow the Medicaid managed care market in New York and potentially shift the State's managed care contracts to large national or statewide insurers that do not specialize in high-needs populations. At least with respect to the MLTC program, this goal is misguided. With an exclusive focus on the needs of older adults and people with disabilities, MLTC plans sponsored by non-profit LTC providers are uniquely equipped to provide person-centered care management, enabling consumers to optimize independence and quality of life. We are concerned that relying on large insurers that focus on non-elderly, non-disabled populations will be detrimental to the people we serve.

Moreover, from a provider perspective, having the opportunity to partner with specialized plans that understand the operations and challenges of their network providers is beneficial to both the providers and consumers. It is easier to resolve problems with a plan that has a commitment to the community and to the people who live and work there.

*It is the wrong time to disrupt established relationships with MLTC plans and, as a result, caregivers.*

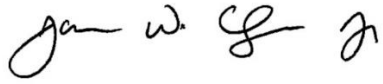
A competitive procurement that substantially reduces the number of plans eligible to serve older adults and people with disabilities will require the transition of tens of thousands of vulnerable individuals to new plans with networks that might not include the individuals' existing providers. This disruption of regular sources of care will be distressing and potentially harmful to Medicaid beneficiaries. At the same time, long-term care providers are struggling financially with increased costs of providing services as a result of the pandemic and staffing shortages. Massive shifts of patients and residents to new payers will inevitably disrupt not only established caregiver relationships, but also authorizations for services and reimbursement of providers.

Our long-term care system and the beneficiaries we serve cannot sustain additional upheaval and depletion of funding. It will take several years to recover and stabilize from the impacts of the pandemic. Long-term care providers are likely to remain weakened through FY 2023 when the procurement awards are slated to be made. This proposal will only exacerbate the situation.

We urge you to retract this proposal in your amendments to the Executive Budget and look forward to working with you on efforts to ensure access to high-quality long-term care in New York.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "James W. Clyne, Jr." with a stylized flourish at the end.

James W. Clyne, Jr.  
President and CEO

Cc: Angela Profeta  
Brett Friedman