

Howard A. Zucker, M.D., J.D.,
Acting Commissioner of Health

NEW YORK
state department of
HEALTH

Sue Kelly
Executive Deputy Commissioner

August 21, 2014

Dear

During the past few years there has been a rapid growth of Managed Long Term Care (MLTC) enrollment, in part due to the implementation of Medicaid Redesign projects to transition fee for service community based long term care services to a managed care environment. As a result of these initiatives, the Department received numerous questions related to licensed or certified home health agencies that provide home health services through contractual arrangements with managed care plans.

As an initial response to these inquiries on January 24, 2014 the Department issued DAL: HCBS 14-01, Subject: Home Health Services in Managed Care Plans, providing policy guidance that home health services provided under the Medicaid home health benefit must be provided by an entity that meets the federal Conditions of Participation (CoPs) for Medicare. Subsequent clarifications in response to industry questions were issued on February 14, 2014 DAL: HCBS 14-03, and May 20, 2014 DAL: HCBS 14-06. The clarifications indicated that the initial directive of January 24, 2014 applied to all types of Managed Long Term Care plans and full compliance was required by September 2, 2014.

Upon further review of the information recently presented by the New York State Coalition of MLTC and PACE Plans, LeadingAge New York, and the National PACE Association, the Department has concluded that the federal PACE regulations and national standards of PACE practice provide the opportunity for the delivery of home care within the PACE model through a Licensed Home Care Services Agency issued a license pursuant to Public Health Law § 3605.

Based on this determination, PACE plans are not required to comply with the DAL: HCBS 14-01 directive. If you have any questions regarding this please contact Margaret O. Willard, Director, Bureau of Managed Long Term Care, at 518-474-6965.

Sincerely,



Mark L. Kissinger
Director, Division of Long Term Care

cc: James W. Lytle, Esq.
Daniel J. Tarantino, Esq.