

## Ensure Access to Quality Home and Community-Based Services – Invest Now

Home and community-based services (HCBS) providers continue to confront daunting financial and workforce challenges. Demand for community-based care continues to soar due to changing preferences and our growing population of older adults. Inadequate Medicaid rates, inflation, and unprecedented workforce shortages contribute to the financial and operational instability of home care agencies, resulting in access issues.

HCBS providers are being forced to limit patient admissions because they are unable to find sufficient staff. This has a negative ripple effect on the entire health care system, delaying hospital and nursing home discharges to the community due to insufficient home care capacity. This, in turn, further delays access to emergency department and hospital services for the broader community. Medicaid's failure to pay long-term care (LTC) providers rates that cover the costs of operating and offering competitive wages is directly causing long wait lists and diminished access to care at home for older adults, people with disabilities, and those with post-acute care needs.

### LeadingAge New York urges the following budget actions to support access to high-quality HCBS:

**Support Investment in Home Care and Hospice Workforce:** Certified home health agencies (CHHAs) and hospice programs are receiving growing numbers of referrals of complex patients and struggle to admit and serve them due to nursing and clinical staff shortages. Staffing shortages, payment challenges, and other policy barriers contribute to New York's position at 50<sup>th</sup> in the nation in hospice utilization. Similarly, licensed home care services agencies (LHCSAs) are unable to admit patients due to lack of nursing and aide staff. The problem is worse in communities already hit hard by health disparities. Like nursing homes, amidst a severe nursing shortage, home care agencies and hospice programs are increasingly unable to admit patients from hospitals, resulting in overall system backups and a lack of patient access to care.

HCBS providers play an increasingly significant role in the broader health care system and need support. We urge the State to provide significant funding for LHCSAs, CHHAs, and hospice providers to help agencies tackle the workforce crisis. Funding is needed for financial incentives for frontline staff, nurse residency programs, nursing school collaborations, and to secure transportation to patients' homes. We urge the inclusion of the language in A.7568 (*Paulin*) in the budget, along with significant funding attached for such support.

**Increase Medicaid Reimbursement for Adult Day Health Care (ADHC) and Oppose Executive's Nursing Home Capital Rate Cuts:** ADHC programs were ordered by the State to be closed during the height of the pandemic, with no sense of when they would be able to reopen. This created great uncertainty and loss of critical support for the registrants. The programs were finally authorized to reopen in late March 2021, but by that time were depleted of staff and revenue. Sadly, *only 55 of the 115 licensed ADHC programs are open to date*. Many are struggling to stay open due to staffing shortages and reimbursement challenges. *There are over 24 counties that used to have one or more ADHC programs and are now without a single program. Further, the Bronx has only one open ADHC program and four others that remain closed.*

We urge the State to set the ADHC rate at 65 percent of the nursing home operating rate, with a standard floor rate for upstate and downstate programs, to allow ADHC programs to fully reopen and rebuild. The State has voiced its commitment to making HCBS options available so that individuals can age in place and in their communities, and ADHC programs are such an option. An integrated care team provides registrants who live in the community with skilled nursing care, personal care, socialization, recreation, and meals in a day program setting. ADHC programs defer nursing home placement and prevent hospitalization. ADHC programs provide a greater quality of life for registrants, as well as Medicaid savings for the State. We also urge the Legislature to oppose the Executive's 10 percent capital rate cut for nursing homes, which would negatively impact ADHC programs.

**Preserve Consumer Choice and Provider-Sponsored Managed Long-Term Care (MLTC) – Block Competitive**

**Procurement and Reject A.8470/S.7800:** The competitive procurement of MLTC plans proposed in the Governor's budget would limit consumer choice and disrupt established provider relationships. It would advantage large insurers that focus on non-elderly, non-disabled populations, abandoning the specialized expertise and commitment of our MLTC plans sponsored by non-profit LTC providers. The proposal, under A.8470/S.7800, to eliminate partially capitated MLTC plans would also disrupt access to care and established relationships with care managers and is unlikely to achieve the anticipated savings. Local social services districts are not equipped to assume the responsibility of developing care plans and approving personal care hours and other services for hundreds of thousands of Medicaid beneficiaries, nor are they likely to assume the responsibility currently held by MLTC plans of ensuring adequate access to a network of providers.

**Reject Hospital at Home Provisions:** The Executive Budget would expand the Home Care-Hospital-Physician Collaboration Program (Public Health Law 2805-x) by allowing additional providers to participate and authorizing hospitals to provide expanded care in patient homes without home care agency or hospice licensure. This proposal provides a loophole enabling hospitals to bypass certificate of need processes and operating regulations for home care and hospice, such as mandated patient assessments, specific wage mandates, and more. LeadingAge New York supports collaborations among providers to facilitate seamless care transitions and optimize access to care for people who are unable to leave their homes. However, the State should not create an uneven regulatory playing field for in-home services or divert funding from the long-term/post-acute care (LTPAC) sector to the hospital sector. Hospital services are generally more expensive than those provided by LTPAC providers, and hospitals lack the specialized expertise in delivering in-home care. These models should be true collaborations with existing LTPAC providers that serve patients well. All participating providers should receive appropriate funding.

**Support Funding for Aging Services:** LeadingAge New York supports increased funding for the Expanded In-Home Services for the Elderly Program (EISEP) and Community Services for the Elderly (CSE) program, including additional funds to address unmet needs of the elderly. These programs have not received additional funding to account for the home care worker minimum wage mandate. EISEP and CSE are critical programs that deliver care to individuals who are not quite Medicaid-eligible. We also support continued funding for Naturally Occurring Retirement Communities (NORCs) and Neighborhood NORCs (N/NORCs), including a restoration of \$1M in supplemental funding for nursing services provided as part of the N/NORC program. We request additional funding of \$1.5M to expand the N/NORC program. This program also delivers support and services to keep people well in the community and delay or prevent the need for reliance on Medicaid.

**Contact for Questions:** Meg Everett, [meverett@leadingageny.org](mailto:meverett@leadingageny.org)

LeadingAge New York

13 British American Blvd., Suite 2 | Latham, New York 12110-1431 | P 518.867.8383 | F 518.867.8384 | [www.leadingageny.org](http://www.leadingageny.org)

*Inspire Serve Advocate*