

Invest in Certified Home Health Agencies and Promote Rates That Match the Cost of Care

LeadingAge New York supports additional investment in Certified Home Health Agency services to address unmet need for home health care and rate methodology updates as reflected in A.1493 and A.7013-A (Paulin).

Certified Home Health Agencies (CHHAs) are critical providers of care for patients requiring additional services and rehabilitation therapy after a hospital or short-term nursing home stay. CHHAs provide homebound patients with skilled nursing, physical therapy, occupational therapy, and speech therapy, as well as certain other skilled services, equipment, and supports. This care is distinct from services provided through the Consumer Directed Personal Assistance Program or a Licensed Home Care Services Agency.

CHHAs statewide are in financial distress and require investment and policy support from the State to ensure their sustainability and sufficient capacity in home health care. Inadequate payment from government payers is limiting access to CHHA services and driving CHHA closures. Although demand for CHHA services continues to grow, longstanding challenges in recruiting and retaining home health nurses and aides remain, resulting in unmet need and communities where CHHA services are simply unavailable. According to VNS Health research, approximately 25 percent fewer patients received CHHA services statewide in 2023 than in 2019. Further, the Bronx, the Capital Region, and the Finger Lakes have seen a 33-40 percent decline in home health services. Lack of access to CHHA services can result in increased re-hospitalizations, nursing home admissions of those who cannot access skilled care in their homes, higher costs per patient, and higher mortality rates.

LeadingAge New York requests your action on the following items:

- Include in the final budget at least \$60M (\$30M State share) to meet the need for CHHA services, especially in underserved areas.
- Authorize the State Department of Health (DOH) to update CHHA Medicaid Episodic (EPS) rates to account for inflation, workforce needs, and regulatory changes as indicated in A.7013-A.
- Direct DOH to make available to managed care plans (Medicaid, Child Health Plus, and Essential Plans) the Episodic Payment System, along with a notice that EPS is the standard Medicaid payment method.

Contact: Sarah Daly, sdaly@leadingagency.org, or Meg Everett, meverett@leadingagency.org