



January 6, 2012

Mr. Jason Helgerson  
Deputy Commissioner and Medicaid Director  
New York State Department of Health  
Office of Health Insurance Programs  
Corning Tower  
Empire State Plaza  
Albany, NY 12237

Dear Mr. Helgerson:

I write to follow up on a letter sent to you on December 20 by Patrick Conole, HCA's Vice President of Finance and Management regarding the Department of Health's recoupment policies for New York State's home and community-based care providers that are impacted by rate reductions enacted in the 2011-12 state budget agreement. In the letter, HCA asked for a meeting with you to discuss several sensible revisions that the Department could institute that would greatly mitigate or soften the impact of the Department's rate reconciliation/recoupment efforts.

The reason for HCA's December 20 outreach and recommendations is rooted in the fact that New York State's provider community, comprised of Licensed Home Care Services Agencies (LHCSAs), Certified Home Health Agencies (CHHAs), Long Term Home Health Care Providers (LTHHCPs), after years of steady reimbursement cuts and recent far-reaching policy changes, is greatly destabilized and struggling to remain financially stable and plan for future financial viability to maintain their mission of providing care to patients.

While HCA has not yet received a response to our December 20 letter, we were pleased to learn of your letter of January 3 sent to New York City (NYC) Personal Care Agency Providers, informing these providers that the Department would be suspending future collection of the two percent Medicaid payment reduction (which is imposed on CHHAs as well as Personal Care Providers as a result of the 2011-12 state budget agreement). While HCA applauds the Department's suspension of this onerous cut to NYC providers, we also urgently ask the Department to similarly suspend the parallel two percent reduction that was also imposed on Personal Care Programs outside of NYC as well as CHHAs. In addition, HCA would ask the Department to similarly suspend the equivalent gross receipts tax that was imposed on LTHHCPs and the applicable reduction imposed on Managed Long Term Care Plans (MLTCs) as part of the 2011-12 state budget agreement.

Your letter of January 3 cites as the reason for the Department's suspension of the two percent Personal Care Provider reduction that, "the Department has been informed that certain NYC personal care vendors are taking steps to dramatically change their terms with certain members of their workforce." While this is certainly the case, the same is true for the actions being taken by CHHAs and LTHHCPs and Personal Care Programs outside of NYC in response to the imposition of the two percent cut and the increase in the gross receipts tax. In addition, MLTCs are challenged to adapt to the new mandatory enrollment paradigm, in which they will be accepting a high volume of patients, including many with significantly intense needs. I am sure that the Department is equally concerned with the financial distress of other non-NYC, non-personal care program providers and would be offering similar suspension to these other home care providers (CHHAs, LTHHCPs, MLTCs) and those providing care to patients outside of NYC.

I look forward to your expeditious favorable response and would be happy to speak with you directly about this or other issues of concern.

My best regards,



Joanne Cunningham  
President

Cc: Hon. Dean Skelos, Senate Majority Leader  
Hon. Sheldon Silver, Assembly Speaker  
Hon. John DeFrancisco, Chair, Senate Finance Committee  
Hon. Herman Farrell, Chair, Assembly Ways and Means Committee  
Hon. Kemp Hannon, Chair, Senate Health Committee  
Hon. Richard Gottfried, Chair, Assembly Health Committee  
Hon. Catharine Young, Chair, Legislative Commission on Rural Resources  
Hon. Aileen Gunther, Vice-Chair, Legislative Commission on Rural Resources  
Hon. Nirav R. Shah, M.D., M.P.H, Commissioner of Health  
Hon. James Cox, Medicaid Inspector General