

HCA MEMORANDUM OF SUPPORT



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HCA, New York State's premier home care association, represents more than 400 providers, individuals and associate members who collectively serve thousands of New Yorkers.

Home care encompasses a broad spectrum of services delivered at home to patients who are disabled, chronically ill, recovering from an illness, or have other health-related needs that can be met in the home setting.

*"Helping New Yorkers **Feel Right** at Home"*

TO: Members of the New York State Legislature

RE: S.7916 (Senator David Valesky), A.1170 (Assemblywoman RoAnn Destito): Article 6 Reimbursement for County Home Care and Hospice Providers

Date: June 1, 2010

The Home Care Association of New York State, Inc. (HCA) strongly supports the above referenced legislation, S.7916 by Senator David Valesky and A.11170 by Assemblywoman RoAnn Destito that would preserve reimbursement for county-sponsored home health and hospice providers under Article 6 of the Public Health Law.

The proposed 2010-11 Executive Budget includes a provision that would eliminate Article 6 reimbursement for home health and hospice services delivered by county health departments. The state Department of Health has submitted two proposed rules in the May 5, 2010 New York State Registry to administratively institute these changes as the budget has not yet been adopted.

For many areas of the state, county-sponsored home care agencies are the safety net of the service delivery system. They provide vital public health services, including urgent responses to epidemics such as the H1N1, flu and other immunization needs, preventive health screening and intervention, maternal and child health care, emergency response in natural disasters, and other services.

These agencies are pivotal to the functioning of the entire health system in their communities, providing safe and appropriate care upon hospital discharge, permitting more appropriate and cost-effective use of hospital and nursing home services, enabling patients to avoid premature or unnecessary nursing home placement, reducing rates of hospitalization and rehospitalization among the post acute and chronically ill, and providing and coordinating home care in all corners of their region, undeterred by mountainous terrain, navigating to homes situated on islands or other geographic barriers or distances.

The challenges and financial pressures that beset these essential-access and mission driven agencies are extraordinary. Our examination of the independently certified cost reports filed with the state by county agencies shows continuing and alarming levels of operating loss, which is attributable to inadequate state support, unfunded mandates, repeated state budget cuts, managed care plan tactics and rising patient need. State support for these agencies' services through the Medicaid reimbursement system is

already dangerously inadequate, shifts disproportionate financial burden to counties and, as a consequence, is forcing the increasing loss of county-provided home care. The elimination of Article 6 reimbursement will represent the final, devastating blow for many counties and irreparably damage the infrastructure there and elsewhere.

Last year when the Department of Health made a similar proposal legislatively, it was soundly rejected by the Legislature, for the reasons stated above. Now the Department has moved to circumvent the Legislature by using the regulatory process in a manner that would abdicate the state's commitment to counties under Article 6 of the public health law.

HCA urges passage of this legislation preventing the Department of Health from circumventing the Legislature and causing irreparable harm to New York's public health system.