

July 9, 2008

Honorable David A. Paterson
Governor, State of New York
State Capitol
Albany, New York 12224

Dear Governor Paterson:

On behalf of the Home Care Association of New York State (HCA), the Healthcare Association of New York State (HANYS), the New York Association of Homes and Services for the Aging (NYAHSA) and the New York State Association of Health Care Providers (HCP), we write to ask for your support for enhancements to the Long Term Home Health Care Program (LTHHCP) through the upcoming waiver renewal process.

The LTHHCP is supported by a federal Medicaid home and community-based services waiver, which must be renewed by the end of 2008. We are extremely pleased that the State Department of Health (DOH) will be proceeding with the preparation and submission of the LTHHCP waiver renewal, and support the strongest possible renewal for this program. We understand that DOH is proceeding with a September date for submission of the renewal application.

For more than thirty years, the LTHHCP, also known as the "Nursing Home Without Walls" program, has delivered comprehensive, cost-effective home care services to patients who would otherwise receive care in a nursing home. The program is one of the most innovative of its kind, and has served as a national and state model for meeting the needs of the chronically ill, disabled and medically frail patients.

The efficiency and cost-effectiveness of this program stems from the integration of a number of key features into a single, person-centered model. These features include: a requirement that every patient served in this program be nursing home eligible; a comprehensive health, social and environmental assessment of each patient; an array of services that can be tailored to meet the individual needs of each patient; comprehensive care coordination and management; and a limitation that the cost of services provided to patients must not exceed 75 percent of the nursing home rate. When the program was developed, a requirement was established that every eligible consumer is to be notified about the LTHHCP as an option for care, which is especially important in diverting patients from premature institutionalization. Although the cap is set at 75 percent (100 percent for certain special needs patients), the LTHHCP's cost effectiveness is even more dramatic, as data from the program indicates that the average cost of patients served in the LTHHCP is typically 50 percent of the nursing home rate. In addition, the state's Nursing Home Rightsizing demonstration is enabling nursing home providers to decertify nursing beds and "convert" them to LTHHCP slots and other service alternatives, further reducing costs to the Medicaid program.

New York State's long term care system is more comprehensive and innovative than most other states, in part due to creative models of long term care such as the LTHHCP.

HCA, HANYS, NYAHS and HCP collectively represent nearly all of the 108 LTHHCPs across the state, which provide care for close to 30,000 patients. In anticipation of the waiver renewal, our organizations have been working collaboratively for more than a year to discuss and examine ideas aimed at improving and enhancing this important program. Our goal throughout the process has been to provide DOH and the Legislature with ideas to optimize patient access, efficiency and operation of the program, and modernize the program to meet current and future needs. Our work throughout this process reflects the philosophy that this program has, for 30 years, represented one of the most creative approaches to caring for chronically ill patients; consequently, modernizing and enhancing its functionality should continue to be a priority of New York State policymakers in order to further support state policies and, ultimately, patient care needs.

At the conclusion of our research and collaborative discussion process, our work product was introduced by Senator Kemp Hannon. This legislation, S.8092, would enact the comprehensive enhancements in access, operations and efficiency sought by our joint associations and providers throughout the state. This legislation is strongly supported by the entire health care provider community. S.8092 was advanced to the Calendar before the Legislature adjourned, and includes many elements that we strongly believe should be incorporated into the waiver renewal application. These elements include provisions to:

- Update and consolidate the assessment tools used for this program – in order to assure that potential patients needing services would be appropriately assessed at the entry point of this program and at least every 180 days thereafter, and that the assessment/reassessment process be conducted in a more efficient manner, saving provider and Medicaid expenses.
- Consolidate the assessment and case management responsibilities within the LTHHCP provider, eliminating duplicative functions currently carried out by county government staff and further increasing program efficiency and responsiveness to consumer needs.
- Create flexibility in the patient cap and eligibility for the LTHHCP by establishing a provider-specific expenditure cap for each agency's patient population, rather than the current patient-specific cap. This would enable providers to provide home care services to patients with even more complex and costly needs (who would otherwise be cared for in nursing homes or other institutional sectors) where appropriate, as long as providers maintained their entire patient population at or below 75% of the nursing home rate.
- Expand the types of services providers can offer to patients. This is particularly important to optimize the flexibility and cost-effectiveness of the program, and to assure that providers are able to construct an individualized plan of services to best match the care needs of each patient.
- Allow for more flexibility in the capacity of the program. Many providers who seek more capacity in their program, to meet the needs of new patients, must wait for long durations for approvals from DOH. If providers with patients needing services had more flexibility and nimbleness to quickly expand their programs to meet patient needs, costs would be offset in other Medicaid services. In addition, more patients would receive care in their homes, which serves to enhance the quality of life for these patients.

These and other elements that were incorporated into S. 8092 would serve to enhance the program's ability to meet the needs of consumers and providers. Further, these improvements would not add cost to the Medicaid program; rather these enhancements would serve to help streamline the overall system of long term care, creating more flexibility for patients to receive services from this program as an option

relative to other, existing settings like hospitals, nursing homes or other home care services that may be less suited to the chronically ill than the LTHHCP.

On behalf of the LTHHCP providers in our memberships and on behalf of the patients and families served, our organizations respectfully request the opportunity to directly provide input and otherwise participate in the waiver renewal process. We have much to offer based on the extensive research we have conducted with our memberships as well as the expertise of our association staffs.

We are pleased to be meeting with Joe Baker, your Acting Deputy Secretary for Health and Human Services, on Monday, July 14th to continue our discussions about the program. We also ask for your personal support in this endeavor and look forward to the opportunity to further meet with your senior staff and the Department of Health staff to collaboratively discuss the elements of S. 8092 that could be included administratively in the renewal of the LTHHCP waiver.

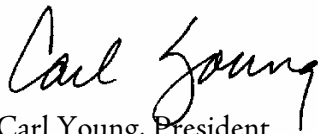
We look forward to the July 14th meeting and to hearing from you regarding how we can work closely together on the enhancement and waiver renewal for this important program.

Thank you for your consideration and for your leadership of our State during this challenging time.

Sincerely,



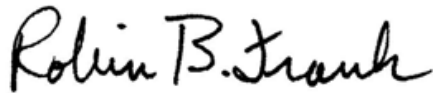
Joanne Cunningham, President
Home Care Association of New York State



Carl Young, President
New York Association of Homes and Services for the Aging



Phyllis Wang, President
New York State Association of Health Care Providers



Robin Frank
Vice President, Governmental Affairs and Continuing Care
HANYS

cc: Joseph Baker, Esq., Acting Deputy Secretary for Health and Human Services
Richard Daines, MD, Commissioner of Health