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Home Care Cuts In Governor's Proposed Budget At Odds With Commitment to Patient-Centered Care

Home Care Association of New York State (HCA) calls Executive Budget proposal – including \$82 million in new cuts – devastating to home health care

HCA President Joanne Cunningham today called the cuts contained in the Governor's 2008-09 Executive Budget proposal "a dramatic blow to New York's home care infrastructure."

"We hope that Governor Spitzer – who so strongly supported home and community-based care in his previous budget – will reconsider these cuts, which jeopardize the very system of patient-oriented care he has emphasized since taking office."

"New York's mission-driven home care providers and the hundreds of thousands of New Yorkers who rely on health care in their homes simply cannot weather a hit like this one, especially given the new demand for home care caused in part by the state's restructuring of hospitals and nursing homes," Cunningham said.

Cunningham said she is encouraged by the Budget's continuation of home care and personal care recruitment and retention initiatives financed under the Health Care Reform Act (HCRA), which, she said, are "an important approach to solving home care workforce shortages."

However, she noted, the majority of new home care cuts directly reduce reimbursements to providers – rates that are already based on the state's use of two-year-old fiscal data and, therefore, do not account for new or rising costs such as growing personnel needs, fuel for travel to patients' homes, or critical infrastructure investments like electronic health records.

Cunningham also said these new cuts are in addition to \$46 million in reduced premium increases for Managed Long Term Care and a range of other managed care programs such as Medicaid Managed Care and Family Health Plus.

The Governor's Executive Budget also proposes establishing a Home Care Technical Advisory Council to "recommend reforms to the home care reimbursement system," according to the Governor's office.

"If this Council is established, HCA should be included in its membership to provide program and technical input and recommendations that reflect the realities of providing patient care," Cunningham said.

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She noted that this year's proposed budget cuts to home care would undo the progress made in last year's budget.

"While last year's budget brought us a step forward in ensuring the stability of quality home and community-based care, this year's proposal sends us two steps back," Cunningham concluded. "We appreciate the strong support that the Governor has shown in the past toward home and community-based care and will urge the retraction of these cuts."

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*Committed to the principles of high-quality and cost-effective community based health care, the **Home Care Association of New York State** (HCA) assists its members on state and federal legislation, regulations and reimbursement issues pertinent to the home health field. As the premier home health care association in New York State, HCA represents more than 500 home health care providers, individuals and associate members who collectively provide service and support to thousands of New Yorkers.*