



New York State Association of
Health Care Providers, Inc.

Representing home and community-based care

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HCP Testifies at State Budget Hearing

Home care cuts are in contradiction to Governor's patient-centered care proposal

The New York State Association of Health Care Providers, Inc. (HCP) today presented testimony at a Joint Budget Hearing conducted by the Senate Finance Committee and the Assembly Ways & Means Committee. Christine Johnston, Executive Vice President and Paula Reichel, HCP Board Chair and CEO of Community Health Center of St. Mary's Hospital and Nathan Littauer in Johnstown, NY provided oral testimony and submitted full testimony for review by the committee.

Home and community-based care faces \$102.5 million in cuts for 2008-09 and \$167.5 million in cuts for 2009-10. Johnston noted that home care operates in a highly regulated atmosphere where the cost to comply with regulations on top of the cost of providing services are continually escalating without adequate increases in reimbursement.

"The Governor and Commissioner Daines both stress that they want to provide the right care in the right setting at the right price," said Johnston. "This budget makes investments that will actually increase the reliance on home care, and then severely cuts the home and community-based care industry. The State should be investing in, not cutting, home care."

Johnston cited increased fuel and transportation costs as one of the fast-growing expenses for home care providers. Statewide, fuel costs have increased 66% since 2005. Upstate, that figure jumps to 70%.

Reichel provided a more detailed look at how the proposed cuts will affect agencies and the patients they serve. According to Reichel, 80% of her patients live alone, thus increasing their reliance on home care. Her agency stands to lose under this proposal, which will only serve to reduce patient access to cost-efficient home care in the rural area served by the agency.

"Cuts to home care make it more difficult to serve patients, especially in rural areas and hard-to-serve cases," said Reichel. "Home care usage is growing because most people prefer to stay home as opposed to living in an institution and State policy initiatives have supported such cost-effective care choices. Government should nurture the industry due to the cost-savings generated by home care."

HCP's complete testimony can be obtained by contacting Travis Wattie, Assistant Director for Public Policy and Communications at 518/463-1118, ext. 832.

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HCP is a statewide trade association representing the full spectrum of home and community-based providers. Through a strong network of regional chapters and an active State office in Albany, HCP is a primary authority of the health care industry.

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