



New York State Association of
Health Care Providers, Inc.

Representing home care and related services since 1974.

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February 2005

Governor's Health Care Reform Working Group

The Governor's Health Care Reform Working Group submitted its interim report (www.health.state.ny.us/nydoh/medicaid/health_care_reform_.htm) in January 2004. According to the report, these recommendations would save the Medicaid program more than \$4.2 billion over the next five years and local governments would save more than \$2 billion as a result of a state takeover of the long term care costs.

The Governor convened the Health Care Reform Working Group in 2003 and tasked it with reviewing New York's health care system in order to make recommendations as to how to control costs, improve efficiency and effectiveness, increase the use of Federal dollars, curtail fraud, create incentives for providers, and identify reforms that would effectively change the current cost-sharing system. HCP was among those asked by the Working Group to discuss the current state of New York's health care system and the role the home care industry plays in the health care continuum.

Working Group has embraced the tenets of the Olmstead Supreme Court decision (*see Most Integrated Setting Coordination Council backgrounder*) and recently issued a report stating that it was committed to reshaping New York's long-term care system "to more effectively and affordably meet the needs of the disabled and elderly" thus assuring that "an appropriate infrastructure of both services and affordable housing exists during the transition from an institutional-based to a community-based long term care system."

This report is largely focused on the current long term care system in New York, which the Working Group describes as lacking coordination, allowing for duplication, expensive and inefficient, and often failing to provide optimum and appropriate care.

Recommendations made by the Working Group included:

Implement NY ANSWERS (**A**ccess **N**ew York **S**ervices **W**ith **E**ffective **R**esponsive **S**upports), a new program that would create a single point-of-entry into the long term care system and would focus on providing care in community settings. According to the report, it would provide unbiased, comprehensive and accurate information to individuals and families trying to access appropriate long term care services. (*See Point of Entry System backgrounder*).

Modify Medicaid eligibility requirements such as the look-back period for home care as well as eliminating "spousal refusal."

Develop enhanced home and community-based services through demonstration projects to ensure that an infrastructure of both services and affordable housing exists during the transition from an institutional-based to a community-based long term care system.

Further, the Working Group believes that reform is critical at this time in light of the Olmstead decision, New York's increasing aging population and the exponential increase in the cost of New York's Medicaid program.

The Working Group also proposed the State take over the local share of long term care costs. According to the Working Group, Medicaid is currently the primary financier for the majority of long term care consumers who are dually eligible for Medicare and Medicaid (there are 620,000 dually eligible in NYS). The Working Group recommends integrating this population into a managed care product (currently dual eligibles are precluded from enrolling in Medicaid managed care plans in New York State) to better coordinate their care.

Finally, the report also recommended the creation of a preferred drug program, working to increase the Federal Medical Assistance Percentage (FMAP) which is the Federal share of the Medicaid program, in addition to other cost saving measures.

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