

WHY HOME CARE MATTERS

Home care is a cornerstone of New York's health care system. It allows elders, people with disabilities, and individuals with complex medical needs to remain safely at home, reducing unnecessary hospital and nursing home use, and saving the state billions of dollars annually by avoiding far more expensive institutional care.

Home care also serves as a critical pressure-release valve for hospitals by enabling timely discharges into the community. When home care capacity is strained, hospital backlogs grow and system costs rise.

HOME CARE STATE BUDGET PRIORITY: FULLY FUND THE COST OF CARE

- Invest \$500 million from the Managed Care Organization (MCO) tax to stabilize personal care services statewide and ensure Medicaid dollars function as intended.
- Reinvest CDPAP savings into home care.
- Repeal the LHCSA RFO.
- Reject the administrative cap in Medicaid Fee for Service.
- Support integrated care through Medicaid Advantage Plus transitions.



- According to Department of Health data, 57.5% of Licensed Home Care Services Agencies (LHCSA) operate with a negative margin.



- LHCSAs are absorbing more than 2 percentage points in unreimbursed, mandated labor costs.



- Recent minimum wage increases were layered onto reimbursement rates that had already been weakened by summer 2025 rate cuts, leaving providers without adequate support.



The result is straightforward:

The state required higher wages for home care workers. The state included funds in insurance plan premium payments to account for the minimum wage increase, but the plans did not pass those funds on to reimburse LHCSAs for wage and labor costs. Providers are absorbing the difference.



Home Care State Budget Priority: FULLY FUND THE COST OF CARE

Invest \$500 million from the Managed Care Organization (MCO) tax to stabilize personal care services statewide and ensure Medicaid dollars function as intended.

Fully Reimburse the Cost of Care: \$285M

- Fully fund state-mandated wage increases, including fringe benefits.
- Reimburse administrative and general operating costs essential to compliance and service delivery.

Repeal the LHCSA Request for Offers (RFO): \$25M

- Repeal an unnecessary and destabilizing statutory authority that threatens access to care without improving quality or cost efficiency.

Support Integrated Care Through Medicaid Advantage Plus: \$190M

- Provide incentive payments to support transitions into Medicaid Advantage Plus (MAP), improving care coordination for dually eligible individuals.

Reinvest CDPAP savings into home and community-based services to stabilize access following increased demand for agency-based care.

Reject the proposed 15% administrative rate cap in Medicaid Fee for Service.

WAGE MANDATES

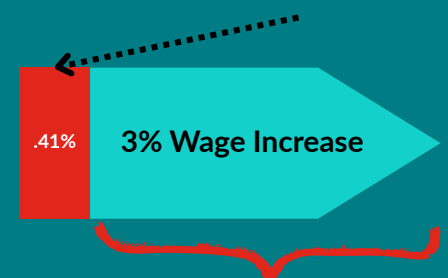
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PROVIDER REIMBURSEMENTS

April 2025 - February 2026:

Home care worker minimum wage mandate statewide grew by \$.55/hour, or 3%.

During the same period, MLTCs cut rates (summer 2025), which were in many cases not restored. Net rate growth is only .41%.



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the difference.

Home Care Legislative Priorities:



A9607 (Paulin): Strengthen contracting standards, require timely approvals, establish binding dispute resolution, and prohibit retaliation against providers.



A8137 (Paulin) / S.7874 (Rivera): Repeal the LHCSA RFO.



A9630 (Paulin): Protect payments for work performed by a personal care aide or home health aide with Temporary Protected Status or other visa status.