

NEW YORK STATE ASSEMBLY
MEMORANDUM IN SUPPORT OF LEGISLATION
submitted in accordance with Assembly Rule III, Sec 1(f)

BILL NUMBER: A1493

SPONSOR: Paulin

TITLE OF BILL:

An act to amend the public health law, in relation to state aid for home health care to meet community need

PURPOSE:

To update the current public health law provisions for annual state aid to meet community need for Certified Home Health Agency services across regions of NYS.

SUMMARY OF SPECIFIC PROVISIONS:

SECTION 1: Declares the legislative necessity of the act to meet the statutory, policy, and community-need requirements for Certified Home Health Agency services in NYS.

SECTION 2: Amends public health law section 3615 to update the state's statutory provisions for annual state aid for Certified Home Health Agency services need.

Specifies the annual state aid funding level of \$70 million (combined state and federal shares) for Certified Home Health Agencies, or such funding as the Legislature and Governor shall appropriate.

Current statute targets state aid for home health for purposes that Include home health service access, quality, and coordination with hospital partners. This bill would update these provisions to Include:

*Services to high-need, remote, underserved, diverse, or special care patient needs;

*Specialized recruitment, training, retention, and safety initiatives to provide for supply, and reduce vacancies, in home health nurses, therapists, social workers and aide personnel;

*Technology support for delivery and efficiency of services, including workforce efficiency and access.

Incorporates standards, expectations, and demonstrated record of service commitment of agencies for receipt and use of state aid funds; specifies the agency application process; provides that agencies may reapply for ensuing years. Authorizes the State Department of Health to issue guid-

ance governing the provisions of the program,

SECTION 3: Sets forth the effective date as the first of April next succeeding the date of enactment.

JUSTIFICATION:

Certified Home Health Care Agencies deliver essential health, therapeutic and life-sustaining services for nearly 500,000 patients across NYS. Services range from maternal, infant and pediatric care, to pre and post-surgical care, to pre-acute, acute and post-acute care and rehabilitation, to clinically complex care, to care of the chronically ill, to palliative care, to public health, primary and preventive services, and more. Certified Home Health Agencies are integral services in the health care system. They function as part of the vital continuum of care for patients, and are partner with physicians, hospitals, primary care practitioners, mental/behavioral providers, health plans, and others. Certified Home Health Agency Services Include professional nursing, therapies, social work, home health aide, care management, telehealth, medical supplies, and other community and in-home supports. These agencies deploy health care professionals to homes daily, keeping vulnerable New Yorkers in their homes, out of hospitals and nursing facilities, saving valuable health care dollars in the process. Yet, currently, nearly two-thirds of NY's home health agencies are functioning well below sustainable fiscal margins, and are eroding rather than increasing their capacity as patient demands skyrocket. There are shortages in home health nurses, therapists and direct care workers, combined with high vacancy rates across the board in all areas. Moreover, the severe under-capacity and shortage of home health services, greatly exacerbates the access crises currently facing hospitals, emergency rooms, nursing homes and community health settings across NYS.

This legislation would update and ensure funding for the state's current statutory structure providing state aid for Certified Home Health Agency services. The funding needs supported in this legislation are those not typically reimbursed in the Medicaid, Medicare or commercial rate structure, nor in the negotiated rate or wage methodologies relied on by the state. Rather, these are core structural service needs that in other sectors, such as hospitals, are supported by public funding pools outside of the rate process, and are vital to public need. This legislation is critical to ensuring updates and funding for NY's home health state aid program, for the medically needy population, and for the community health system as a whole that relies on these services for health- and life-dependent support.

LEGISLATIVE HISTORY:

New legislation

FISCAL IMPLICATIONS:

All-payor savings from access to home health care necessary to avert preventable hospital, nursing home and emergency services and expenses,

as well as to enable less costly ambulatory surgical and interventional options for patient care. Annual state aid for certified home health agencies under the bill would total (federal/ state shares combined) \$70 million, or such amounts the Legislature and Governor shall annually appropriate for this purpose in the state budget.

EFFECTIVE DATE:

First day of April next succeeding the date of enactment.