

Legislative & Constituent Service Primer on Home Health Care for Legislators & Staff

What you need to know about the home health
care system to assist with your constituent
services, legislation & budget action.

Presented by the
Home Care Association of New York State

A statewide nonprofit association with members comprised of certified home health agencies, licensed home care services agencies, hospice, Managed Long Term Care & PACE Plans, Consumer Directed Personal Assistance Program FIs, Home & Community Based Waiver Service Programs, Long Term Home Health Care Programs, and allied community services and support organizations.



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is healthcare.

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Revised Edition 2026

Overview

As the state association broadly representative of home and community based services in NYS, we appreciate the opportunity to assist and collaborate in supporting you and your constituents in the provision of these services.

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Overview

HCANYS is the statewide, nonprofit health care association whose dedicated mission is to “promote the quality and accessibility of health care and support at home” for all New Yorkers.

Our association’s affiliated home care providers and organizations serve individuals of all ages, conditions and health care needs across the spectrum, and across the state’s geography.



<https://hcanys.org/>

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Overview

- HCANYS is comprised of health care providers, health plans, programs, and organizations that are federally and/or state licensed to provide in-home health care.
- These include all of the types of providers and organizations in NYS that provide home health care, home care, hospice care, Consumer Directed Personal Assistance Program services, waiver services, and other home and community-based services.
- To provide home care in NY, a provider must be certified or licensed under public health law article 36; to provide hospice, the provider must be certified under article 40; to provide health plans services, the provider must be licensed under article 44; authority for providing personal care or waiver services is under the state social services law.
- HCANYS member providers and organizations include hospitals and health systems, community agencies, long term care systems, managed long term care plans, fiscal intermediaries, allied service and support entities, and practitioners serving your constituents and communities across the state.

Preview of HCANYS 2026 State Budget Priorities for Home Care

-  **1. Rate and premium adequacy for LHCSA/MLTC/PACE reimbursement**
Ensure provision of necessary premium and rate funding for MLTC/PACE/LHCSA for state mandated wages, benefits and provider/plan operations (A&G).
-  **2. State aid for CHHAs and Hospices to Meet Community Service Need**
HCANYS Bill (A.1493-A/S.6981-A) amending PHL §3615 to provide for disbursement of funds to CHHAs and Hospice. Requested funding: \$100M for CHHAs and \$19M for Hospice.
-  **3. Workforce Support**
New funding for recruitment, training, retention, administrative/regulatory support, technology and preceptorships; parity in eligibility for workforce grants.
-  **4. System and Service Accessibility**
All achievable administratively through the Executive/DOH:
 - Maintain Nursing Home Transition and Diversion Program (NHTD) Access
 - Restore Targeted CHHA access post-120 days
 - Restore Targeted LTHHCP access
-  **5. Reject the Executive's Hospital at Home and A&G cap proposals**
-  **6. Repeal the LHCSA RFO**
Do not repeat the mistakes of the CDPAP RFO.

Who Receives Home Care in NYS?

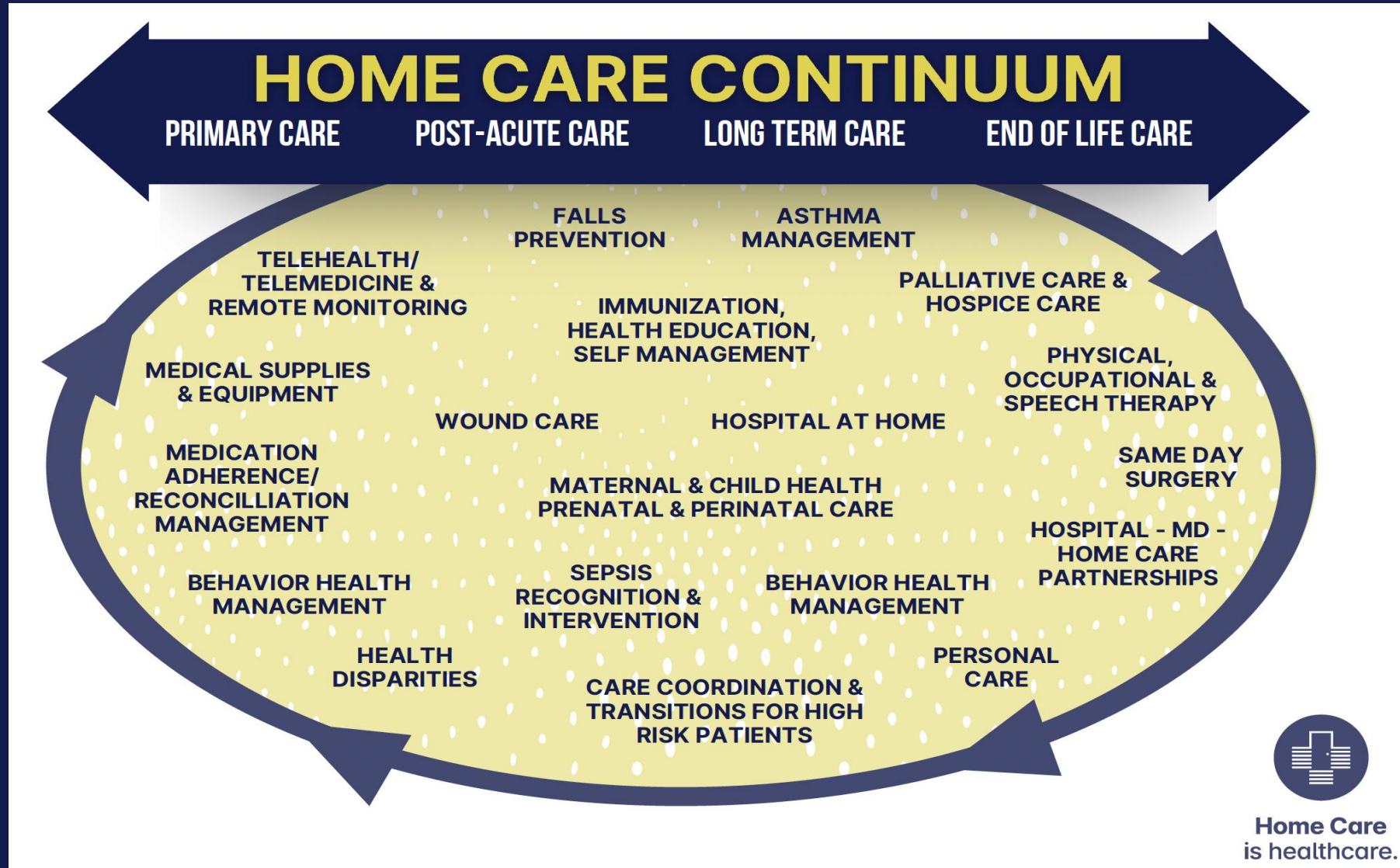
- Home care provides services to over one million individuals -- your constituents -- in NYS.
- These include individuals of all ages and conditions, from maternal/prenatal and infant services, to medically-needy children, to individuals with pre-acute, acute, and post-acute conditions, to pre- and post-surgical patients, to individuals with complex medical needs (diabetes, heart failure, COPD), to individuals suffering major medical events (stroke, pneumonia, broken hips, joint replacements, infections/sepsis), to adults with disabilities and chronic conditions, to palliative and end-of-life care, to primary, preventive, and public health care.

What Services are Provided

Home health care and home care services include:

- **Licensed Professional Services:** Care management, nursing, physical therapy, occupational therapy, speech pathology, medical social work, audiology, respiratory therapy, nutritional counseling and other.
- **Direct Care Staff Services:** Home health aide, personal care aide, housekeeper, consumer-directed personal assistants.
- **Telehealth Services.**
- **Environmental, Social & Allied Supports & Services:** Home adaptations, home delivered meals, social day care, medical supplies and appliances.

What Services are Provided



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Who Provides Home Health Care ?

- Home health care and home care is provided by providers (including hospitals and health systems, community agencies, long term care systems), health plans (including Managed Long Term Care Plans “MLTCs” and Programs of All-Inclusive Care for the Elderly “PACE” plans), hospices, programs (like the Consumer Directed Personal Assistance Program and Fiscal Intermediaries (CDPAP/FI), and waiver services programs), allied service and support entities, and practitioners serving your constituents and communities across the state. All of these categories are members of HCANYS.
 - The provider and program types include:

Certified Home Health Agencies (CHHAs)	Nursing Home Transition & Diversion Waiver (NHTD)
Licensed Home Care Services Agencies (LHCSAs)	Traumatic Brain Injury Program (TBI)
Hospices	Long Term Home Health Care Program
MLTC & PACE Plans	EISEP Program
CDPAP/FI	

Who Provides Home Health Care?

- Providers, programs and services are extensively regulated by NYS and, also substantially by the federal government.
- Quality oversight, metrics, and other standards for safe and adequate care are extensive.
- Health plans and providers partner to oversee and managed the care.
- Unique is the Consumer Directed Personal Assistance Program where the consumer is the determinant and manager of the services received.

How is Home Care Covered & Paid For?

- Home care services are, with limitations, covered/paid for by Medicare, Medicaid, private payment, and to an extent, private and commercial health plans and insurance.
- Each payor source has its own rules for eligibility and scope of coverage. (Explained next slide)

How is Home Care Covered & Paid For?

- Medicaid (for low income and asset Medicaid-eligible individuals) and Private Pay (for those able to afford out-of-pocket payment) are the most flexible in coverage, and generally will cover all of the professional and direct care services that are medically necessary for an individual and ordered by a physician, nurse practitioner or physician assistant, and provided by a state or federally licensed home health, hospice, health plan provider. This also includes coverage/payment for long term home care. Medicaid also covers Hospice services for Medicaid-eligibles who have a life-limiting illness of 6 months or less. Medicaid is always the secondary payor for services covered by Medicare, insurance, or other payor source.
- Medicare covers Medicare-eligible individuals who meet Medicare criteria, such as the person must be “homebound” and require skilled care. The coverage is limited to skilled services; NOT covered are long term care, services such as personal care and services to support a person’s needs in “activities of daily living” (bathing, dressing, nutrition) and related essential support services for care at home. Medicare covers hospice services in-home, in hospital and nursing home settings, and in special hospice residences, who have a life-limiting illness of 6 months or less.

Continued ...

How is Home Care Covered & Paid For?

- Commercial & Private Health Plans generally provide very limited coverage for home care services, including limited scope, limited duration, and rules that typically apply limited criteria like Medicare's limits. NYS's coverage laws for home health care originated in 1972 and have NOT been materially updated since then, despite the complete evolution of the health care system, dependency upon, and state-of-art medical advancements for care at the community and in-home levels. However, commercial health plan coverage more inclusively covers hospice services.
- State General Funds are provided to pay for some services through the Expanded In-Home Services for the Elderly (EISEP), under the State Office for Aging and in turn local offices for aging, which provide case management and contract for aide support services for home care agencies.

How is Home Care Covered & Paid For?

- The gaps, limitations, and patchwork of coverage by governmental and commercial policies impacts patients' access and impoverishes many whom these policies leave to privately pay, or to go without, especially when needing long term care at home.
- Further, these gaps in coverage leave the health care system, and these individuals, once impoverished, with default dependence upon Medicaid for their coverage.
- The coverage and payment limits further leave home care providers financially struggling to meet constituent needs, the needs of hospitals, and of all parts of the medical system that depend on home care for patients.
 - The majority of Certified Home Health Agencies in NYS and nearly 40% of hospices are forced to provide services at steep and increasing losses due to the lack of adequate coverage and reimbursement for services. The agencies' losses are below levels for service sustainability.

How is Home Care Covered & Paid For?

- Medicaid pays for most home care services through payment to managed care plans (MLTCs, PACE, mainstream managed care plans, or other special managed care plans contracted by the state. When paid for through health plans, the rates to the agencies are negotiated between the health plan and the home care provider which contacts with the health plan. The Gov-Cuomo era Medicaid Redesign plan mandated that Medicaid/Medicare dually eligible individuals age 21+ enroll in managed care; thus the majority of Medicaid long term home care services are paid based on rate negotiations.
- For individuals whose Medicaid home care does not fall under this mandate, such as individuals under 21, or whose home care is expected to be short term, or who are under one of the state's "waiver service" home care programs like NHDT or TBI, the state pays the provider directly or through a contract with the local department of social services.
 - When paid for directly to the provider, the state's payment is either in the form of a fee for the individual service provided (e.g., a nursing visit, or a home health aide visit) or is in the form of an "episodic payment," or a bundled Medicaid payment covering a 60-day period of service.

How is Home Care Covered & Paid For?

- Medicaid pays for home care services covered through managed care plans through a “per member-per month” premium payment to the plan. This is an all-inclusive payment for the services responsible to be covered by the health plan for the individual “member” of the plan.
 - It is from funds received from this premium payment that the plan in turn pays the Medicaid provider (a CHHA, a LHCSA, or the FI that pays the personal assistant under CDPAP).

How is Home Care Covered & Paid For?

- Medicare pays for home health services to a Certified Home Health Agency either directly to the agency or, for Medicare beneficiaries enrolled in a Medicare Advantage program (i.e., managed care for Medicare) through the beneficiary's Medicare Advantage plan. Medicare pays a premium to the Medicare Advantage Plan inclusive of all the services the plan is required to provide under its Medicare and beneficiary contract terms, and the plan in turn negotiates rates it pays to home care providers.
 - When Medicare pays directly to the Certified Home Health Agency, similar to the state, it pays a bundled rate for an episode of care. This rate is paid for on a 30-day episodic basis under a system called the "Patient Driven Groupings Model" (PDGM), or if only minimal service is required, the payment is paid based on rates for the individual services provided.
- Medicare pays for hospice services on an all-inclusive bundled rate that is per diem based, and aligned with the setting (e.g., inpatient or home) where the individual receives services and the intensity of services received (e.g., continuous home care, routine home care), and other factors.

Home Care Accessibility

- Home health care and home care services are accessed in ways that correspond to an individual's needs and coverage type. Hospice services are accessed directly through a hospice agency.
- Medicare and Medicaid have different rules for accessing that apply depending on if the individual is to be served under managed care plan coverage or direct pay (e.g., “fee for service”) coverage.
- In the case of either home care or hospice services, and regardless of whether the individual is enrolled in a managed care plan or is to receive services directly from a provider, the services must be referred and ordered by a physician or other authorizing practitioner.
 - All programs and services required a comprehensive assessment of the person's needs and the development and management of a plan of care.

Home Care Accessibility

- Home health care, home care, hospice, MLTC/PACE, CDPAP, waiver and EISEP services are available in all regions of NYS, but the combination of underfunding by Medicare, Medicaid and commercial/private coverages, and the severe shortages of staff are resulting in agency capacity and service reductions, closures, and other receding access to services.
- In addition to the presence of the agency or program in the service area, accessibility to patients and communities is dependent on factors like:
 - The parameters and coverage terms of the major payor coverages (Medicare, Medicaid, private/commercial insurance)
 - The available direct care personnel to provide and manage the services
 - Adequacy of funding and service reimbursement
 - State policies that permit (or inhibit) optimal use of NY's home and community based services programs

Priority Issues for Support of Home Care Access & Service

- **Staffing/Workforce:** Licensed professional and direct care personal assistance staff (nurses, home care aides, therapists, social workers) provide the essential services of the home care system. Due to the growing population of elderly, priority state and federal policies emphasizing community-based and in-home care, and state of the art medical practice which enables highly needy and complex care at home versus facilities, the need for home care is exponentially outpacing current staffing levels, and are at the highest level of demand among all health sectors.
- The adequate supply of licensed professional and direct care home care staff is vital to accessibility, admission times, and the total amount of care that might be available to provide.
- Home care is no exception to the severe shortage of staff that is creating major challenges in service across all parts of the health care system. But home care has unique needs, competency requirements, and preference by patients specific to its services and to the care-at-home venue that makes its staff recruitment, training and retention challenges among the greatest.

Priority Issues for Support of Home Care Access & Service

- **Rates and Reimbursement / Funding:** Home care services are substantially provided through and reliant upon the voluntary provider system. Agency closures due to insufficiencies in Medicare, Medicaid and commercial coverages, threaten not only home care but all parts of the health system that depend on this care.
- As such, having serviceable and sustainable reimbursement rates for providers to deliver these essential services, sound premiums for health plans to be able to provide these rates, and responsive payment levels under Government programs (Medicaid, Medicare), is vital to meeting community need.
- **Under-reimbursement:** Despite Medicaid and Medicare funding commitments home care annually, the services are substantially underfunded relative to patient volume, service need, and overall community need. As noted earlier, the services are also minimally covered outside of Medicare and Medicaid. NY's laws governing coverage for home care within private and commercial insurance policies have not been substantially modified since they were first enacted in 1972. As noted, many of the agencies across NYS are operating at losses providing services and responding to community health system needs.

Priority Issues for Support of Home Care Access & Service

- **Support for Home Care Infrastructure**, including home care technologies, is a vital need for patient care and for the entire local health system to be able to function effectively. It offers untold opportunity for patient care access, care management, safety, innovation and quality, and overall community health system performance.
- Home care infrastructure includes and heavily relies upon electronic health records and other integrative technological connectivity with clinical partners (e.g., physicians, hospitals, managed care plans, et al) for care management; on clinical technology, including telehealth, for primary and chronic care assessment, intervention, and remote monitoring; on accessible transportation assets; on workforce and staffing technologies; and more.
- As home care is NOT a like a bricks-and-mortar facility, it is often overlooked for these capital needs in state budget and policy programs providing capital financing for health care.

2026 State of the Industry and HCANYS Home Care Budget Priorities

Industry Status

-  **1,000,000+**
New Yorkers rely on home care services.
-  **262,038**
Medicare enrollees who needed but did not receive home health care 2020 - 2024.
-  **-26%** est. change in home health access from 2019 to 2024.
-  **20%** of NYS CHHAs have closed since 2019.
-  **58.4%** of CHHAs had a negative operating margin in 2023.*
-  **57.5%** of LHCSAs had a negative operating margin in 2023.*
-  **59.6%** of MLTCs had a negative margin in 2023.*
-  **60.3%** of Hospices had a negative margin in 2023.*

Budget Priority Details

-  **1. Rate and premium adequacy for LHCSA/MLTC/PACE reimbursement**
Ensure provision of necessary premium and rate funding for MLTC/PACE/LHCSA for state mandated wages, benefits and provider/plan operations (A&G).
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Priority Budget Recommendations

Funding Needs: Urgently Required to Sustain Home Health Care Access and Meet Community Need

- A.1493-A Paulin/S.6891-A Webb , "State Aid for Home Health," \$100M in proposed funding; mirror provisions for Hospice at \$19M in proposed funding
- HCA Article VII Budget Language, "Adequate Rates & Funding for LHCSA/MLTC/PACE Services
- A.7013-C Paulin, "Rate Stability for Home Health Agencies"

Priority Budget Recommendations

Home Health Workforce

- Include Home Care in Executive and Legislative Workforce Initiatives: State Budget proposals are continuously focusing only on institutional and office-based settings for workforce development, recruitment, training, and retention, and overlooking the urgent need in home and community based care.
- In the 2026-27 State Budget HCA urges the Executive and Legislature to include home and community based care in all workforce related initiatives.
- HCANYS also urges adoption of HCANYS Article VII budget language reestablishing the NYS Health Occupation and Workplace Development Program (Public Health Law 2807-h) that had inadvertently expired and provides options for administrative flexibility and funds to support the workforce and quality access and care for patients.

Priority Budget Recommendations

System & Service Accessibility Access

- Decisions by the prior Administration's Medicaid Redesign Team sought to consolidate community based care programs into a single model. While approached from the goal of efficiency, standardization of "care management for all," and better state fiscal and regulatory control, the MRT actions and consequences have gone too far, creating enormous pressure on managed care to be the single source for the hundreds of thousands of high-risk, high-cost long term care patients and services across NYS, and likewise the current gaps and inadequacies being experienced in system and service access.
- Optimization of service programs and resources -- including restored access to Medicare covered services and models -- made accessible alongside managed care, would help address these gaps, create state efficiencies, and improve the overall functionality of the long term care system.
 - HCA recommends and has submitted Article VII Health & Mental Hygiene Budget Bill language to:
 - Maintain access to the Nursing Home Transition and Diversion Program (NHTD) that was capped in the 2025-26 budget

Priority Budget Recommendations

- Restore targeted use of Certified Home Health Agencies for long term care, including Medicare access.
- Restore targeted enrollment into the Long Term Home Health Care Program (NY's Nursing Home Without Walls Program, including Medicare access).
- Repeal the "Request for Proposals" (RFO) for licensed home care agencies remnant of the pre-pandemic 2020 Medicaid Redesign Team, to eliminate unilateral NYS DOH authority to select-out licensed agencies in the state, preventing a repeat NYS DOH fiasco as occurred with the CDPAP RFO.
- Reject the Executive's proposed "Hospital at Home" program that would circumvent state home care licensure and certification by hospitals. HCANYS urges that "Hospital at Home" services be provided with duly federal and state licensed home health agencies.
- HCANYS urges that S.997 by Senator Samra Brouk to facilitate mental health and home health provider care collaboration for individuals with co-occurring health and mental health conditions be included in the 2026-27 Article VII Health and Mental Hygiene bill.

Questions, Resource Needs - HCANYS is Your Source

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