February 21, 2025

Dear Amir,

We are writing on behalf of the New York Health Plan Association (HPA), the Coalition of New York State Public Health Plans (PHP Coalition), Leading Age New York (LANY) and the Home Care Association of New York State (HCA) to convey our ongoing concerns with the planned April 1, 2025 transition to a statewide fiscal intermediary (FI) in the consumer directed personal assistance services (CDPAS) program, and to make several urgent requests of the Department of Health (DOH) and its contractor Public Partnership LLC (PPL).

**The Potential for Member Disruption Due to Unresolved Operational Issues**
We reiterate that our primary concern is avoiding disruption to services for the now nearly 300,000 members receiving CDPAS services – by working to assure that plan members understand the transition and complete all the necessary tasks to get themselves and their personal assistants (PAs) fully registered in PPL's system. New York's Medicaid managed care plans have successfully implemented many significant population and benefit transitions over the past decade, working collaboratively with the Department, the Governor's office and key stakeholders. The current timeframe for this transition to a statewide FI is too short for the state to avoid serious disruption to care for thousands of individuals who rely on CDPAS to remain independent.

The information we continue to hear from our member health plans, and that they continue to hear from many of their members, strongly indicates that PPL will NOT be ready to serve all CDPAS consumers on April 1**. We request that the Department meet with plans and PPL in-person as soon as possible to discuss both the operational issues that need to be resolved and a contingency plan if those issues cannot be resolved in a timely manner.**

The current process, with weekly one-hour calls with DOH, PPL and plans, where plans are not allowed to speak, and many questions sent in through the Webex are unanswered, is insufficient and does not address many of the underlying challenges. In addition, it seems that plans are sometimes given inconsistent information by PPL during individual plan meetings, making the need for an all plan in-person meeting more critical.

**PPL's Data and System Shortcomings**

While the Department may say that it is the "plans' responsibility" to arrange for care to the member, it is impossible for plans to find replacements for thousands of PAs either because PPL is not fully operational before April 1 or because the consumer has not taken the necessary steps to identify a new PA. At the Department's direction, plans have notified their current FIs that contracts will be terminated on March 31, 2025. Many FIs have already submitted plans to cease operations. If PPL fails to fully operationalize on April 1$^{t}$ with the majority of PAs and consumers having completed registrations, plans will not be able to work with alternate FIs – there won't be any. Finding alternative personal care workers through existing licensed home care service agencies (LHCSAs) on a broad scale will be largely impossible downstate and completely impossible upstate – where nearly 90% of all personal care services are delivered through CDPAS. In the worst case, the care alternative for many CDPAS consumers will be a hospital or nursing home, if any capacity even exists. We urge **the Department to develop a contingency plan ready to be executed before the end of February to avoid extensive disruption**. It is critical that the contingency plan be communicated to plans as soon as possible so they can identify and prepare for any contracting, operational, or systems changes needed under the contingency plan.

In addition, plans do not have the information they need to fulfill the Department's requirements to reach out to CDPAS members who are not fully registered in PPL's system along with their PAs. Without the necessary information, plan outreach will only serve to further confuse members, many of whom have already been confused by often inaccurate statements provided by either their current FI, PPL or both.

Plans have been diligently submitting CDPAS member information to a DOH portal since January 2025, and weekly thereafter. When plans began receiving aggregate information from PPL several weeks later regarding the registration status of their members, the data was incomplete – and in several cases, there was no data at all. Plan inquiries to DOH and PPL indicated that the data had only been drawn down by PPL once – or that DOH had only pulled the data from their portal once for PPL – or that there was an issue with the file the plan was never made aware of. This means that with less than six weeks before April 1$^{st}$, PPL does not even have information for all CDPAS members – even though plans have shared it and continue to share it - with DOH and PPL. Work to resolve these issues is ongoing and is requiring significant resources on the part of the plans. In addition, despite PPL claiming to have a wait time of "two minutes" when a plan and/or consumer calls, multiple plans have indicated wait times of 30-45 minutes, resulting in conversations that do not resolve the consumer's issues. The data that PPL is providing to plans in aggregate appear to show that at this time only approximately 10% of CDPAS members have "paperwork completed", but we are unclear what that means. Some plans have been told by PPL that it means that both the member and the members' PA(s) have been registered, while some plans have been told by PPL that it only means that the member has been registered, but not the PA(s).

**For plans to communicate clearly with their members, we request that PPL begin to immediately provide the following information to plans on a weekly – or more frequent-basis**:

1. For each member, confirmation that the member or the member's designated representative signed the required MOU with PPL
2. If the member has a designated representative, the name of that individual
3. For each PA serving a member:
    a. The PA's name
    b. Whether the PA has completed their W9
    c. Whether the PA has accepted the job
    d. Whether the PA has a completed health assessment, with a date it was completed

Absent all the information outlined above being provided to plans in a timely manner, plans cannot effectively outreach to their members to assist them in completing the Department's and PPL's requirements so that their caregivers will be in place and able to be paid beginning on April 1.

**PPL's Financial Capacity to Pay Workers**

Finally, it is clear that PPL is insufficiently capitalized to manage the finances of the CDPAS program. Initial contracting challenges between PPL and plans were caused in large part by an unprecedented demand from PPL that many plans advance funds to them to cover payroll for the PAs. In aggregate, the amount of the advances is in the hundreds of millions of dollars. With PPL's undue leverage as the single FI, the demand for funding advances also came with no willingness to provide contemporaneous security of the advances, no timeline for repayment to plans and little recourse for plans to recover the advances if PPL experienced financial challenges. When pressed why it was unwilling to offer security for the advances, PPL indicated that it was unable to obtain such security and even refused to provide financial statements. An immediate concern with less than six weeks before April 1 is the need for DOH and PPL to address billing and claims questions. There has been no indication of when plans will be able to conduct claims testing – a necessary and critical activity that should occur months in advance of a major transition. Plans have indicated that when they attempt to raise the topic with PPL, PPL seems unprepared for the claims submission process. DOH has indicated only that guidance will be "coming soon". If PPL is unable to manage the billing and claiming process and PAs do not get paid after April 1, plans are not able – consistent with regulatory and fiduciary obligations -- to provide additional unsecured financing of PPL's obligation to pay caregivers outside of the normal claims payment process for the CDPAS program. Plans are not PPL's bank. It is critical for PPL and DOH to clearly and transparently demonstrate whether PPL has the financial capacity to manage the CDPAS program on an ongoing basis after April 1. **We request assurance from DOH that plans will not be asked to provide additional funding advances to PPL in the event that PPL does not have the capacity to process valid claims for PA services after April 1st.**

Our focus remains on assuring that services to consumers are not disrupted by this transition. While significant challenges exist, plans remain committed to working diligently with DOH and PPL toward a smooth transition to the single FI. We look forward to the opportunity to work together to resolve the concerns outlined above.