

Dear LeadingAge NY Members:

This afternoon, Governor Kathy Hochul delivered her 2024 State of the State address from the Assembly Chamber floor. Setting the tone for the legislative session and State Budget, she called for collaboration among elected officials, legislative and executive branches, and state and local officials. Her address was accompanied by a lengthy policy agenda for the coming year, entitled [State of the State: Our New York, Our Future](#).

During the address, Governor Hochul focused on fighting crime, combatting domestic abuse, investing in mental health services, and protecting the financial health of New Yorkers with consumer protection laws and other measures. After recounting recent investments in education, childcare and healthcare, specifically mentioning home health aide wage increases and healthcare worker bonuses, the Governor acknowledged the upcoming challenges of state budget-making: “As we uphold these commitments, we won’t spend money we don’t have. Every state relied upon pandemic funds from Washington that have dried up, and it’s on us, as responsible adults, to make the hard yet necessary decisions to use taxpayer dollars creatively and responsibly.”

The concepts in the State of the State are broad, and do not include many salient details. We anticipate that many of the proposals mentioned today will be reflected in greater detail in the Executive Budget Proposal and budget bills, due to be released on Jan. 16, 2024. The budget will surely also include proposals not addressed in this State of the State message. Below are some of the highlights and specific measures that may impact LeadingAge NY members should they be pursued and implemented:

HEALTH and LONG-TERM CARE

Expand Nurses for Our Future

Governor Hochul will again seek to enter New York into the Interstate Licensure Compact and Nurse Licensure Compact, which will make it easier for physicians, psychologists, and nurses licensed in other states to practice in New York, either physically or virtually. In addition, Governor Hochul will advance legislation to expand scope of practice, to allow: certified nurses with additional training to administer basic medications in long-term care settings (this proposal is probably intended to refer to certified nurse aides); physicians’ assistants with sufficient training to practice independently in primary care and hospital settings; and medical assistants to administer immunizations.

The Nurses Across New York debt forgiveness program for those serving medically underserved areas for at least three years will be expanded to target nurses working with specific populations, such as behavioral healthcare and people with developmental disabilities.

Support New Yorkers Entering the Healthcare Workforce

DOH will launch a grant program to fund wraparound services like transportation or childcare for students training in the healthcare field.

The Center for Healthcare Workforce Innovation recently awarded funding to support 28 facilities to prepare, mentor, and train a steady pipeline of high-quality healthcare professionals (presumably through the Increasing Training Capacity in Statewide Healthcare Facilities Solicitation of Interest). It appears that the Governor plans to accept additional applications in the year ahead.

Improve Access and Transparency for Assisted Living Residences

The Governor directs DOH to establish quality reporting and accreditation requirements for all Assisted Living Residences (ALRs). DOH will publish these quality measures to ensure that consumers can make informed choices. In addition, the Governor would seek to make the Special Needs Assisted Living Residence (SNALR) Voucher program permanent, reportedly enabling DOH to expand the program to more recipients.

Improve Transparency of Home Care Services

The Governor has directed DOH to provide publicly available data around home care services, which will include information about agencies providing home care, the populations they are serving, and the services these populations are accessing.

Streamline and Modernize New York's Healthcare Approval Program

DOH is directed to make necessary updates to the State's Certificate of Need (CON) program, such as raising the financial thresholds that qualify a project for more detailed review and streamlining the application and approval processes.

Paramedicine and Hospital Care in the Home

Governor Hochul pledged to introduce legislation to allow hospitals that meet certain requirements to deliver care in patient homes, and to permit emergency medical services providers to provide care in the community during non-emergency situations. The goal would be to reduce ER overcrowding and wait times, relieve the overburdened hospital system, and lead to better patient experiences.

Expand Coverage for Health-Related Social Needs (HRSN)

Through the approval of a federal Medicaid 1115 waiver, New York's Medicaid program will significantly expand coverage for health-related social needs for Medicaid beneficiaries. These services will include housing supports (e.g. medical respite, medically necessary home modifications, and other tenancy sustaining services), food and nutrition, and transportation (e.g. reimbursement for transportation required to connect with social services). The Medicaid waiver provides \$3.173 billion for HRSN services and \$500 million for infrastructure.

Healthcare Safety Net Transformation Program

The Governor proposes to leverage the state's clinical and operational expertise, encourage partnerships, and offer financial support and regulatory flexibilities, to support struggling safety net facilities. While not specified, the targeted facilities seem to be primarily hospitals. The 1115 waiver amendment approved today includes \$2.2 billion over approximately three and a half years for

financially-distressed safety net hospitals to participate in a Medicaid Hospital Global Budget Initiative that will transition them to an alternative payment model.

Eliminate Co-Pays for Insulin

Governor Hochul will propose legislation to eliminate cost-sharing for insulin for all plans under the Department of Financial Services' regulatory authority in an effort to increase access to insulin treatments, improve the health of New Yorkers, help to close the health equity gap, and lower long-term health care costs.

Enhance Gender Affirming Care for TGNCNB New Yorkers

To ensure that Transgender, Gender Nonconforming and Non-binary (TGNCNB) individuals can access the highest quality affirming care, Governor Hochul will direct DOH to update NYS Medicaid's coverage requirements to align with the newest version of the Standards of Care for the Health of Transgender and Gender Diverse People. In addition, the Office of Mental Health will consult with the Departments of Health and Financial Services to issue new guidance to ensure that commercial insurers update medical necessity criteria to incorporate the newest version of the Standards of Care for the Health of Transgender and Gender Diverse People into their plans.

New York will also expand opportunities for key providers to receive LGBTQ+ cultural competency training. The Office of Temporary and Disability Assistance will make its LGBTQ+ cultural competency training available to local contracted service providers throughout the state and will continue to encourage all local departments of social services staff to complete the training.

OTHER WORKFORCE PROPOSALS

Improving Working Conditions and Benefits

The State of the State briefing book includes several proposals aimed at improving working conditions, wages, and benefits, including:

- Creating a paid prenatal leave benefit, by expanding the Paid Family Leave program to cover 40 hours of additional paid leave for pre-natal medical appointments.
- Introducing legislation to require employers to pay for all breaks for breast milk expression of under 20 minutes.
- Increasing the maximum paid medical and disability leave benefits from a capped amount of \$170 per week to an amount tied to the Statewide Average Weekly Wage (SAWW).

Provide Grants to Sustain Child Care Programs

Building off of last year's investment of federal pandemic funds for the child care workforce, New York will again invest underutilized federal pandemic funds to continue providing grants to child care programs to support their workforce. Grants can be used for retention and referral bonuses for existing staff as well as sign-on bonuses for new staff.

HOUSING

Prohibit Insurance Companies from Refusing to Cover Affordable Housing

Subsidized and income-restricted housing providers often face more difficulty securing reasonably priced property insurance than their market-rate counterparts. The Governor is proposing to prohibit insurance carriers from refusing to provide or continue providing property insurance, and from raising premiums, based on tenants' source of income, affordability of housing units, or the receipt of government assistance.

Expand Access to Housing

The Governor proposes creating a tax incentive for commercial-to-residential conversion projects that include below-market housing, investing in the conversion of certain state-controlled properties into new housing, requiring communities to achieve a "Pro-Housing" designation to qualify for certain discretionary funds, and several other measures to expand housing supply and access to housing for all New Yorkers, including seniors.

Launch Modern Housing Search System

HCR will create a new public website where housing seekers will be able to find State-financed affordable units, determine if they qualify, and apply for those units.

MENTAL HEALTH and SUBSTANCE ABUSE

The Governor advanced a number of mental health initiatives in her State of the State, including among others, the creation of 200 additional psychiatric beds, strengthening enforcement of mental health parity requirements applicable to insurers, adopting new regulations related to health plan networks adequacy for mental health services. The briefing book includes an increase in Medicaid reimbursement of mental health services in Article 28 facilities, to align those rates with the rates paid to specialized OMH-licensed providers, however we suspect this will not apply to services in nursing homes.

Increase Access to Care Through Network Adequacy Regulations

To address barriers to accessing care, New York is promulgating network adequacy regulations for both commercial and Medicaid insurers that will set standards related to access to mental health and substance use disorder services, including appointment wait times. If insurers cannot provide appointments for behavioral health services within a specific number of days, they will have to provide out-of-network coverage at no additional cost. The regulations will also require plans to maintain transparent and accurate network provider directories.

Opioid Crisis

To address the opioid crisis, the Governor promised a multi-initiative approach that would include the addition of more crisis stabilization centers and additional Mobile Medication Units (MMUs); updates to the State's controlled substances schedule to include new fentanyl analogues; efforts to prevent xylazine from being diverted from veterinary uses; the launch of an anti-stigma campaign to raise

awareness about opioid use disorder and the services needed to support those in need; authorization for health care providers in emergency rooms to dispense buprenorphine; and the reestablishment of a pain management working group to suggest non-pharmacological ways for patients to cope with pain management.

PEOPLE WITH DISABILITIES

Among several initiatives to promote the independence and community integration of people with disabilities, the State of the State includes:

- A commitment that the State’s Most Integrated Setting Coordinating Council to issue an Olmstead Plan, in 2024, to ensure that all people with disabilities receive services in the most integrated setting appropriate to their needs.
- Expanding the authority of Direct Support Professionals in non-certified care settings, such as in OPWDD’s self-direction program, to perform certain nursing tasks, thereby allowing more people with developmental disabilities to remain in or transition to more independent settings and decreasing the reliance on certified residential settings.

MISCELLANEOUS INTIATIVES

The State of the State address and briefing book include a variety of initiatives aimed at protecting consumers from unfair business practices and improving climate resiliency. The following are a few that appear to be particularly relevant to LeadingAge NY members:

- **Protect Older Adults from Financial Exploitation:** The Governor will propose legislation to authorize financial institutions to temporarily hold a transaction involving a vulnerable adult’s account if there is reasonable suspicion of financial exploitation. She will also establish an Interagency Elder Justice Coordinating Council to combat elder abuse, and she will strengthen Enhanced Multidisciplinary Teams to better address elder abuse and exploitation.
- **Protect Against Excessive Medical Debt:** The Governor will advance legislation to limit hospital lawsuits against low-income patients for medical debt, expand New York’s hospital financial assistance law, and limit the size of monthly payments and interest charged for medical debt.
- **Protect New Yorkers from Extreme Weather:** This will include updating building codes to include higher standards for resistance to wind, snow, and extreme temperatures, investing in improved and expanded training and preparedness, and deploying generators, pumps, and other ancillary equipment for counties to stockpile to support their residents in the case of an emergency.
- **Simplify Access to Infrastructure Funding:** An “Infrastructure Hub” website will be created to help track State and federal investments in transportation infrastructure, water quality, clean energy systems, and broadband internet access and allow users to search technical assistance programs, grant opportunities, program resources, and other infrastructure news.
- **Establish Empire AI Consortium to Drive Research and Innovation:** Governor Hochul will launch Empire AI, a consortium of New York’s leading research institutions that will establish a state-of-the-art artificial intelligence computing center to promote responsible research and development, create jobs, and unlock AI opportunities focused on public good. The Governor

will also ensure agencies within State government understand how to responsibly harness the opportunity of AI technology to better serve New Yorkers.

NEXT STEPS

The Governor is expected to release the Executive Budget Proposal next week, on Jan. 16th. Once the proposal and related budget bills are available, the LeadingAge NY policy team will review them and provide a high-level review of the Executive Budget Proposal. Approximately one week after the release of the budget bills, we will distribute a comprehensive memo on the Executive Budget Proposal, covering all service lines.

Immediately after the release of the Executive Budget and LeadingAge NY analysis, our grassroots advocacy work will begin in earnest! **PLEASE JOIN US for our 2024 In-Person Advocacy Day on Jan. 30th and [REGISTER HERE](#) as soon as possible!** Members can find their legislators and relevant contact information to begin scheduling meetings [here](#). Also, LeadingAge NY is happy to assist members in scheduling meetings - but to receive this level of planning and coordination, **you must register as soon as possible!**

A final budget agreement will be due by April 1st, which means we will have 10 weeks to weigh in with Legislators and the Governor on LeadingAge NY's top budget priorities. This is just the beginning of the State Fiscal Year 2024-25 budget cycle, and this year, we are aiming to achieve more than ever before. We have been working on our pre-budget advocacy for months, and many of our members have already been engaged in these efforts and meeting with lawmakers. We truly appreciate your sustained efforts, on top of everything you are doing for the individuals in your care. It is critical that we keep the pressure on state legislators and the Governor throughout the duration 2024 budget negotiations.

Thank you for staying engaged with us. We look forward to the work ahead and what we can accomplish together.

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