

MEMORANDUM

A.2018 (Paulin)

AN ACT to amend the public health law, the social services law, the elder law and the mental hygiene law, in relation to long term care options; and to repeal certain provisions of the public health law relating to managed long term care

LeadingAge New York, and the provider-sponsored managed-long-term care (MLTC) plans we represent, strongly oppose this legislation which would repeal and replace section 4403-f of the public health law to eliminate the current MLTC program and replace it with fee-for-service (FFS) models. The bill would also allow the Commissioner of Health (COH) to establish guidelines for operations of care coordination entities to assist with fee-for-service based long-term care services. While LeadingAge New York appreciates the intent of facilitating efficient home care coordination and identifying Medicaid cost savings, this legislation would instead come at great cost to the State and could disrupt care management and home care for nearly 300,000 vulnerable New Yorkers.

According to a [fiscal analysis](#) released by a coalition of groups including LeadingAge New York, this bill would cost the State between \$3.07 billion (B) to \$4.67 B annually. Costs associated with the proposal include administrative costs to counties absorbing oversight responsibilities, increased direct care costs, the lack of cost containment tools in FFS, as well as the loss of existing cost efficiencies being achieved through MLTC.

MLTC plans enable some of the most vulnerable New Yorkers to live in the community by providing robust nurse-led care management, arranging a custom-tailored set of LTC services and environmental supports, and supporting post-acute transitions from hospitals and nursing homes to the community. By arranging for community-based services for individuals who would otherwise require nursing home care, these organizations enhance the quality of life of their members, while helping to reduce overall Medicaid costs.

For consumers, MLTC plans have proven successful in providing high levels of care and satisfaction. The most recent Department of Health (DOH) satisfaction survey found that nearly 90 percent of MLTC members rated their plan as good or excellent. And, 94 percent of members rated their plan as good or excellent in allowing them to remain in their home rather than requiring nursing home care. Eliminating these plans and systems would undo years of advancements in quality outcomes and disrupt care management for nearly 300,000 vulnerable New Yorkers.

Advocates for this bill grossly overestimate any savings that might be associated with MLTC elimination and underestimate the cost and potential loss of access to care associated with shifting to an FFS system. The bill would likely require local social services districts to take over care plan development and approval of home care hours and other services for every beneficiary. These are labor-intensive and high-cost functions that they are ill-equipped to assume.

Lastly, eliminating specialized MLTC plans and shifting backward to an FFS model would limit care options available to individuals in need of specialized, long-term, home-based care and services. **For these reasons, LeadingAge NY opposes A.2018 (Paulin) and urges that it be rejected.**

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