



150 State Street, Suite 301 Albany, New York 12207-1698 Telephone (518) 449-2707 Fax (518) 455-8908 Web www.nyahsa.org

MEMORANDUM

TO: All Members

FROM: Dan Heim, Vice President for Public Policy
Ami Schnauber, Director of Government Relations

DATE: March 30, 2009

SUBJECT: Summary of 2009-10 Budget Agreement

ROUTE TO: Program Directors, Department Heads

ABSTRACT: Detailed summary of the 2009-10 state health and housing budget agreement.

Introduction

The governor and the Senate and Assembly majority conferences reached agreement on a final budget over the weekend and budget bills were printed and placed on legislators' desks on Saturday. The bills must "age" for three days but will be ready for passage tomorrow.

The budget agreement closes the state's estimated two-year \$17.7 billion 2009-10 budget gap through \$6 billion in federal stimulus dollars, \$6 billion in cuts to an array of programs, and \$4 billion in new revenue through an increase in the personal income tax on higher income New Yorkers. The budget agreement cuts \$2.3 billion from health care. Long term care sustains nearly \$300 million in cuts in the final budget as well as significant changes in reimbursement for nursing homes and home care.

The budget will create pilot Long Term Care Assessment Centers, authorize 6,000 assisted living program beds and decertify 6,000 nursing home beds over five years, and create workgroups to inform new payment methodologies for nursing homes and home care. Some of the major cuts include elimination of the 2008 and 2009 trend factors for all provider types, an assessment tax on home care providers, and alterations to Medicaid reimbursement for nursing home services.

The final budget agreement actually represents a restoration of \$173 million of the proposed \$398 million in nursing home funding cuts and \$121 million of the \$189 million in home care agency cuts. We would not have been able to achieve these restorations without the strong and sustained advocacy that NYAHS members brought to bear through scores of letters to newspaper editors, thousands of letters and phone calls to legislators, and direct meetings with lawmakers and their staff persons. Given the challenging economic and fiscal environment

within which the state budget was crafted and the level of cuts made to other areas, these results are certainly an improvement.

Having said that, we are deeply concerned about the cuts that were agreed to, as well as many of the other ill-advised policy changes that lawmakers have embraced. NYAHSa issued a press statement on the budget today, calling it “irresponsible and unfathomable.” The statement is posted at: http://www.nyahsa.org/nyahsa_org/press_releases/n00003319.pdf.

NYAHSa has reviewed the relevant appropriation and Article VII bills impacting long term care and housing providers. This memo will provide you with details on the budget agreement, based on currently available information. NYAHSa will update members as we garner additional information from our analysis, and as the remainder of the budget process concludes. An analysis of the final budget agreement follows.

Nursing Homes

The measures included in the agreed-upon 2009-10 budget affecting nursing homes are summarized below.

2009-10 Budget Agreement: Nursing Home Measures

Proposal	Effective Date	SFY 09-10 State Savings (\$ millions)	SFY 09-10 Provider Impact (\$ millions)
Cap Rebasing Payments/Delay Regional Pricing	4/1/09	(\$95.0)	(\$190.0)
Eliminate Remaining 2008 Trend Factor	4/1/09	(\$41.2)	(\$82.4)
Eliminate 2009 Trend Factor	4/1/09	(\$60.0)	(\$120.0)
Reduce AIDS Rates	4/1/09	(\$4.6)	(\$9.2)
Reduce Bed Hold Payments	4/1/09	(\$9.9)	(\$19.8)
Transition 6,000 RHCF to ALP Beds	4/1/09	(\$6.1)	(\$12.2)
Reduce Adult Day Transportation Rates	1/1/09	(\$8.1)	(\$16.2)
Create Falls Prevention Program	4/1/09	\$0.3	\$0.6
TOTAL		(\$224.6)	(\$449.2)

1. **Cap Rebasing Payments/Delay Regional Pricing:** Rebasing would be implemented effective April 1, 2009, with a Medicaid-only case mix index. The statewide increase in total payments would be limited to \$210 million on a net basis (i.e., rebasing limited to \$460 million, minus a \$250 million limit on the impact of Medicaid-only CMI). A case-mix adjustment to these rates would be made in July 2009, but no January 2010 case-mix update would occur. NYAHSa had advocated for case-mix updates.

Effective April 1, 2010, the “rebased” system already authorized in law would be replaced by a new regional pricing system. The Department of Health (DOH) would calculate direct and indirect prices on a regional basis (the regions are undefined at this point) based on 2007 costs (2005 had been proposed in the Executive Budget). The direct component would be adjusted by each facility’s RUG-III case-mix index for Medicaid patients only, with add-ons for bariatric, dementia/ behavioral and TBI extended care patients. The non-comparable and capital components would still be calculated on a facility-specific basis, with a capital pass-through of real estate taxes and

payments in lieu of taxes. DOH would also evaluate the adequacy of capital reimbursement for voluntary facilities.

Adjustments would be made in the rates for bariatric patients and certain cognitively impaired/behavioral patients. An add-on would also be continued for traumatic brain injury extended care patients. Operating rates for specialty facilities and units (i.e., AIDS, ventilator, TBI, neurobehavioral and pediatric) would be based on the rates in effect as of March 31, 2010, trended forward until DOH can develop prices for them.

DOH could make unspecified amounts of transition payments beginning in 2010 to non-public and state-operated public facilities with over 50 percent Medicaid utilization that are impacted by the new pricing system. Recipient facilities would need to attest to their financial condition and submit a plan for financial improvement, as well as a progress report after two years. DOH could also make unspecified quality incentive payments to eligible facilities beginning in 2010 based on a composite score of staffing, quality measures; and survey scores.

The 2007 base year would be periodically rebased beginning in 2013 at least every six years. The existing reimbursement workgroup (of which NYAHSA is a member) would be charged with overseeing development of the new methodology and reporting its activities to the Legislature.

2. ***Eliminate Remaining 2008 Trend Factor.*** Eliminate the 2008 nursing home trend factor entirely, for purposes of calculating 2009 and subsequent rates. Pediatric facilities are exempt from this provision. **This proposal was accepted, effective April 1, 2009.**
3. ***Eliminate 2009 Trend Factor.*** Eliminate the calendar year 2009 trend factor of 2.1 percent. Pediatric facilities are exempt from this provision. **This proposal was accepted, effective April 1, 2009.**
4. ***Reduce AIDS Rates.*** Eliminate the occupancy factor increases applied to the operating component of rates for AIDS facilities and discrete units. **This proposal was accepted, effective April 1, 2009.**
5. ***Reduce Bed Hold Payments.*** Reduce the bed hold payment to 75 percent of the full Medicaid rate, and decrease the allowable vacancy factor from 5 percent to 3 percent. **This proposal was accepted, and will be undertaken through regulatory changes.**
6. ***Transition 6,000 RHCF to ALP Beds.*** Over a five-year period, phase-out 6,000 nursing home beds and create 6,000 new Assisted Living Program (ALP) beds. DOH would be able to authorize additional ALP beds when a corresponding number of nursing home beds are decertified either voluntarily or through modifications to facilities' operating certificates, and nursing homes would not be required to be licensed as adult care facilities to operate an ALP. **This proposal was accepted, with modifications.** Nursing homes would be required to obtain ACF licensure to operate these ALP beds, and any other eligible entity will be able to apply for these ALP beds when they become available. A total of \$100 million in HEAL NY capital funding would be set aside for nursing home to ALP conversions and other rightsizing/restructuring actions.
7. ***Reduce Adult Day Transportation Rates.*** Administratively reduce adult day health care transportation rates. **This proposal was accepted, and will be undertaken administratively.**
8. ***Create Falls Prevention Program.*** Provide funding for an initiative to reduce patient falls. **This proposal was accepted.**

Other Executive Budget proposals affecting nursing homes, and their disposition in the budget agreement, are as follows:

- ***Revise Financially Disadvantaged Fund.*** Increase annual funding for the program from \$30 million to \$40 million in SFY 2009-10. However, it would also change the program criteria by: (1) making public facilities ineligible; (2) increasing the per facility cap on funding from \$400,000 to \$1 million; (3) changing the minimum Medicaid utilization threshold from 50 percent to 70 percent and certain other financial criteria; (4) requiring all recipients to submit a facility restructuring plan, with quantifiable benchmarks, by a date certain to receive funding; and (5) possibly requiring some recipients to hire a chief restructuring officer to administer the facility's plan. **This proposal was accepted, but at the existing funding level of \$30 million.**
- ***Reduce Payments for Lower Acuity.*** Reduce the RUG-III case-mix weights for the PA1 and PB1 categories by 25 percent, phased-in over four years (i.e., 6.25 percent in SFY 2009-10). **This proposal was rejected.**
- ***Create LTC Nursing Demo Program.*** Authorize a program of scholarships and loan repayment opportunities for nursing students who agree to work in long term care. **This proposal was rejected.**
- ***Restrictions on Rate Appeals:*** Effective April 1, 2009, Medicaid rate appeals would only be processed if they relate to: (1) DOH errors or omissions of data in calculating the operating portion of rates; (2) the capital component of rates; and (3) any other reasons DOH deems appropriate. **This proposal was accepted.** NYAHSa successfully worked to defeat an onerous additional proposal that would have required facilities to re-file any rate appeals submitted before 2009.
- ***Extend IGT Program:*** Intergovernmental transfer program payments would be made to public nursing homes during the 2009-10 fiscal year of up to \$300 million on a statewide basis. **This proposal was accepted.**
- ***Equity Withdrawals/Transfers.*** DOH prior approval would be required for equity withdrawals and transfers from a proprietary or voluntary facility to another entity exceeding three percent of the prior year's revenue. Existing law requires facilities to notify DOH of such withdrawals/transfers. **This proposal was accepted, with modifications.** It was modified slightly to provide DOH with criteria to use in their reviews, which will include the facility's financial and survey status.

Adult Day Health Care Programs

The measures included in the agreed-upon 2009-10 budget affecting adult day health care (ADHC) programs are identified below.

- ***Eliminate 2008 and 2009 Trend Factor.*** Eliminate the 2008 and 2009 trend factors entirely, for purposes of calculating 2009 and subsequent rates. **This proposal was accepted.**
- ***Reduce Transportation Rates.*** Reduce funding for ADHC transportation in the SFY 2009-10 budget. We understand that this change will be implemented administratively, effective April 1, 2009.
- ***AIDS ADHC Inflationary Trend.*** Allow AIDS ADHC programs to receive inflationary trend adjustments effective April 1, 2009, determined in the same manner as they are for other Medicaid providers. **This proposal was accepted.**

Home Care Agencies

Executive Budget proposals affecting home care, and their disposition in the budget agreement, are as follows:

- ***Modify CHHA Reimbursement.*** The Executive Budget proposed to replace the current cost-based CHHA reimbursement system with a new pricing methodology based on patient conditions and episodes of care. A statewide base price would be established for each sixty-day episode of care and adjusted by a regional wage factor and an individual patient case-mix index. Payments would be further adjusted for low-utilization cases. The initial base year for episodic payments would be 2007. This proposal would take effect January 1, 2010. **This proposal was rejected, but an alternative was agreed upon.**

The budget agreement establishes a workgroup to study the home health care reimbursement system. The commissioner of health would appoint the workgroup members, which would include representatives of CHHAs, licensed home care services agencies (LHCSAs), long term home health care programs (LTHHCPs), hospice providers, consumers of home health care services, local governments, labor organizations and other home health care stakeholders. The workgroup will analyze: (1) the impact of episodic payments on high-utilization and outlier thresholds, special needs populations, and dual eligible patients; (2) the relationship between, or compatibility of, Medicare and Medicaid episodic payments; (3) billing procedures related to cash flow of episodic payments; (4) wage index factor adjustments; and (5) subcontracting between CHHAs, LTHHCPs, and AIDS home care programs, and LHCSAs. The workgroup's activities would be reported to the Legislature no later than December 1, 2009.

- ***Direct Provision of Home Care Services.*** The Executive Budget proposed that home health aide services to be provided directly by CHHAs, LTHHCPs, or AIDS Home Care Programs rather than through subcontracts. This would effectively prohibit licensed home care services agencies from contracting with CHHAs, LTHHCPs, or AIDS home care providers for home health aide services. The provision was to go into effect January 1, 2010. **This proposal was rejected, but an alternative was agreed upon.** The reimbursement workgroup noted above will analyze subcontracting arrangements.
- ***Eliminate 2008 & 2009 Trend Factors.*** The governor's budget establishes zero trend factor projections for 2008 and 2009 for Medicaid rates for CHHAs, LTHHCPs, LHCSAs, personal care and AIDS home care; meaning that the 2008 and 2009 inflation factors would not be factored in, in calculating future years' rates. **This proposal was accepted.**
- ***Establish 0.7 Percent Assessment.*** The Executive Budget proposed a 0.7 percent assessment on CHHA, LTHHCP and personal care program gross receipts and operating income on a cash basis, effective March 1, 2009. Unlike the current nursing home cash receipts assessment, this tax would not be Medicaid reimbursable and Medicare revenues would not be excluded from assessable revenue. **This proposal was accepted, with modifications.** The final budget imposes a 0.35 percent assessment on gross receipts, effective April 1, 2009.
- ***Across-the-Board Rate Reductions.*** The Executive Budget proposed across-the-board rate reductions as follows: CHHAs (-3.5 percent); LTHHCPs and AIDS home care programs (-1.5 percent); and personal care (-1.5 percent). **This proposal was rejected.**
- ***Establish LTC Assessment Centers.*** The Executive Budget proposed to create regional long-term care (LTC) assessment centers to take over from the local departments of social services responsibility for assessing the need for, and authorizing Medicaid

recipients to receive personal care, personal emergency response services, LTHHCP (including the AIDS home care program), ALP, consumer directed personal assistance services, and cash and counseling demonstration services. The centers would also make determinations on whether home health services are needed beyond sixty days provided by a CHHA. **This proposal was accepted, with modifications.** A 3-year LTC assessment center demonstration program would be launched in two counties (one in New York City and one upstate) to study the process of transferring responsibility for determining an individual's need for LTC from the county to the regional center. The regional LTC assessment center would have the authority to direct all aspects of an individual's access to Medicaid LTC services, including eligibility; the need for institutional care; and/or the ongoing need for home health services.

- ***Create Quality Incentive Funding Pool.*** This proposal would establish a quality incentive pool of up to \$20 million for eligible CHHAs that meet certain quality measures. To be eligible, CHHAs must have provided services to Medicaid patients and not have received a condition level deficiency of non-compliance in the last recertification survey. **This proposal was rejected, as it was contingent on the CHHA reimbursement reform proposal.**
- ***Elimination of Spousal Impoverishment Protections.*** This would eliminate the current Medicaid spousal impoverishment protections for LTHHCP recipients to satisfy the Centers for Medicare and Medicaid Services' requirement that the protections be removed in advance of renewal of the LTHHCP federal waiver. This change would allow the state to reinstate these protections without a statutory amendment, should the federal government change their position. **This proposal was accepted.**
- ***CHHA Community Service Plans.*** This would require a CHHA's governing body to issue an organizational mission statement identifying the populations and communities served and the commitment to serving the needs of that community. The governing body would then be required on an annual basis to assess the agency's performance relative to the mission statement and issue a public report, which includes a measure of the care provided to underserved populations and the amount of charity care provided. **This proposal was accepted.**
- ***Telemedicine Demonstration:*** The Executive budget proposed the elimination of the telemedicine demonstration program. **This proposal was accepted, with \$333,000 funding allocated to phase the program out on April 1, 2009.**
- ***AIDS Home Care Cap.*** This proposal would establish an expenditure cap for persons receiving services from the AIDS home care program. The cap would be 100 percent of the monthly nursing home rate. If a person were to exceed the monthly maximum, but total expenditures over the course of a year do not exceed the maximum amount allowed, then the local social services district may authorize payment. **This proposal was rejected.**
- ***Elimination of CHHA Moratorium:*** This proposal would essentially lift the current moratorium on processing CON applications for new CHHAs. The moratorium was instituted administratively and therefore would not need legislative action to be undone. Any new programs or expansion of current programs would still be subject to the CON process and reviewed in light of the current need methodology. **We are checking on the status of this proposal.**
- ***Home Health Registry:*** The Executive budget appropriated \$2 million for the creation of a home health aide registry. Legislation signed by Governor Paterson last September directs DOH to create and maintain a registry of certified home health and personal care aides. NYAHS and other associations collaborated on this legislation. **This proposal was accepted, with a modified appropriation of \$53.9 million.**

Managed Long Term Care

The Executive Budget proposed measures that would affect managed long term care (MLTC) programs.

- ***Establish LTC Assessment Centers.*** The Executive Budget proposed to create regional LTC assessment centers to take over from the local departments of social services responsibility for assessing the need for, and authorizing Medicaid recipients to receive managed long term care and other services. **This proposal was accepted, with modifications.** This will be a 3-year demonstration program in two counties (one in New York City and one upstate) to study the process of transferring responsibility for determining an individual's need for long-term care services from the county to the regional center. The regional LTC assessment center will direct all aspects of an individual's access to Medicaid LTC services, including: eligibility; the need for institutional care; and/or the ongoing need for home health services.

We have not yet found legislative language or otherwise been able to confirm the status of the following proposals in the final agreement. Once we obtain clarification, we will share it with members.

- ***Administrative Cap:*** A ceiling would be imposed on the administrative costs of MLTC programs to encourage operating efficiencies, resulting in an \$8.3 million estimated state savings in both SFY 2009-10 and SFY 2010-11. This would impact MLTC programs by \$16.6 million in each of these years.
- ***Maximize Enrollment of Dual Eligibles:*** The proposed budget anticipates the enhanced enrollment of dual eligibles in managed care plans that are projected to reduce state Medicaid spending by \$3.0 million in SFY 2009-10 and \$5.0 million in SFY 2010-11.
- ***Include Personal Care Services in Managed Care:*** The governor's proposal includes a provision to incorporate personal care services in the managed care benefit package with an anticipated state savings of \$0.9 million in SFY 2009-10 and \$1.2 million in SFY 2010-11.

Other Community-Based Services

Executive Budget proposals affecting other community-based services, and their disposition in the budget agreement, are as follows:

- ***NORCs and NNORCs:*** The Executive Budget proposed funding for the Naturally Occurring Retirement Communities (NORCs) and Neighborhood NORCs at \$2,027,000 each, a slight reduction from the prior state fiscal year. Funding priority would be given to the renewal of existing contracts with the NYS Office for the Aging (NYSOFA). **This proposal was accepted.**
- ***Eliminate Enriched Social Adult Day Services.*** The proposed budget would eliminate the Enriched Social Adult Day Services program, which was to have been launched in 2009. **This proposal was rejected.** The budget agreement appropriates \$245,000 of funding for this purpose.
- ***Social Day Programs:*** The Executive Budget proposed \$872,000 for NYSOFA funding for social day programs, with preference towards the renewal of funding existing programs. This represents a cut from last year's appropriation, which, after the summer session cut totaled \$915,000. **This proposal was accepted.**

- **Community Empowerment Program:** The Executive Budget proposed to fund NYSOFA's new Community Empowerment program at \$245,000. The funds would be used for up to eight start-up grants to enable communities to develop supportive services to support "aging in place." NYAHSa is working with NYSOFA and other stakeholders on this initiative. **This proposal was accepted.**
- **Create Cash and Counseling Demo.** This proposal would establish a cash and counseling demonstration program to serve up to 1,000 Medicaid recipients in up to ten counties chosen by DOH. It would allow participants receiving self-directed personal care to plan and manage the services with counseling and an individualized budget. The participant would hire, train and fire service providers. Family members may be paid to provide personal care under certain circumstances. **This proposal was rejected.**
- **Expansion of Consumer Directed Personal Assistance Program (CDPAP).** This appears to be a new initiative, funded at \$500,000, possibly as an alternative to cash and counseling. This allocation would be used to expand the CDPAP, including contracting with peer based programs to assist persons eligible for the program, and providing general education and outreach to increase awareness training for discharge planners, local districts and others. **This proposal was accepted.**

Adult Homes/ Enriched Housing/Assisted Living

Executive Budget proposals affecting adult homes, enriched housing and assisted living, and their disposition in the budget agreement, are as follows:

Adult Homes and Enriched Housing

- **Quality Incentive Payment Program (QUIP):** The Executive Budget proposed \$2.6 million for the QUIP program. Last year's QUIP funding totaled \$4.61 million after several post-budget cuts. **This proposal was accepted, with a legislative add-on of \$2,068,000 for services and expenses of QUIP.**
- **Reappropriation for QUIP:** The Executive Budget proposed a \$2,750,000 reappropriation of QUIP to provide funds for prior-approved 2006-07 commitments. As was reported in [NYAHSa Doc ID# n00002946](#), these funds lapsed before being distributed. **This proposal was accepted.**
- **SSI Enriched Housing Subsidy:** The Executive Budget proposed \$502,900 for the enriched housing subsidy, as compared to last year's appropriation of \$535,000. The subsidy is for Supplemental Security Income (SSI) recipients who are residents in certified not-for-profit or public enriched housing programs, and is paid directly to the operator. The subsidy will not exceed \$115 per month per each SSI recipient. **This proposal was accepted.**
- **EnABLE Funding:** The Executive Budget proposed \$2.4 million for the enhancing abilities and life experience (EnABLE) program, to be distributed through grants and prioritized for facilities that serve recipients of SSI or safety net benefits. An additional \$1.8 million was proposed for air conditioning in resident rooms, generators, improving food quality, or other quality of life activities. Funding would be prioritized to those facilities that demonstrate the highest level of need. Last year's EnABLE funding totaled \$4.6 million. **This proposal was accepted, with a legislative add-on of \$1.3 million for providing air conditioning in resident rooms.**
- **ALR Oversight & Licensing:** The Executive Budget proposed just over \$1.1 million for oversight and licensing activities for assisted living facilities, a slight reduction from last year's \$2 million appropriation. **This proposal was accepted.**

- ***Adult Home Quality Enhancement Account:*** The Executive Budget proposed a \$500,000 allocation for services and expenses to programs to improve the quality for residents in adult homes. These funds may also be used to pay operators who are temporary receivers when a facility is closed. **This proposal was accepted.**

Assisted Living Program

- ***Elimination of 2008 and 2009 Trend Factors:*** The Executive Budget proposed zero trend factor projections for 2008 and 2009 for ALP Medicaid rates, meaning that these inflation factors would not be factored into future years' rates. **This proposal was accepted.** This will effectively limit ALP reimbursement to 2007 rate levels. See http://www.nyhealth.gov/facilities/long_term_care/reimbursement/docs/assisted_living_program_rates_2007.xls for a posting of the ALP rates.
- ***Authorization for Additional ALP Beds:*** The Executive Budget proposed a five-year phase-out of 6,000 nursing home beds and a corresponding phase-in of 6,000 ALP beds. The proposal was tailored towards nursing homes converting beds to ALP beds. Beginning April 1, 2009, an ALP bed can be made available for each nursing home bed which has been decertified—up to 6,000 beds. DOH would not be required to competitively review these ALP applications. Under this proposal, a nursing home would be able to operate an ALP, and not need to become licensed as an adult care facility. **This proposal was accepted, with modifications.** Additional language in the budget agreement states that any eligible applicant would not be prohibited from applying for the ALP beds created by a nursing home bed decertification, and language allowing a nursing home to operate an ALP without becoming licensed as an adult care facility was omitted.
- ***Change in Statutory Language Regarding ALP Reimbursement:*** The Governor's 21-day amendments proposed a clarification that ALP rates are based on the 1992 nursing home Medicaid rate mean prices, adjusted by the trend factor. The intent is to ensure that ALP rates will not be modified as a result of any nursing home reimbursement reform. **This proposal was accepted.**
- ***Establish LTC Assessment Centers.*** The Executive Budget proposed to create regional LTC assessment centers to take over from the local departments of social services responsibility for assessing the need for, and authorizing Medicaid recipients to receive ALP and other services. **This proposal was accepted, with modifications.** This will be a 3-year demonstration program in two counties (one in New York City and one upstate) to study the process of transferring responsibility for determining an individual's need for long-term care services from the county to the regional center. The regional LTC assessment center will direct all aspects of an individual's access to Medicaid LTC services, including: eligibility; the need for institutional care; and/or the ongoing need for home health services.

Senior Housing

- ***NHTD Waiver Housing Subsidy:*** Continuing the program from last year, this Executive Budget proposal would provide \$2.3 million for housing subsidies for participants of the nursing home transition and diversion waiver program. The appropriation is a \$150,000 reduction from last year's appropriation. **This proposal was accepted.**
- ***Low-Income Housing Tax Credits:*** This proposal would provide \$4 million for state low-income housing tax credits, which the governor says will result in \$40 million in

new funding for affordable housing over the next ten years. **This proposal was accepted.**

- ***Housing Trust Fund:*** This proposal would allocate \$29 million for the Housing Trust Fund Program, providing grants to finance construction or rehabilitation of low-income apartment buildings. **This proposal was accepted.**
- ***Affordable Housing Corporation:*** This proposal would allocate \$25 million in new funds to the Affordable Housing Corporation, which will be distributed to communities in grants of up to \$35,000 per unit or \$40,000 per unit in designated high cost areas. **This proposal was accepted.**
- ***Funding for Renovations & Repairs:*** This proposal would provide \$12.8 million in new funding to continue repairs and renovations of the state's existing public housing stock. **This proposal was accepted.**

Medicaid Fraud and Abuse

The estimated Medicaid fraud and abuse recovery increase of \$125 million contained in the Executive Budget was further increased to \$175 million in the final agreement.

Conclusion

We will be seeking further clarifications in several areas, and communicating them to you as we receive them. If you have any questions in the meantime, please contact Dan Heim at dheim@nyahsa.org or 518-449-2707 ext. 128 or Ami Schnauber at aschnauber@nyahsa.org or 518-449-2707 ext. 121.