

6



Claudia J. Hammar  
President

20 Corporate Wood Blvd.  
2nd Floor  
Albany, NY 12211  
hcp@nyshcp.org  
(P) 518.463.1118  
(F) 518.463.1606  
www.nyshcp.org

**Testimony of the New York State Association of Health Care Providers, Inc.  
Presented Before a Joint Legislative Public Hearing on the  
FY 2016-17 Executive Budget Proposal on Health and Medicaid**

**January 25, 2016**

Good afternoon Senator Young, Assembly Member Farrell, distinguished members of the Senate Finance, Assembly Ways & Means, and Senate and Assembly Health and Aging Committees. My name is Laura Haight, Vice President for Public Policy at the New York State Association of Health Care Providers, Inc. (HCP), a trade association representing approximately 350 offices of Licensed Home Care Services Agencies (LHCSAs), Certified Home Health Agencies (CHHAs), Long Term Home Health Care Programs (LTHHCPs), and health related organizations throughout New York State. With me today is Bader Reynolds, a current Board Member and Past Chair of HCP, and Executive Vice President for CareGivers, which provides home care services throughout Upstate New York.

On behalf of the HCP Board of Directors and members, thank you for the opportunity to comment on Governor Cuomo's Fiscal Year (FY) 2016-17 Executive Budget proposal and its impact on home and community-based care providers.

New York has been a national leader in home care. Article 36 of the Public Health Law states: "The provision of high quality home care services to residents of New York State is a priority concern. Expanding these services to make them available throughout the State as a viable part of the health care system and as an alternative to institutional care should be a primary focus of the State's actions."

New York has followed through on its commitment by developing a comprehensive regulatory and oversight system for home care agencies. Home and community-based care has been recognized as a central component for new models of health care delivery aimed at achieving the State's triple aims of improving care, improving health, and reducing costs within the Medicaid system. Home care is the patient-preferred option, enabling disabled, chronically ill and elderly New Yorkers to remain with their families and be cared for with dignity in the comfort of their own homes.

New York State is home to the third-largest elderly population in nation. Currently there are more than 2.6 million New Yorkers over the age of 65, and that number is only expected to

grow. As a growing percentage of New Yorkers “age in place” in their homes and communities, long term home care will become increasingly important to support those with chronic conditions and functional limitations.

Despite the widespread recognition that home care saves money by keeping New Yorkers out of more costly health care settings, the Governor’s proposed 2016-17 budget continues a years-long pattern of disinvestment in home care. Home care agencies are already reeling under a perfect storm of challenges due to inadequate levels of reimbursement, spiraling labor costs, and burdensome regulatory requirements while simultaneously working to navigate the complex and rapidly changing health care transitions underway in New York. The Governor’s proposed minimum wage increase, absent any funding to reimburse Medicaid providers for the increased costs, poses a very real threat to the viability of the industry.

The challenges are especially great for licensed home care services agencies (LHCSAs). LHCSAs are unable to directly access Medicaid funds, such as those set aside to help ensure that financially distressed Vital Access Providers (VAP) can continue to operate. While HCP represents the full spectrum of home care providers, the majority of HCP’s members are LHCSAs that provide a wide range of long term home care services and supports for seniors, chronically ill, and people with disabilities. LHCSAs employ the vast majority of home health aides and personal care aides in New York. Most of these services are Medicaid-funded, performed under contract with managed care plans, local departments of social services, and certified home health agencies (CHHAs).

For years, HCP has come before this joint legislative budget committee to warn of the impacts that continued cuts to home care will have. Once again, the Executive’s proposed budget fails to recognize the critical challenges facing home care providers. Not only does this budget fail to alleviate the very real financial pressure home care providers across the State are already experiencing, it includes a significant minimum wage increase with no funding to support it. Unless the State provides sufficient funding through Medicaid and other sources to adequately reimburse home care agencies for the services they provide, and ensures that these funds flow directly to home care providers, a home care industry already in crisis will be in jeopardy.

Behind the statistics, there are real stories to tell of how home care services have made a difference in people’s lives. Home care is the glue that keeps families together. Every day, home care providers go above and beyond to care for their clients under often challenging circumstances. We all recognize that our dedicated, hardworking and compassionate aides deserve to be paid more. But without funding to support it, the proposed minimum wage increase would be catastrophic for the home care industry.

HCP urges the Legislature to work with the Governor to allocate sufficient resources in the 2016-17 State Budget to support the home care industry and the recruitment and retention of a qualified home care workforce to ensure that New Yorkers around the State will continue to be able to access high quality home care services.

## **Home Care Facing Severe Challenges in 2016**

Home care agencies are in crisis. Mandatory wage and benefit costs for home care agencies in New York have dramatically increased over the past three years, while reimbursement for these services is woefully inadequate. Funding promised from the State in previous budgets to help partially offset these additional costs have yet to be seen by home care providers. Faced with critical cash flow shortages, many home care agencies have been forced to make difficult choices in order to make their weekly payroll, and an increasing number are getting out of the business entirely. This has had serious negative impacts on the home care industry, home care workers, and the tens of thousands of New Yorkers who rely on these essential services.

### ***Mounting Labor Costs***

- Under the New York State Home Care Worker Wage Parity law, home care agencies have been required to pay their aides \$14.09 an hour in New York City since March 1, 2014 (\$10 base wage plus \$4.09 in additional wages and/or supplemental benefits).
- Wage Parity rates will be going up to \$13.22 an hour in Nassau, Suffolk and Westchester Counties on March 1, 2016 (\$10 base wage plus \$3.22 in supplemental benefits), an increase of \$1.72 an hour from the previous year.
- The State minimum wage increased to \$8.75 last year and \$9.00 this year.
- Starting January 1, 2015, employers are now required to offer health insurance coverage to employees who work more than 30 hours per week per the Federal Affordable Care Act (ACA).
- Effective October 13, 2015, changes to the Federal Fair Labor Standards Act (FLSA) Rule eliminated the Companionship Exemption, which had allowed employers to reimburse home care workers at time and a half of minimum wage, as opposed to time and a half of their regular rate of pay.
- Workers' Compensation costs for the home care industry have skyrocketed, with rates increasing by 30-40% two years ago, and another 25-30% this year. The home care industry faces some of the highest workers' compensation rates of any industry sector.

### ***Inadequate Reimbursements***

Over the past three years, home care providers in New York have experienced significant regulatory and reimbursement challenges as the State has transitioned into Medicaid managed care and both the State and Federal governments have cut back on Medicaid and Medicare funding. While managed long term care is now mandatory Statewide as of July 2015, a significant portion of long term home care clients are still in Medicaid fee-for-service (FFS).

Home care providers across the spectrum of services are struggling with significant challenges that must be addressed, including:

- Outdated and inadequate Medicaid FFS reimbursement rates;
- Cash flow crises stemming from inadequate reimbursement rates and delayed or non-existent payments from managed care plans;
- Increased administrative burdens, particularly due to a lack of standardization among managed care plan procedures and processes;
- State and Federal rebasing reductions for CHHAs;
- An outdated and duplicative regulatory structure centered on a FFS health care delivery system that does not translate in the managed care setting.

The transition to managed care continues to be fraught with problems too numerous to include in this testimony. HCP works with the New York State Department of Health (DOH) and other agencies on an ongoing basis to identify and resolve problems that our members bring to our attention, many of which have to do with inadequate, nonexistent, or delayed reimbursement of services.

HCP greatly appreciates the Legislature's support of provisions in last year's State budget to require standardized billing codes for home care services in managed care and the use of electronic funds transfer to reimburse home care providers. Once implemented, these will significantly reduce administrative burdens and expedite reimbursements. HCP looks forward to working with the Legislature to address other regulatory misalignments and inefficiencies burdening home care providers.

### *Unfulfilled Promises of Assistance*

Throughout the transitions underway in New York's health care system, critical funding promised from the State to reimburse - or at least partially offset - home care costs has yet to be seen by home care providers.

- **Federal Fair Labor Standard Act (FLSA) Overtime Rule** – Home care agencies are still awaiting emergency funds promised by the State to reimburse them for the additional cost of compliance with the new Federal FLSA rule regarding overtime compensation that went into effect on October 13, 2015. This rule change eliminated the “companionship exemption” for home care workers and clarified other compensation requirements, such as reimbursement for travel time. Agencies are now required to reimburse home care workers' overtime hours at time and a half of their regular rate of pay, rather than time and a half of the State minimum wage as was previously allowed. Despite the fact that DOH had ample time to prepare for the new rule, which had been

adopted in 2013 but delayed due to litigation, no action was taken in advance to ensure that Medicaid rates included this additional mandatory labor cost. In 2014, \$5 million was allocated from the Balancing Incentive Program (BIP) funds to provide bridge funding for Fiscal Intermediaries in the Consumer Directed Personal Assistance Services (CDPAS) program to comply with the new rule, but nothing was done to address the far greater needs of the long term home care industry. In November 2015, after outcry from HCP and its members, DOH announced that it would expedite retroactive reimbursement to home care providers via both FFS rate increases and lump sum payments to managed care plans that were intended to be passed through to providers. In the absence of more complete data, DOH estimated that the FLSA cost impacts would total 34 cents across all hours, of which the State share would be half. It has now been more than three months since the new overtime payment rule went into effect and home care agencies have not received any additional reimbursements to pay for it, resulting in disruptions in patient care that are discussed in further detail later in this testimony. While HCP has been informed that FLSA payments will go out to the plans soon, HCP is still seeking assurances from DOH that the plans will be required to pass all of this funding through to providers, who in turn must attest that they are passing the funds to their workers.

- **Quality Incentive Vital Access Provider Pool (QIVAPP) Program** – DOH and the Federal Centers for Medicare and Medicaid Services (CMS) allocated \$70 million in each of the past two fiscal years to reward agencies in New York City that offer expanded health benefits for their employees. To date, only \$35 million in QIVAPP funds have been distributed to home care agencies, and, due to additional eligibility restrictions imposed by DOH last year, some of the initial recipients will be forced to return some or all of the QIVAPP funds they received. The Federal share of the first year funds have been tied up for months and the process to begin distribution of the current fiscal year's allocation of funds has not even begun. Even for those providers that ultimately receive QIVAPP awards, the funds will not come close to covering the additional cost of compliance with the Wage Parity law. No such assistance has been offered to agencies in Westchester, Nassau, and Suffolk, which also have to comply with the Wage Parity Law. By any measure, the QIVAPP program has not been a success. HCP has been pressing DOH and CMS to disburse the remaining \$105 million in QIVAPP funds as soon as possible, and to come up with a better solution in the future.
- **Home Care Workforce Recruitment and Retention (R&R)** – The 2016-17 Executive Budget proposal continues funding for this program with \$272 million for the New York City Home Attendant Personal Care program and \$22.4 million for the Upstate Personal Care program. On the FFS side, agencies are informed how much in R&R funds they are receiving. In managed care, however, with rare exceptions, providers have no idea how much of the R&R funds, if any, are being passed down to them. DOH requires managed long term care (MLTC) plans to attest that the funds are used for the purposes of recruitment, training and retention of home care aides. However, plans are not required to submit records of R&R funding allocations to DOH or to notify their contracted

providers. Many of HCP's members have been told by the plans that the R&R funds are embedded in their contracted rates. Home care providers could desperately use this funding to help meet the ever-increasing challenges of recruiting, training, and retaining a talented workforce. HCP strongly recommends that this funding be distributed directly to providers and not through managed care plans. At a minimum, there must be more transparency in how the plans are distributing these funds. Without such transparency, there is no certainty that these funds are being used for their intended purpose.

- **Restoration of 2% Across-the-Board (ATB) Medicaid Cut:** In 2014, the State repealed a 2% ATB cut in Medicaid FFS payments that had been initially approved in the FY 2011-12 State Budget. The State has finally received CMS approval to release these funds, however to date, none of these promised funds have been returned to providers.
- **Delivery System Reform Incentive Payment Program (DSRIP):** Billions of dollars have been poured into DSRIP, whose purpose is to fundamentally restructure the health care delivery system by reinvesting in the Medicaid program, with the primary goal of reducing avoidable hospital use by 25% over 5 years. While home and community-based care should play a central role in this program, and most HCP members have participated in Performing Provider Systems (PPSs), there is no guarantee whether any of the DSRIP funds will make it down to home care providers.

#### **Agencies Stretched to the Limit Cannot Absorb Additional Costs**

Home care agencies in New York employ over 200,000 home health and personal care aides who provide more than 300 million hours of care a year to chronically ill, disabled, and elderly citizens. Our workforce is our major investment, and thus we are especially sensitive to changes in labor requirements. Furthermore, the vast majority of home care services are government-funded. When additional labor costs are mandated, agencies cannot simply raise their rates accordingly; they are captive to whatever rates have been set by the government or individual rates negotiated with managed care plans with whom they have contracts.

HCP has come before the Legislature in previous years and testified that continued disinvestment in home care will harm home care agencies, home care workers, and ultimately impact continuity of care for New York's frailest citizens. Unfortunately, we are now witnessing the results. After years of being squeezed to achieve further cost savings for New York's Medicaid system, the home care industry can no longer absorb the cost of additional mandates or carry them until they are eventually reimbursed months or years later.

The impact of the recent changes to the Federal overtime payment rule show just how sensitive the home care industry is to wage increases. With no additional Medicaid reimbursements to pay for the increased overtime costs, home care agencies have been forced to take measures to reduce their overtime hours that they know are not in the best interest of either their clients or their caregivers:

- Agencies have had to limit their home care workers' hours to 40 hours a week, forcing these workers to get second jobs and work longer hours in order to make the same amount they were making previously with overtime.
- For clients requiring more than 40 hours a week of care, instead of having one home care aide, with whom a client often develops a strong bond, clients now are often assigned multiple aides, which can cause significant difficulties for clients and their families, particularly those with Alzheimer's or other dementias where any type of change can have a dramatic negative impact.
- Most agencies are not accepting any new "live-in" cases.
- In areas where there are staffing shortages, agencies have been unable to guarantee that they can meet clients' requests.

While agencies strive for efficiencies wherever possible, overtime costs are a necessary part of home care. Our home health aides cannot leave a client unattended if a doctor's appointment runs late, a second scheduled aide misses a shift, or an emergency arises. We have a duty of care for our clients, and when agencies are short-staffed, they must assign extra hours to existing staff to cover their cases. And in some cases, particularly with clients that need special attention, keeping the same aide assigned to a client is in their best interest, even if overtime costs are incurred.

In a survey circulated last fall by HCP, LeadingAge New York, and the Home Care Association of New York State (HCA), home care agencies reported that they reduced their overtime by more than 16% in advance of the new FLSA overtime rule going into effect. More than 80% of the respondents indicated that the rule would limit their availability to accept new live-in cases and necessitate hiring of additional aides.

### **Impacts of Proposed Minimum Wage Increase on the Home Care Industry**

Governor Cuomo's proposed \$15 minimum wage will have an especially significant impact on New York's home care industry, where more than 90% of the workforce earns less than \$15 an hour.

Using conservative estimates, a \$15 minimum wage would cost the home care industry at minimum an additional \$1.7 billion annually once fully phased in, most of which will fall under the Medicaid program. This number does not include expected increases in home care utilization as the population ages and more families need assistance taking care of their loved ones. With an increasing number of older people living at home in the community, the *New York State Plan on Aging (2011-2015)* recommends that the State "Expand the availability of non-medical home care services as a cost-effective alternative to more intensive and costly forms of care."

There will be immediate and significant Medicaid cost implications in FY 2016-17 under the Governor's minimum wage proposal, particularly in New York City, which accounts for 80% of

home care hours. Under the Governor's proposal, the minimum wage in New York City would increase to \$10.50 an hour on July 31, 2016 and \$12 an hour on December 31, 2016. By our estimates, currently home health aides in New York City earn an average \$10.54 an hour and personal care aides earn an average \$11.50 an hour. The proposed minimum wage increases will not only result in direct costs of bringing workers' wage up to \$12 an hour, but will also immediately trigger indirect "compression costs," (i.e. wage increases to higher paid workers in order to maintain distinctions between salary grades), since low-wage workers make up such a high percentage of the home care work force. The fiscal impacts in Year 1 of the phase-in for the rest of the state would likely not be as dramatic, since average hourly wages for home care workers are higher and the proposed minimum wage increase would be phased in more slowly.

HCP and other health care associations are still analyzing the impacts of the Governor's proposal on hospitals, nursing homes, and home care agencies and will share our estimates of year-to-year cost projections for each of our sectors as soon as they become available.

Home care agencies would like to be able to pay their workers more. Home care aides are at the heart of the care we provide every day and they go above and beyond for their clients. But unless agencies are fully and fairly compensated for the cost of providing home care services, HCP cannot support the Governor's minimum wage proposal. If the Governor and State Legislature intend to increase the minimum wage for home care workers, adequate funding must be included in the State's Medicaid program to reimburse these additional costs, and guarantees must be in place to ensure that this funding is passed through to home care providers, who at the end of the day must meet their weekly payrolls in order to stay in business.

### **Medicaid Providers Need Protections from Plan Insolvency**

With the transition of Medicaid services into managed care, the State and Federal government need to develop greater safeguards to ensure that if a managed care plan becomes insolvent, providers are reimbursed for Medicaid services rendered.

While the Health Republic collapse garnered extensive media coverage, virtually no attention has been paid to HHH Choices Health Plan, an MLTC plan based in Westchester, which filed for bankruptcy in May 2015. As of December 31, 2014, HHH Choices had more than \$13.7 million in outstanding claims, including over \$2 million owed to HCP members for Medicaid-funded home care services provided under contract with the plan.

Federal rules requiring that managed care plans "must provide assurances satisfactory to the State showing that its provision against the risk of insolvency is adequate to ensure that its Medicaid enrollees will not be liable for the managed care organization's (MCO), prepaid inpatient health plan's (PIHP), or prepaid ambulatory health plan's (PAHP) debts if the entity becomes insolvent" proved to be inadequate. DOH had received \$4.3 million in escrow funds and a written guarantee from the parent company of HHH Choices that it would cover any outstanding claims should HHH Choices become insolvent, but the parent company, which also is experiencing financial troubles, did not make good on this promise.

The State and Federal government must improve their fiscal oversight of managed care plans and ensure that Medicaid providers are reimbursed in cases of insolvency. Options include providing



State and Federal financing to guarantee the payment of bad debts to providers or mandating that plans contribute to a funding pool to cover such debts.

HCP urges that any remedy included in the FY 2016-17 budget for Health Republic's providers who are owed money should also include compensation for HHH Choices' providers.

### **Additional Resources Needed for Health Care Transitions Underway in New York**

With home care providers struggling to stay above water during these challenging times, their ability to participate in the evolving health care delivery reforms underway in New York, such as DSRIP and Value Based Payments (VBP), has been severely curtailed. Home care providers have a unique potential to deliver dynamic cost savings to the State's health care system through their hands-on care of clients in their own homes. Early interventions in the home can yield significant savings in avoiding preventable hospitalizations, emergency room visits, and other complications.

However, with increasing cash flow shortages, home care agencies have not been able to invest in new health care information technologies (IT) and other innovations that will enable them to integrate with these new models of health care and maximize the value they can offer to their patients and the overall health care system. Investment in health care IT is also necessary for emergency preparedness and to ensure proper monitoring and care of homebound individuals.

Home care agencies need technical assistance and support to participate in the dizzying array of new collaborative health care models focused on reducing hospital admissions and transitioning patients into home care and community-based settings, such as DSRIP, VBP, and the Community First Choice Option. Resources are also needed to support transformations underway within New York's home care industry, which over the past year has seen a marked increase in mergers, consolidations, and acquisitions, and to ensure that patients' access to and continuity of care is not disrupted during this transition.

Finally, additional resources are needed to provide support for financially distressed home care providers that are vital safety net providers in their communities, particularly in rural areas. Home care providers have difficulties accessing lines of credit, since they typically don't have "bricks and mortar" assets. In some cases, home care owners have had to put mortgages on their own homes in order to secure credit. Further, LHCSAs cannot be directly funded by Medicaid, and therefore cannot access funds that have been established to help financially distressed safety net providers. Additional resources are needed to ensure that New Yorkers across the State will be able have access to high quality home care services when they need it.

### **Budget Recommendations**

HCP urges the Senate and Assembly to include the following provisions in their respective budget proposals:

- **Minimum Wage Increase:** Provide commensurate Medicaid funding to fully compensate home care providers for the cost of any proposed increase to the State minimum wage. We estimate the impact of the \$15 minimum wage proposal to be at least \$1.7 billion for the home care industry alone. Clearly home care agencies cannot support this wage level without direct reimbursement from the State, since at least 80% of long term home health care in New York State is funded by Medicaid.
- **Adequate Compensation:** Require adequate Medicaid reimbursement rates for home and community-based long term care services and fiscal intermediaries in the CDPAS program to ensure that such contracts or rates will support the recruitment and retention of a qualified workforce capable of providing high quality care to recipients of these services. Such compensation, at minimum, must include full reimbursement for the cost of recruitment, training and retention of direct care personnel, including wages and mandatory benefits, Worker's Compensation costs, Wage Parity and local living wage laws where applicable, and a supplemental benefit rate.
- **Health Care IT:** Provide funding for home and community-based care providers for investments in health care information technology (IT). One potential mechanism, which was advanced by the Legislature last year, would be to amend the proposed \$1.2 billion Capital Restructuring Financing Program (CRFP) to allow such funding to be used for the establishment or expansion of health information technology.
- **Home Care Workforce Recruitment and Retention (R&R) –** The 2016-17 Executive Budget proposal continues funding for this program with \$272 million for the New York City Home Attendant Personal Care program and \$22.4 million for the Upstate Personal Care program. HCP strongly recommends that this critically important funding be distributed directly to providers and not through managed care plans. At a minimum, there must be more transparency in how the plans are using these funds.
- **Restore the Medicaid Trend Factor:** The Executive Budget Proposal once again fails to include trend factor adjustments for Medicaid provider reimbursement rates in FFS. This results in a two-year lag time in adjusting rates to keep pace with rising costs. Without a trend factor, an agency's Medicaid home care rates in 2016 will be based on expenses incurred in 2014 and reported in 2015. This is one of the many factors contributing to the chronic underfunding of home care services.
- **Support for Rural/Distressed Home Care Providers:** The State must find resources to provide support for economically distressed home care providers that are vital safety net providers in their communities. Because LHCSAs cannot be directly funded by Medicaid, they are not eligible for programs such as Vital Access Provider funding and the Balancing Incentive Program, even though they may otherwise meet the criteria. Much of upstate is already underserved. Home care providers in rural upstate counties face increased challenges in terms of significantly higher transportation costs and

workforce shortages. HCP recommends that the State establish and fund a Rural Home Care Assistance Fund to stabilize and strengthen upstate home care agencies, particularly those that are the only agencies serving their communities.

- **Health Republic/HHH Choices Reimbursement:** The budget should include a mechanism for reimbursing health care providers with outstanding unpaid claims from managed care plans that have become insolvent. While the demise of Health Republic and the huge losses for hospitals and doctors has garnered significant attention, home care providers have also suffered millions in losses from the collapse of HHH Choices, a managed long term care plan that filed for bankruptcy in May 2015.
- **Support Small Business Tax Relief:** Most of HCP's members are small businesses, many of whom are family-run. HCP strongly supports tax relief for these job-creating small businesses. It is unclear how much benefit the Governor's proposed small business tax cuts will have for the home care industry. HCP, however, urges the State Legislature to eliminate the .35% Gross Receipts Tax that was imposed on home care providers in 2011-12 in any final tax package.
- **Advanced Home Health Aide:** While HCP has been supportive of creating a new Advanced Home Health Aide (AHHA) designation, a number of funding and policy concerns must be addressed in order to ensure the success of this program. Participating providers will incur increased costs related to higher hourly pay rates, staff development and on-the-job training for AHHAs, and the cost of increased oversight and supervision by registered nurses (RNs). Absent funding to compensate providers for these costs, it is unlikely they will hire AHHAs, despite the widely acknowledged benefits of this program. HCP further urges the Legislature to ensure the equitable distribution of any State funds allocated for AHHA curriculum development and training programs.
- **Health Care Facility Transformation Program (HCFT):** The home care industry is undergoing a massive transformation in New York right now. Funding is needed to support consolidations and restructuring taking place throughout the industry. While HCP supports the Governor's proposal to modify the HCFT program to make \$195 million available for a range of health care providers, including home care agencies, to replace inefficient and outdated facilities as part of a merger, consolidation, acquisition or other corporate restructuring activity, far more funding is needed for this program.
- **Unfunded Mandates:** Because of the large number of full-time and part-time home care aides employed in New York and the significant turnover rate in the home care workforce, HCP will be closely scrutinizing proposals that could potentially add more costs or administrative burdens on employers, such as the Paid Family Leave Act. HCP also supports any measures that would reduce Workers' Compensation costs for home care agencies, whose rates have steeply increased over the past three years and are among the highest for any industry. HCP is still analyzing the Governor's Workers'

Compensation reform package to see if any of the proposed changes will have a meaningful impact in reducing the double digit increases in Workers' Compensation costs for home care.

### **Real People and Families Depend on Home Care**

In conclusion, the stakes are exceptionally high this year for the home care industry. There are both longstanding and new issues that not only threaten the financial viability of home care providers, but also the stability of home care worker jobs and, above all, consumer access and continuity of quality home care services.

The State must invest in home care to meet the growing demands of an aging population and to help hold the line on health care spending. Your support and action is critical to ensure the State does not further destabilize an industry undergoing massive system changes.

Thank you for this opportunity to comment on the Executive Budget proposal for FY 2016-17. HCP looks forward to working with the State Legislature to address the critical needs of the home care industry and ensure that families across New York will continue to have access to high quality home care services for their loved ones.