



**JOINT LEGISLATIVE HEARING ON 2018-19 EXECUTIVE BUDGET PROPOSAL
MINIMUM WAGE INITIATIVE - IMPACTING NYC AMBULETTE PROVIDERS
FEBRUARY 12, 2018**

Honorable Finance Chair Senator Young and Assembly Chair Weinstein, Senator Hannon, Assemblyman Gottfried and distinguished members, my name is Neal Kalish, and I'm a Director of the United Ambulette Coalition. I want to first thank the Legislature for this opportunity to present on the Executive Budget, and corresponding topics impacting the ongoing viability of the industry.

The United Ambulette Coalition is a not-for-profit industry advocacy group that represents and provides a voice for New York City ambulette providers with the Department of Health, the New York State Legislature, Transportation Managers, and regulatory authorities providing industry oversight.

Our objective is to help ensure the vitality of the industry, and in so doing, and most importantly, ensuring that the Medicaid recipient who need access to what is often critically necessary medical care and treatment can receive it.

We are seeking your help and support to address one critical items in the Executive Budget; minimum wage rate relief, which is dramatically underfunded -- most critically on the MLTC side, where zero funding is in place to help offset upwardly spiraling payroll.

If not properly addressed, will jeopardize our ability to provide quality care and service to the neediest and most vulnerable of the Medicaid population.

BACKGROUND

Just briefly, some background on the New York City ambulette industry; as we are a very critical, but respectfully, based on our size, at times overlooked component of the Medicaid program.

While the ambulette or non-emergency transportation program is a relatively small portion of the Medicaid budget, accounting for less than 1% of a \$64 billion program, we believe it is important to remind everyone that as it pertains to the Medicaid population, how very critical a component we are.

In many respects we keep New York City hospitals, dialysis facilities, nursing homes, Adult Day Care programs, drug rehab facilities, mental rehab programs and other medical facilities that serve the Medicaid population operational.

It is fair to suggest that without the service we provide, the population we serve, which is truly to the most vulnerable, and most in need of the Medicaid population, would be under extreme duress. Many would without question have tremendous difficulty accessing medically necessary care and treatment, burdening the healthcare system with far greater costs relative to that of an ambulette transport.

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Briefly, and more specifically:

- We provide transportation service to ensure access for the Medicaid population to medically necessary care and treatment for the Medicaid population **to critical, life sustaining treatment, like dialysis.**
- We serve is the hardest to serve segment of the Medicaid population, the sick, elderly and infirm; they are wheelchair-bound, or have difficulty ambulating on their own, and require our assistance. This population is often weak and frequently suffering with the side effects of a treatment, leaving them in a frail condition; as is typically the case following a dialysis treatment.
- We provide access to Adult Day Treatment programs, these are programs that often keep the elderly active and social, preventing many from requiring more intensive a costly nursing home admittance.
- We employ thousands of predominantly minority employees, including drivers, matrons/ helpers (who provide assistance in carrying wheelchair bound patients up and down stairways in non-elevator buildings), mechanics, office clerical, logistics and administrative staffs.
- The service we provide is door-to-door. In and out of the vehicle and to and from the residence and medical facility. We do not leave clients at the curb, we assist clients to and from their medical appointments.
- We carry wheelchair-bound clients up and down flights of steps in non-elevator buildings. This labor-intensive task requires a two-person team, a driver and a helper to lift and carry the patient in the wheelchair with great care.
- We keep New York City hospitals, and their clinics and emergency rooms operational, as it pertains to the Medicaid population. We work tirelessly to ensure the safe and timely transfer of Medicaid recipients, who otherwise would be unable to easily access these facilities.
- We help to ensure the smooth transfer of dialysis patients in and out of treatment, enabling facilities to operate effectively. Without our service, it is fair to suggest NYC dialysis facilities would be unable to run.
- We move in and out of some of the most challenging, and dangerous housing projects in the nation.
- Despite the obvious need for timely service, we sit in snarled traffic in for prolonged periods of time, as New York City has become a traffic nightmare with bus lanes, bike lanes, no turning lanes, pedestrian plazas, and thousands upon thousands of taxis and Livery cars. A New York Post article documented the average vehicle in Manhattan moves at an 8MPH crawl (attached).

As an Industry the level of care and service we provide to the Medicaid recipient in need of access is remarkably reliable, a few examples:

- During and immediately after 9-11 when the City was paralyzed, we continued to run, providing access to care and treatment for Medicaid recipients.
- Following Hurricane Sandy when New York City was shut down, and buses, subways, taxis and Livery cars were not operating, we continued to provide access to life sustaining dialysis treatments.
- During treacherous blizzards, we experience each winter, again, when the city shuts down, but, dialysis facilities remain open, we risk our businesses to transport those in need of treatment.

We believe it is fair to suggest that the service we provide in many respects is the lifeblood of the healthcare system, as it relates the most vulnerable and in need of the Medicaid population. Demographics/aging of the population, coupled with the epidemic rise in diabetes and hypertension, makes the access we provide critically important.

ISSUE: Minimum Wage is not being adequately funded in the Executive Budget

Transportation funding to enable a provider pay the minimum wage increase for direct care ambulette drivers, helpers and matrons is underfunded.

Specifically, as you will note in the chart below, there is **zero funding in place on the MLTC side** for transportation, and this is creating a hugely burdensome problem for providers, as wages continue to spiral upward.

(\$'s in millions)	FY2018	FY 2019	Increase	% Chg. 2018 v 2019
Home Care (MMC)	\$213.66	\$617.48	\$403.88	189%
Home Care (FFS)	\$27.70	\$64.30	\$36.60	132%
TOTAL HOME CARE	\$241.36	\$681.78	\$440.48	182%
TRANSPORTATION (FFS)	\$3.98	\$7.04	\$3.06	77%
TRANSPORTATION (MLTC)	\$0.00	\$0.0	\$0.00	0%

Of note, DOH FFS has been constructive on this issue, having held several meetings with us. Our expense structure was presented by the industry, and reviewed by DOH FFS, and appropriate rate adjustments were implemented to help offset the impact of minimum wage increases.

The funding to adjust provider reimbursement rates for the MLTC segment of our work was not funded last year, nor again in the upcoming fiscal 2019 Executive Budget.

FUNDING REQUIRED

The required level of funding requested is \$14 million incremental to the \$7 million on the FFS program, which should enable the MLTC programs to bring funding in line with FFS Medicaid established reimbursement rates.

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Total Transportation request for Minimum Wage = \$21.04 million FY2019.

*Updated to illustrate \$14 Million funding for MLTC Medicaid Transportation Minimum Wage Funding.

Summary

We are pleading with you, the legislature, for funding in the final state budget for 2019, and we are pleading for support from any of the MLTC plans, and from the MLTC side at DOH. **This funding needs to be earmarked for Ambulette Transportation service in NYC, and it needs to be mandated or legislated that any funding made available for minimum wage, must be passed through to the transportation provider in the form of rate relief** to support direct salary costs and fringe benefits for health care workers reimbursed by the Medicaid program, which in the case of our industry are predominantly drivers, helpers and matrons.

If our ability to provide quality service is compromised, and we are unable to provide quality care and access for the Medicaid population, many would be left stranded, unable to access preventative care and often life sustaining care and treatments like dialysis, and many would end up in Emergency Rooms, often admitted overnight for extended care at a cost to the healthcare system that is far more burdensome to the Medicaid program relative to modest cost of a transport to a preventative medical treatment in an ambulette.

The UAC thanks the Legislature for the opportunity to share with you our perspective regarding the Executive Budget. We are seeking your help and support funding the minimum wage impact on our labor force. At present, the Executive Budget allocated funding will only cover approximately 40% of our increase in payroll and associated benefits, and we are desperately in need of funding enabling us to pay our direct care workers the mandated minimum wage.

Thank you again for the opportunity to present today on this topic, and for any help and support you can provide.

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ADDENDUM

*At present, providers receive transports from the New York City Transportation Manager MAS (Medical Answering Services) for FFS Medicaid recipients. This is estimated to account for 40% - 50% of a providers' volume. The remaining 50% - 60% of a providers' volume comes to us from a MLTC Plan, or a broker that a MLTC Plan has contracted with to manage transportation. The MLTC Plans, Brokers and FFS Medicaid Transportation Manager, utilize virtually the same network of ambulette providers.

- Virtually our entire labor force of drivers and helpers were recently increased to \$13.00/hour and \$19.50 overtime, with more senior drivers escalating accordingly. In December 2018 these numbers will escalate to \$15 base hourly rate and \$22.50 overtime.
- Overtime is excessive but inevitable in our industry. To meet the needs of hospitals running 24/7 and dialysis facilities running close to that we incur excessive overtime. Time and a half is paid after 40 hours worked, so a \$13 per hour employee earns \$19.50 after working 40 hours, and at the upcoming \$15.00 per hour, we are paying \$22.50 per hour overtime.

MINIMUM WAGE - NEW YORK CITY					2016 vs 2019
	2016	2017	2018	2019	% Change
Minimum Wage – NYC	\$9.00	\$11.00	\$13.00	\$15.00	66.6%
Overtime > 40 hours	\$13.50	\$16.50	\$19.50	\$22.50	66.6%
% Increase	0	22.20%	18.20%	15.40%	66.6%

The real reason for New York City's traffic nightmare

By [Shawn Cohen](#), [Yoav Gonen](#) and [Laura Italiano](#)

Bumper to bumper traffic along Canal Street. Photo: Matt McDermott

Time for some traffic problems in Manhattan!

City officials have intentionally [ground Midtown to a halt](#) with the hidden purpose of making drivers so miserable that they leave their cars at home and turn to mass transit or bicycles, high-level sources told The Post.

Today's gridlock is the result of an effort by the Bloomberg and de Blasio administrations over more than a decade of redesigning streets and ramping up police efforts, the sources said.

"The traffic is being engineered," a former top NYPD official told The Post, explaining a long-term plan that began under Mayor Mike Bloomberg and hasn't slowed with Mayor de Blasio.

"The city streets are being engineered to create traffic congestion, to slow traffic down, to favor bikers and pedestrians," the former official said.

"There's a reduction in capacity through the introduction of bike lanes and streets and lanes being closed down."

The concerted effort includes:

- Pedestrian plazas that have cut off entire lanes of traffic and created bottlenecks.
- Protected bike lanes on major avenues that eat up a traffic lane and force trucks to double park.
- Cross streets where turns are forbidden on nearly all avenues.
- Intersections where drivers must wait for green arrows to turn onto avenues.
- Ordering traffic agents to focus more on writing tickets and less on directing traffic.

The goal of the jammed traffic is to shift as many drivers as possible to public transit or bicycles.

An added benefit was supposed to be safer streets, but city officials have said that while 45,000 fewer cars and trucks now come into Midtown daily than in 2010, pedestrian deaths are on the uptick this year.

The driver headaches began under Bloomberg in 2003, with his THRU Streets program that prohibits drivers from turning onto most avenues from nine Midtown cross streets during weekday hours.

Bloomberg then tried to drastically cut vehicle traffic with a congestion-pricing program that would have charged drivers to enter Midtown.

Albany nixed that plan in 2007, and the next year, Bloomberg changed tactics.

He again targeted drivers with his ambitious Green Light for Midtown Project, which, starting in 2009, installed roadway-narrowing redesigns of Columbus Circle, Broadway, Times Square and Herald Square.

Green Light includes pedestrian plazas and protected bike lanes that are still being completed under de Blasio, who has further snarled traffic with reduced speed limits, redesigned intersections and aggressive summons-writing as part of his Vision Zero initiative.

Modal TriggerAn NYPD officer directs traffic along Canal Street.Photo: Matt McDermott

“This all goes back to when Bloomberg wasn’t getting his congestion pricing, so they started doing others things,” a second source said.

“They’re not coming out and saying it, but they’re doing other things to cut down on traffic coming into city, things such as taking streets that had four lanes and making them three by creating bike lanes, or putting a plaza in, creating pedestrian islands,” the source said.

“They’re purposefully cutting down on the number of vehicles coming into the city by cutting down the space for vehicles.”

The source said de Blasio “doesn’t care about traffic” and noted that the mayor could now blame congestion on President-elect Donald Trump, whose Trump Tower in Midtown is now ringed with security.

“He really doesn’t care,” the source said. “Instead of working around it and helping it out, he’ll just blame everything on Trump.”

Adding to the gridlock, traffic agents are being ordered to focus more on writing tickets and less on keeping vehicles moving, a former NYPD traffic-safety officer said.

“Almost nobody’s doing traffic direction anymore. Everybody’s focused on enforcement of parking violations,” said the former officer, who was a liaison with the National Highway Traffic Safety Administration.

The NYPD declined to comment.

‘The city streets are being engineered to create traffic congestion, to slow traffic down, to favor bikers and pedestrians.’

De Blasio spokesman Austin Finan on Friday denied any effort by City Hall to slow down cars.

“The notion that we want or are somehow ‘engineering’ traffic congestion is absurd,” he said.

“Economic growth, record tourism, construction activity and a growing population means our streets are overburdened like never before.

“DOT and NYPD work extremely hard to keep New Yorkers moving on our streets safely and efficiently by foot, bus, car and bike.”

Still, Manhattan has become a vehicular hell where drivers [suffer an average speed of 8.2 mph.](#)

Among them was Braulio Cefea, who was stuck in a traffic jam on the Manhattan side of the Queens Midtown Tunnel Friday.

“This is a bad idea,” he said of Midtown’s intentional traffic snarls. “Bad, bad idea!”

Troy Johnson, 29, sitting in the same traffic jam, was furious at the insiders’ allegations of an effort by City Hall to clog traffic.

“If it’s true,” he said, “you are going to see some serious road rage!”

Additional reporting by Danielle Furfaro