

February 3, 2020

## **Testimony to the Joint Legislative Health Budget Hearing on the 2020-21 Executive Budget proposal**

Thank you for the opportunity to submit testimony regarding long-term care priorities for people with disabilities. The New York Association on Independent Living (NYAIL) represents Independent Living Centers (ILCs) and the people with disabilities they serve. NYAIL leads statewide Independent Living Center efforts to eliminate physical, communications, attitudinal, and other barriers to all aspects of life. NYAIL advocates for the civil rights, independence, and full participation of all people with disabilities. This year marks seven years since the State issued its Olmstead Plan, which outlined how the State would advance the State's community integration efforts for people with disabilities. Yet, over the past couple of years, the disability community has had to fight off major cuts to programs that keep many people in the community and out of costly institutions. From carving nursing homes out of MLTC, to the devastating cuts to the Consumer Directed Personal Assistance (CDPA) program last year, the State has achieved savings in the Medicaid program at the expense of some of its most vulnerable citizens. And, these cuts will likely pale in comparison to this year's plan to cut \$5 billion from Medicaid.

- **NYAIL strongly opposes a Medicaid Redesign Team II approach to cutting \$5 billion from Medicaid.**

The proposed Executive Budget reconvenes the Medicaid Redesign Team (MRT) and directs the MRT to report back before the April 1 budget deadline with a plan to deliver \$5 billion in cuts to Medicaid. Medicaid is an essential program that provides coverage and vital services to people with disabilities and other low-income individuals. We are gravely concerned that directing a group of providers to find savings in such a short time period will create a process that does not allow for public input, or time to consider the implications of the proposals put forward and how they will impact access to vital services.

NYAIL does not oppose looking for savings in Medicaid, or to rooting out fraud, waste, and abuse. But we are deeply concerned that this process, which so far appears to be solely provider-driven, will not prioritize the State's obligations under Olmstead to ensure people have access to the supports and services they require to live in the community. If the State is going to reconvene the MRT to seek further savings in Medicaid, we call on the State to also implement the following recommendations:

- Include representatives from Community-Based Organizations, advocates, and people with disabilities on the MRT.
- Allow for an open process that provides stakeholders a say in how savings are achieved in a manner that does not impact access to vital services.

- Do not rely solely on program cuts to address the budget shortfall. Instead, the State must address both sides of the equation by also seeking out ways to raise revenue.
- **CDPA should be handled separately from the larger MRT process and the draconian reimbursement changes put forward last year must be reconsidered.**

Many people have been able to leave institutions and live independently in the community thanks to the Consumer Directed Personal Assistance (CDPA) program. Unfortunately, CDPA is being blamed in part for recent growth in Medicaid.

Growth in CDPA should be viewed as a positive considering the current budget shortfall. CDPA is less expensive to provide than traditional home care or nursing homes. Part of the reason CDPA has grown in recent years is due to the home care crisis. People who could not get traditional home care because agencies did not have anyone to staff the hours turned to CDPA and were able to recruit their own aides. Without CDPA, many of these people would likely have been forced into institutions. The future of CDPA is still in peril due to last year's disastrous rate cuts which do not adequately fund Fiscal Intermediaries for the services they provide and would put most providers out of business. Any further cuts to CDPA will undoubtedly have an impact on people's ability to access this vital service they rely on to live in the community.

Fiscal Intermediaries and consumers are the experts when it comes to CDPA and need to have input in how savings are achieved in the program. The State should handle the CDPA issue separately from the larger MRT process. Instead, a smaller workgroup should be developed with a group of stakeholders who are knowledgeable about the program. We call on the State to rescind their proposed regulations regarding administrative reimbursements, implement the savings NYAIL, the Consumer Directed Personal Assistance Association of NYS and the NYS Association of Home Care Providers collectively put forward to achieve immediate savings, and allow for a more thoughtful process to identify additional savings to the program, including any change to reimbursement.

- **Reconsider the Medicaid Global Cap.**

Much of the reason for the so-called budget shortfall is due to spending simply exceeding the Medicaid Global Cap. It is important to remember that the Medicaid Global Cap was first established when New York State was in fiscal crisis. And while the Global Cap did succeed in constraining Medicaid growth for a time, essential programs and services have already faced significant cuts in recent years as a result of the cap. Years later, New York's economy is doing well, and such austerity seems cruel and unnecessary. The State needs to continue in its tradition of providing community-based services to low-income individuals and people with disabilities. In order to do so, the State needs to re-examine the Medicaid Global Cap and take factors such as an aging population and growth in the program into account.

- **NYAIL opposes the devastating cuts to the Department of Health's MRT supportive housing programs.**

Despite the commitment for unprecedented investments in affordable housing in this year's State of the State, the Executive Budget slashes the Department of Health's MRT Supportive Housing allocation by more than two thirds, from \$98 million to \$26.7 million. The MRT Supportive Housing allocation plan reinvests savings from the original MRT process into housing programs that assist people with disabilities to return to or stay in their community. Some of these programs include Access to Home for Medicaid eligible individuals, the Olmstead Housing Subsidy (OHS) program and the Rapid Transition Housing Program (RTHP). Most of the programs funded through this allocation are housing subsidy programs, which means individuals are at risk of losing critical housing support and likely to end up homeless or institutionalized as a result of these cuts. Of the \$98 million allocation, \$63 million is fully committed to housing subsidy programs that are already up and running, such as the OHS and RTHP programs administered by NYAIL. In these two programs alone, we currently have 649 individuals housed and over 900 individuals in need working through the referral processes. We call on the legislature to help ensure that at a minimum, the full \$63 million is restored so that people with disabilities are not rendered homeless and forced into institutions as a result of these cuts.

- **Help address the home care crisis by creating a *Home Care Jobs Innovation Fund* at a mere \$5 million per year for 3 years.**

As New York's home care providers struggle to recruit and retain workers, they unfortunately lack the resources to test innovative solutions to this problem. This year's budget should include funding to support pilot projects throughout the State that helps to increase recruitment and retention of home care workers. NYAIL stands with the Caring Majority in calling for the State to allocate a mere \$5 million per year for 3 years to support this effort. The findings from these projects can help determine statewide solutions.

- **Increase funding for Community Health Advocates (CHA), the state's health care consumer assistance program, to \$5 million.**

Since 2010, CHA has helped 359,000 New Yorkers, including many people with disabilities, all over New York State navigate their health insurance plans to get what they need and saved New Yorkers over \$47 million. People with serious illnesses and disabilities especially need this assistance so that they can get the services and supports that are right for them. CHA's contact information is listed on commercial, but not Medicaid Managed Care notices. Medicaid patients now have to "exhaust" their Plan's internal appeal systems before going to an independent appeal process. Medicaid enrollees should receive CHA's information to manage the appeal process as people in the commercial markets already do. The Governor proposes a budget for the program of \$2.5 million. We urge the Legislature to add \$2.5 million for a total of \$5 million for fiscal year 2021.

NYAIL calls on the legislature to help protect the many people who rely on Medicaid from the devastating cuts in the proposed Executive Budget. We further request the legislature's support in addressing the long-term care concerns of our community to help ensure people have the supports and services they need to live at home and out of institutions. If you have additional questions, please feel free to reach out to Meghan Parker at [mparker@ilny.org](mailto:mparker@ilny.org), or (518) 465-4650.

Respectfully submitted,

Meghan Parker  
Director of Advocacy