NEW YORK ASSOCIATION ON INDEPENDENT LIVING

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Testimony to the Joint Legislative Health Budget Hearing
on the 2026-27 Executive Budget proposal

My name is Lindsay Miller, and I am the Executive Director of the New York Association on Independent Living (NYAIL), the statewide network representing New York's Independent Living Centers (ILCs). ILCs are community-based, consumer-controlled organizations that support New Yorkers with disabilities to live independently—working, learning, and participating fully in their communities. Thank you for the opportunity to submit testimony.

NYAIL appreciates that, despite significant uncertainty and threats to healthcare funding, the Executive Budget does not make new cuts to Medicaid-funded services. However, the budget *does* make significant investments in institutional settings, including hospitals and nursing homes, while failing to make meaningful reinvestments in HCBS, even though the need is overwhelming and well documented through the Master Plan on Aging and the forthcoming Olmstead Plan.

The Financial Plan credits $1.2 billion in savings from changes to the Consumer Directed Personal Assistance Program (CDPAP) to support these institutional reinvestments. Yet, New York is at risk of moving *backwards*: away from community living and toward institutional reliance—at the exact time the State should be accelerating HCBS capacity, workforce stability, and transition supports.

New York must demonstrate its commitment to Olmstead by investing in Medicaid-funded long-term services and supports—and by ensuring the State's Medicaid reforms are transparent, accountable, and aligned with disability rights and community integration goals.

NYAIL's Health/Medicaid Budget Priorities

1) Ensure proper oversight of CDPAP and preserve the role of Independent Living Centers

NYAIL and the ILC Network are founding organizations of CDPAP. We have publicly committed to working with the State to preserve CDPAP's core model—consumer control, choice, and community-based support.

Historically, New York's CDPAP has incorporated a component of consumer supports and services—the wrap-around assistance many consumers need to recruit, retain, and manage their personal assistants and remain independent. Under the new Statewide Fiscal Intermediary (SFI) model, that consumer assistance function is not being meaningfully supported. The SFI structure appears focused primarily on payroll and administrative processing.

Although the SFI statute requires ILCs to be facilitator subcontractors, and the Executive Budget includes a necessary $20 million appropriation to support ILC participation, the selected SFI, Public Partnerships LLC (PPL), is disregarding both the statute and contractual expectations. As a result, the role of ILCs is being eroded, and consumers are losing access to local, community-based supports.

NYAIL urges the Governor and Legislature to:

- Intervene to ensure the facilitator subcontract model is implemented as intended, and that consumers are actively promoted and connected to ILC facilitator services.
- Consider restoring ILCs as full Fiscal Intermediaries, bringing back real choice and strengthening local accountability consistent with CDPAP's founding principles.
- Require monthly reporting by DOH on CDPAP implementation, as proposed in S.9142 (Comrie) including clear data on:
    - Program size (number of consumers and workers)
    - Requests for and receipt of facilitator services
    - How new consumers are routed to facilitators
    - The extent to which facilitator services are performed by PPL itself
    - Authorized vs. utilized hours
    - Personal assistant onboarding time
    - Reconciliation of MLTC pre-payments
    - Transparency on how the claimed $1.2 billion in savings was realized and how the estimated $11 billion contract is being operationalized.
- Ensure the State Comptroller's Office maintains its statutory oversight and audit role, particularly given the scale and impact of this new procurement and implementation.

2) Restore access to the Nursing Home Transition and Diversion (NHTD) Medicaid Waiver

The NHTD Waiver was developed by the disability community to provide a unique and essential set of community-based services to individuals who are currently in nursing homes or at risk of institutional placement.

NYAIL is deeply concerned that recent cost increases are being driven by Managed Long Term Care (MLTC) plans shifting higher-cost members into the waiver to improve their bottom line—creating a perverse financial incentive. Data provided by DOH indicates that 95% of referrals to NHTD over the last three years came from MLTCs, and the average cost for individuals transferred from MLTC to NHTD is approximately $245,000/year, significantly exceeding the waiver's cost neutrality benchmark of $187,065/year.

Rather than collaborating with the DOH-contracted administrators—the Regional Resource Development Centers (RRDCs)—to create targeted solutions, the State implemented a blanket enrollment cap during the FY 2026 Budget, closing access statewide effective January and halting new referrals.

NYAIL urges the State to reverse the cap and restore access to NHTD. At a time when Washington is threatening Medicaid, New York must strengthen—not restrict—community-based alternatives to nursing home placement.

3) Invest $2.5 million to expand Open Doors transition staffing by 50%

New York's forthcoming Olmstead Plan should be supported by real investments that help people leave institutions and return to the community. Yet nothing in the Executive Budget meaningfully advances deinstitutionalization goals—and several proposals move in the opposite direction.

The Open Doors Program, funded by DOH and administered by NYAIL in collaboration with ILCs statewide, supports transitions from nursing facilities to community living. Open Doors is currently funded for 60 Transition Specialists statewide with an annual benchmark of 450 successful transitions. In 2025, Open Doors exceeded this goal, facilitating over 600 transitions.

NYAIL urges a modest investment of $2.5 million to expand capacity by adding 30 Transition Specialists, increasing staffing by 50%. Because the infrastructure already exists, this investment is immediately scalable—and targets resources toward community integration, reduces institutional reliance, and supports New York's ADA/Olmstead obligations.

4) Repeal MRT II eligibility cuts to community-based LTSS (A.1198 / S.358)

The FY 2020-21 budget adopted MRT II changes that dramatically restrict eligibility for community-based LTSS by raising the threshold from needing help with one ADL to three ADLs, with limited exceptions. While COVID delayed implementation, these restrictive rules now apply to new applicants as of September 2025.

This change eliminates Level I home care, which supported people needing help with IADLs like cooking and cleaning—services that help prevent falls, malnutrition, hospitalization, eviction, and institutionalization. These standards also create discriminatory eligibility distinctions based on diagnosis.

NYAIL urges the Legislature to repeal these cuts and restore the prior eligibility standards through A.1198 (Paulin) / S.358 (Rivera).

5) Address the home care crisis: Fair Pay for Home Care (A.1991 / S.8955)

New York is facing a severe home care worker shortage statewide. Even when hours are authorized, consumers cannot access care—making community living unattainable for many and undermining transitions out of institutions.

The Fair Pay for Home Care Act would raise home care wages to 150% of the State's regional minimum wage, a necessary step to stabilize the workforce and ensure consumers can actually receive the care they are assessed to need.

NYAIL urges enactment and funding consistent with A.1991 / S.8955.

6) Improve Medicaid home care by replacing MLTC with accountable care coordination + fee-for-service (S.2332 / A.2018)

After more than a decade under MLTC, consumers continue to face denials, delayed services, inadequate hours, and frequent reliance on fair hearings—while private plans collect substantial administrative dollars.

The Home Care Savings and Reinvestment Act (S.2332 / A.2018) would:

- Replace MLTC with independent, conflict-free care coordination entities paid to assess and authorize services without financial incentive to deny care
- Return service payment to a fee-for-service model where providers bill Medicaid for care actually delivered
- Increase transparency and accountability
- Generate savings that can be reinvested into workforce and service access

ILCs are well-suited to serve as care coordination entities given our history and expertise supporting people who rely on home care.

7) Require Medicaid Managed Care reimbursement parity for Durable Medical Equipment (S.8838)

Managed Care plans often reimburse DME providers below Medicaid fee-for-service rates and impose administrative fees, pushing smaller community providers out of the

market. This reduces access to essential mobility and medical equipment, including wheelchairs, prosthetics, and orthotics.

NYAIL supports S.8838, requiring Managed Care reimbursement for DME at no less than 100% of Medicaid fee-for-service rates.

8) Oppose allowing certified medication aides to administer routine medications in residential facilities; strengthen community-based training instead

NYAIL opposes proposals that would allow certified medication aides in residential health care facilities to administer routine medications. Nursing homes are already experiencing staffing shortages; expanding responsibilities of overburdened staff risks resident safety.

NYAIL supports strengthening community-based supports instead. State law allows Advanced Home Health Aides to perform certain tasks under RN supervision, enabling more people to remain safely at home—but there are currently no training programs operating, according to a 2024 report. The State should implement Advanced Home Health Aide training programs to expand safe, community-based capacity.

9) Oppose elimination/cuts to critical long-term care advocacy programs (CIAD and LTCCC)

NYAIL opposes eliminating CIAD's Adult Home Advocacy and Adult Home Resident Council Program ($80,000) and opposes cutting $30,000 from the Long Term Care Community Coalition (LTCCC).

At a time when New York is restricting access to community-based services and increasing investments in institutional care, independent advocacy and oversight are more important—not less.

Conclusion

New York is at an inflection point. The Executive Budget reflects significant reinvestment in institutional care—while leaving community-based services under-resourced, even as the Master Plan on Aging and the impending Olmstead Plan point clearly toward the need for HCBS growth and system reform.

NYAIL urges the Legislature to:

1. Preserve consumer choice and ILC roles in CDPAP and require transparent DOH reporting (S.9142)
2. Restore access to NHTD statewide and address MLTC cost shifting incentives

3. Invest $2.5 million to expand Open Doors by 50%
4. Repeal MRT II eligibility restrictions via A.1198 / S.358
5. Enact Fair Pay for Home Care A.1991 / S.8955
6. Advance S.2332 / A.2018 to replace MLTC with accountable coordination and fee-for-service
7. Pass S.8838 for DME reimbursement parity
8. Oppose unsafe medication aide expansion and implement Advanced Home Health Aide training
9. Restore/maintain funding for CIAD and LTCCC advocacy programs

Thank you for the opportunity to testify and for your attention to the needs and rights of New Yorkers with disabilities and older adults. NYAIL and our member Independent Living Centers stand ready to work with you to ensure Medicaid supports independence, dignity, and community integration across New York State.

Respectfully submitted,

Lindsay Miller
Executive Director