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President Andrew S. Rein October 3, 2023

The Honorable Kathy Hochul Governor of the State of New York New York State Capitol Building Albany, NY 12224

Dear Governor Hochul:

The Citizens Budget Commission recommends that you sign A1926A/S1683A, a bill to require annual reporting on home care services.

This bill would require the Department of Health (DOH) publish annually a report detailing the utilization of home health care services, including:

- The number of recipients by type of service, county, services authorized by local districts of social service, and each Medicaid managed care plan;
- The number of recipients receiving home care services by each public thirdparty payor;
- The number of recipients of home care services who have transferred to a nursing home or assisted living facility; and
- Summary data on service usage such as the number of hours authorized by type, payor, and county.

The report required by this bill would provide important insight into this significant and growing component of the State's Medicaid program and health care services overall. Improved understanding is critical to identify the aggregate fiscal impacts driven by changes in price and utilization rate of home care services, as well as for impacts of related policy actions, such as changes to the minimum wage, which are concentrated primarily in the home- and community-based services category. At present, too little can be understood about trends in this category of service, and whether the State will be able to sustainably finance them and is developing an adequate workforce to provide home care services.

This reporting would be an important first step to the long overdue overhaul of the State's reporting on health care services, particularly the Medicaid program. Medicaid, costing \$101 billion this year and the single largest program in the State's budget, has been growing rapidly for many years. Long-term care services, including home- and community-based services, are a significant contributor to this spending growth.

Immediately prior to the onset of the COVID-19 pandemic, State leaders and stakeholders were scrambling to identify cost savings. Unfortunately, deliberations were hampered by the lack of available data on trends in the program, which limited the ability of stakeholders to analyze and recommend fiscal and programmatic solutions. For that reason, CBC made data transparency—including data on utilization by category of service—a central tenet of our recommendations.<sup>1</sup>

In addition to signing this bill, CBC recommends that DOH aggressively enhance its transparency efforts to provide the public access to cross-tabular, longitudinal spending, and utilization data disaggregated by geography, demographics, and other categories. The State will only be able to get the strongest input of experts to develop policy solutions and avoid crises if there is access to useful, complete, timely data.

I encourage you to sign this bill and pursue further reporting improvements to allow greater understanding of trends in health care services in order to inform health care system transformation the State needs.

Sincerely,

Andrew S. Rein President Citizens Budget Commission

cc: Senator Gustavo Rivera, Chair of Committee on Health Assemblymember Amy Paulin, Chair of Committee on Health Senator Michelle Hinchey Assemblymember Jessica González-Rojas

<sup>1</sup> Public Comment of Andrew Rein, President, Citizens Budget Commission, before the Medicaid Redesign Team, *Public Comment Submitted to the Medicaid Redesign Team II* (March 2, 2020), <u>https://cbcny.org/advocacy/public-comment-submitted-medicaid-redesign-team-ii</u>.

