



Testimony before the Senate Committee on Health and Senate Committee on Investigations and Government Operations on the Consumer Directed Personal Assistance Program's Transition to a Statewide Fiscal Intermediary

Thank you to Senators Rivera and Skoufis and your staff for the work you put into this hearing. Thank you to all the Senators who are attending. It is meaningful and important to have a forum to dig into what has happened during the tumultuous transition to a statewide fiscal intermediary (SFI), and even more so that there is space for the people impacted by this transition to share their lived experiences.

Thank you, Senators Rivera and Skoufis, and your staff, for the work you have put into organizing this hearing. Thank you as well to all the Senators in attendance. It is both meaningful and important to have a forum to fully examine the tumultuous transition to a statewide fiscal intermediary, and especially valuable that our legislators hear from the people most directly affected by this transition.

My name is Ilana Berger and I am the Political Director of Caring Majority Rising. Caring Majority Rising is an organization of older adults, disabled people, family caregivers, and home care workers across New York State. We organize to make home- and community-based supports and services affordable and accessible to all New Yorkers who need them and to improve the quality and pay of home care jobs.

I appreciate the opportunity to testify today. It is an honor and a great responsibility to represent our members. Over the past eight months, I have worked alongside people navigating this transition—and despite what Public Partnerships LLC (PPL), the Department of Health (DOH), or Governor Hochul may claim, the reality has been disastrous, with devastating impacts on millions of New Yorkers.

My goal in testifying is to honor the experiences of our members and shed light on the real consequences of the Governor's decision to bring in PPL — a decision made without consulting the very stakeholders who best understand how the Consumer Directed Personal Assistance Program (CDPAP) should work.

The transition to PPL has been deeply destabilizing. Under their previous fiscal intermediaries, our members had access to clear manuals, local offices, and knowledgeable staff who could provide guidance and support. By contrast, PPL has offered no such structure. There is no manual, and the website—available only in English—is neither user-friendly nor accessible, and assumes that every consumer has reliable internet, technology, and digital literacy. Phone support is equally inadequate. Members are required

to wait days or even weeks for a call back, which may arrive at a time when they cannot answer. Even when they do connect, customer service representatives are often untrained, unfamiliar with the program, and unable to resolve basic questions.

In order to provide some guidance, in January Caring Majority Rising started hosting regular “Water Cooler” sessions on Zoom, where hundreds of consumers, personal assistants, and family members have sought support and shared their experiences. Along with feedback from online forums, advocacy organizations, legal service providers, and legislative offices, these sessions have provided a consistent and credible picture of the transition—one that is markedly different from the account presented by PPL, the Department of Health, and the Executive.

The short summary is that since PPL took over CDPAP, older and disabled New Yorkers have been losing the care they need to live and age safely in their homes. At a minimum, tens of thousands of low-income workers are going unpaid or are being paid incorrectly. Many have already left, or are preparing to leave, further worsening New York’s home care worker shortage. Far from reducing fraud or saving money, as the Governor promised, this transition is *increasing fraud* and will ultimately cost the state more. The human toll is severe, as shown through surveys Caring Majority Rising conducted this spring; caregivers are skipping essentials such as groceries, car payments, and rent, and nearly half are considering leaving the profession altogether. These payment issues are now directly impacting care hours, and almost one in five consumers who have lost care report that their health is deteriorating as a result.

Home Care Workers Are Going Unpaid

In January, PPL’s own records said there were 400,000 personal assistants (PAs) in CDPAP. In June PPL’s press release boasted that they’ve ‘issued payments’ to 214,000 workers. Even accounting for the mass exodus of over 75,000 consumers and PAs to the more expensive and more limited traditional home care, that’s still over 100,000 PAs who haven’t been paid, and tens of thousands of older and disabled New Yorkers who are not getting care. Additionally, PPL does not and cannot say they paid the 214,000 PAs correctly or that they paid them for all of the hours they’ve actually worked.

This has resulted in two class action wage theft suits against PPL on behalf of CDPAP PAs who, according to the downstate suit, “have been left unpaid, underpaid, or shortchanged on promised benefits, while PPL reaps substantial financial gain.”

PPL is forcing PAs into a sham health care plan

Others will testify and share more details on PPL’s disastrous “health insurance” through a company whose CEO has served time in prison for insurance-related felonies. In short, this plan doesn’t offer any real health benefits AT ALL. It will leave most full-time PAs worse off than if they had no health insurance, and their use of wage parity dollars for their “health” insurance is likely illegal.

PPL has systemic flaws - this is not about “hiccups”

The Governor promised a smooth transition where NO ONE would lose access to the home care they needed. This promise has been broken. PPL's systems are antiquated, complicated, and not designed for New York's unique population and complicated CDPAP rules.

- Multiple whistleblower reports show that PPL has failed to provide adequate worker training and describe PPL's entire operation as a 'sh*tshow.'
- PPL's online platform is not secure, sparking distrust. For example, forms disappear and sensitive information is saved in unrelated accounts or accessible to people who shouldn't be permitted to view it.
- When workers and consumers reach out to PPL for help, they are met with hang ups, no calls back and emails bouncing back with an "inbox full" message.
- When one is able to reach someone, PPL representatives are poorly trained and often offer conflicting and inaccurate information.
- PPL's systemic flaws were so bad that a court intervened to issue an injunction (that's since been settled) because Plaintiff's attorneys continue to hear daily from CDPAP Consumers who are still unable to register with PPL; whose Personal Assistants are still unable to register with PPL; and whose Personal Assistants are not able to clock time or be paid correctly.

PPL's management of CDPAP has reached a breaking point.

The company's entire executive leadership has left and growing allegations of employee theft and data breaches point to a total lack of internal oversight and accountability. It's clear PPL is unfit to manage this program, which is critical to hundreds of thousands of older and disabled New Yorkers.

PPL's entire senior leadership team has fled the company in the past month:

- President Maria Perrin resigned in mid-July
- PPL's CEO and CFO left in late June, both under unclear circumstances
- EVP Vicente Armendariz, who helped lead the NY transition, resigned in the past month

The company is now being run by the head of a private equity firm that owns a fifth of PPL - signaling a shift toward even more aggressive cost-cutting measures.

Hochul's "Fighting Fraud" Argument Has Completely Collapsed

Governor Hochul claimed the PPL transition would eliminate fraud from CDPAP, yet studies show minimal fraud under the previous FIs.

Now PPL's own employees are stealing from the people they're supposed to serve - a PPL employee was recently terminated for allegedly stealing paychecks from up to 10,000 CDPAP participants by redirecting their direct deposits to fraudulent bank accounts, including offshore accounts. The theft involves potentially hundreds of thousands of dollars in stolen wages, with the FBI reportedly investigating the scheme. The transition has been clouded by allegations of rigged bidding from the start, while Hochul has removed the Comptroller's oversight role and only made the contract public months after it was signed - and even then, with heavy redactions.

The breach raises serious questions: How was one employee able to modify banking information for thousands of participants? And how did PPL's oversight systems fail to detect this theft?

The Bottom Line

The time for incremental fixes has passed. Home care consumers are losing the care they rely on, caregivers are losing wages, and taxpayer dollars are being wasted.

To restore trust and save much-needed Medicaid dollars at a time when we anticipate massive cuts, the Governor should immediately:

1. Reinstate comptroller oversight over this contract and ALL operations - require an immediate investigation of PPL's finances, payroll operations, their data security and anti-fraud measures and more.
2. Reinstate trusted FIs - including Independent Living Centers to restore consumer choice and ensure there are at least some functional fiscal intermediaries in operation in case PPL fails.
3. Immediately end the contract with Leading Edge and ensure that any health insurance offered will not disqualify people from federal benefits and/or other health insurance, and re-instate the ability for PAs to choose how they use their wage parity dollars.
4. Ensure a mechanism through which consumers/stakeholders/PAs have meaningful input in the future of CDPAP as required by Community First Choice Option (CFCO.)

Each time PPL or the Department of Health issues a glowing statement about this so-called "successful" transition, or releases a press announcement celebrating their progress, the reality on the ground tells a very different story. Thousands of New Yorkers are struggling just to keep their care, pay their bills, and make this broken system work. My hope is that after this hearing, you will see clearly that, despite the competing narratives about PPL and CDPAP, the *true* story is the one told by the people who rely on this program for their care and their livelihoods.

Our staff and members went through over 150 pages of testimonies from CDPAP consumers and PAs to pull quotes and stories, categorized by issue, for this hearing. You can scan the QR code or go to this link to see them all ([Bit.ly/PPLTestimony](https://bit.ly/PPLTestimony)).

