

New York Caring Majority

Testimony to the New York State Legislature Joint Hearing of the Senate Finance and Assembly Ways and Means Committees February 10, 2026

My name is Ilana Berger, and I'm the Director of New York Caring Majority (NYCM). New York Caring Majority is a grassroots organization of older adults, people with disabilities, family caregivers, and home care workers. We organize to ensure that all New Yorkers have the care we need to live and age with dignity in our own homes and communities. We also work to win living wages for essential home care workers, so that they can support their own families and so we can recruit the workforce we need to meet our state's growing demand.

Summary

New York faces one of the worst home care shortages in the nation - yet instead of investing in care, New York State is handing billions of our Medicaid dollars to insurance companies and private equity firms who extract profits while workers earn poverty wages and consumers lose access to quality care. At a time when federal cuts threaten to gut Medicaid, we can't afford to keep wasting billions on corporate middlemen.

It's time to invest in care - not corruption.

In my testimony, New York Caring Majority asks that the Senate and Assembly One House budgets include:

1. S9142 - Restore Transparency and Accountability to CDPAP
2. S2332/A2018 The Home Care Savings & Reinvestment Act (S2332/A2018) to eliminate insurance middlemen who pocket billions while worsening the care crisis and save up to \$3 billion annually (\$25-32 billion over 10 years) to reinvest into home care
3. S8955/A1991 Fair Pay for Home Care Act to raise home care worker wages to 150% of regional minimum wage to end the home care workforce shortage and invest in New York communities.
4. Fully fund aging services - include MPA Recommendation #50 in State Budget and ensure access to in-home services like home care, clear home care waitlists at Offices for the Aging across the state and save Medicaid dollars.

Context: New York's Home Care Worker Shortage

We are in a crisis - New York's population is aging rapidly but we don't have enough home care workers to care for the state's older adults and disabled people. [Over 4.6 million New Yorkers will be over age 65 by 2035](#) — an increase of 29% in the next decade — and nearly 1 million New Yorkers will require home care by 2035. Nearly [20% of state home care positions are unfilled](#) and 42% of agencies reported high turnover. The crisis will only worsen: over 4.6 million New Yorkers will be over age 65 by 2035 - an increase of 29% in the next decade

The worker shortage is largely driven by low wages: the small bump in pay home care workers received in 2022 was welcome, but not enough to keep up with the rising cost of living. Many home care workers live in or near poverty and rely on public assistance. Home care workers who love their jobs are leaving in droves to find better paying work. Meanwhile Trump's mass deportation agenda is endangering home care workers in New York, who are predominantly immigrants and people of color.

NY Caring Majority believes that New York needs to invest in home and community-based supports to keep up with the growing need. New Yorkers agree. Home care is an important issue for New York voters. A Hart research poll in 2024 showed that 82% of NY voters are concerned with the cost of long-term care - that's compared to 48% concerned about college, 45% concerned about student loans and 34% concerned about child care. 74% of voters, across party lines, said New York State should do MORE, not less, to make high quality home care available. The poll showed over 75 percent of respondents said they viewed consumer directed home care in New York favorably.

Yet Trump's Medicaid cuts threaten to devastate home care in New York. Given the cuts, we need every dollar for care - not corporate profits and administrative waste. **We are asking New York leaders to provide real stewardship of our Medicaid dollars, and ensure that we are not handing away billions of our Medicaid dollars for corporate profiteering.** We need *every dollar* to go to care for New Yorkers and the people who provide that care.

NY Caring Majority Care not Corruption Initiatives

Restore Transparency and Accountability to CDPAP (S9142/Assembly # forthcoming)

The Consumer Directed Personal Assistance Program (CDPAP) is collapsing under Public Partnerships Limited (PPL)'s private equity control. CDPAP has been a lifeline to hundreds of thousands of New Yorkers: created by the disability movement, it allows consumers to have autonomy and control over who provides their intimate care, allows people to find workers in areas where no agency care is available, and allows family members - many of whom have had to leave the workforce to care for loved ones - a small income that allows them to pay bills and meet basic needs.

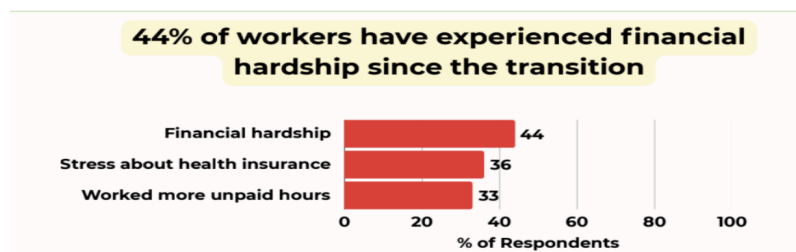
Volumes have now been reported on the ways PPL's takeover has been a disaster. Broken enrollment systems, payment failures, wage theft, and substandard health insurance are driving workers and consumers out of the program. Despite the Hochul Administration's demonizing of the local institutions that previously administered the program, New York

Caring Majority surveys show 80% of consumers want their former FI back, 51% of consumers have lost staff or had staff threaten to quit because of PPL (vs. 8% w/ former FIs) and more than 60% of consumers say PPL has made it harder to live independently.

PPL shows what happens when we let Wall Street take over our care.

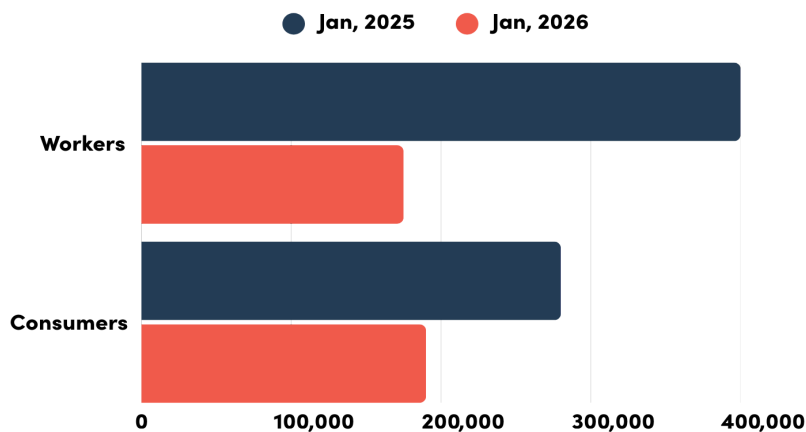
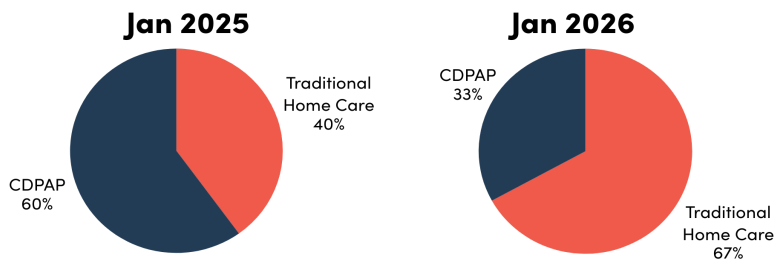
Over the past year there has been volumes of press coverage, quantitative and qualitative reports showing PPL's failings and its long-term consequences. Since PPL took over CDPAP, tens of thousands of low-income workers are going unpaid or are being paid incorrectly. Many have already left, or are preparing 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.



And, in just 10 months, there has been a mass exodus of consumers and workers from CDPAP into traditional home care.

Just a year ago, 280,000 older and disabled New Yorkers utilized CDPAP services, and there are about 400,000 home care workers who provided their care. Largely because of PPL's failed systems, and their inability to pay workers adequately, on time or at all, at least 150,000 home care workers and 90,000 consumers have left the program, the majority switching to more costly traditional home care.



We deserve to know what's happening.

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.

The first step to fixing this is knowing what is happening - in the absence of proper oversight, people are left to assume the worst. It's time we create a transparent process together in Albany, so New Yorkers no longer have to ask the billion dollar question: What are Governor Hochul and PPL hiding?

Governor Hochul defended the move to PPL as a way to root out "waste, fraud, and abuse." But without independent oversight, there is no way to know whether those problems have been solved or whether excess funds are being pocketed by private equity executives while caregivers and consumers get the short end of the stick.

There is a straightforward way to bring this process into the light and rebuild the trust that has been broken. The upcoming state budget must require monthly public reporting from PPL. Transparency is not an obstacle to good governance, but the foundation, and it is how Albany continues to work for the people we serve, not covering for private companies.

We have been blocked from information at every turn. The Governor made the PPL contracting process exempt from comptroller oversight, the state failed to respond to multiple FOIL requests and the DOH commissioner has refused to answer questions at public hearings. Now the Governor is claiming she has saved \$2 billion from the PPL switch but hasn't done anything to show her math.

Whatever your position on the Governor's move to a single fiscal intermediary in the CDPAP it is widely agreed that New Yorkers deserve an accounting of what has happened with our Medicaid dollars that have been paid out to PPL. Legislators and the public have a right to know how our precious Medicaid dollars are being spent and basic information about how critical programs we spend billions on are operating.

To end the PPL monopoly and restore transparency and accountability to CDPAP, we urge you to:

- 1. Include the language from S9142 in your one house budgets to require accounting for the \$11 billion contract and**
- 2. Re-instate vetted and non-profit FIs - including Independent Living Centers - to restore consumer choice**

Home Care Savings and Reinvestment Act

New York's home care worker shortage is largely driven by the extremely low pay in the sector — according to PHI, 57% of NY home care workers - who are 91% women and 81% people of color - rely on public assistance and 49% lack affordable housing. Home care workers who love their jobs are leaving in droves to find better paying jobs.

Home care is skilled health care work: it includes bathing and toileting, meal prep and tube feeding, wound care and medication management. New York pays home care workers less than state jobs including janitors, lifeguards, and even state ski instructors. A significant pay increase — 150% of minimum wage — is the only solution to end the home care shortage.

Thanks to thousands of home care advocates partnering with our champions in the legislature, New York took first steps to address this crisis: the budget passed in 2022 included small raises for the first time in a decade— and the budget passed in April 2023 added an additional small increase (note: this raise was paired with an equal cut to wage parity benefits that meant only upstate workers saw an overall raise in pay.) Yet these increases come nowhere close to the wage we know is needed to end the home care shortage, and to provide payment commensurate with the skill required for home care jobs.

In order to avert an ever-worsening crisis, the state must increase homecare worker pay. Instead, the Governor claims we don't have the funds while simultaneously throwing away billions of dollars through Medicaid Managed Long-Term Care.

In 2011, the State gave control of its Medicaid home care program to private insurance companies – arguing that privatization would improve care with care management. **While the Managed Long Term Care plans receive billions of dollars per year in profit and administrative fees, the promise of care management, and the associated higher quality of care, has not materialized.**

MLTC plans do not provide “care coordination”:

- NYS began paying for-profit insurance companies to manage and coordinate healthcare for a number of Medicaid services, in an effort to improve care by coordinating between doctors.
- However, 87% of the services these private insurance companies currently provide are solely home care. In practice, "care coordination" is not provided.

MLTC plans intentionally over-enroll consumers and then limit home care hours to increase profits:

- A 2023 HHS audit found a [major state MLTC was not complying with requirements for denying home care](#) and found “New York had limited ability to conduct effective oversight.”
- Medicaid Matters NY criticized the “financial incentive.. that [deters plans from authorizing higher levels of services](#), which are more costly.”
- NYLAG found 9 major NY MLTCs authorized under 160 hours per month for [more than 85% of members](#).

MLTC spending is opaque:

- Since this privatization, the State has been legally unable to ensure that the dollars they have budgeted for improvements to care have been paid to providers and workers.
- Because contracts are proprietary, [DOH isn't even aware of all the rates](#) offered—and even when the DOH has the authority to intervene, it doesn't have the resources to meddle in each individual contract.
- A 2021 federal HHS audit found [between 25-50% of MLTC claims were incomplete or inaccurate](#) for NY's largest plan.

MLTC led to billions in State waste:

- The insurance companies have received billions of dollars per year in profit and administrative fees.
- In the past 3.75 years, NY has given \$5.5 billion to the 24 private insurance companies “managing” home care in administrative costs and profit:
 - \$3.1 billion on administrative costs
 - \$2.4 billion in profit
 - In 2021 private insurance companies pocketed \$722 million in profits — this profit margin of 5.5% was twice the national average.

Instead of improving home care quality, Managed Long-term Care Plans have taken billions of dollars in profit and administrative costs, while worsening the home care crisis for countless older adults and disabled New Yorkers across the state.

Pass the Fair Pay for Home Care Act (A1991)

Rather than cuts, we need investment. We need to end the state's dangerous home care shortage to keep older adults and disabled people safe — and the way to do it is by raising home care worker wages through Fair Pay for Home Care. The economic and additional benefits of Fair Pay for Home Care have been demonstrated repeatedly. Fair Pay for Home Care would:

- End the home care worker shortage: Fair Pay for Home Care would wipe out the home care workforce shortage in less than five years.
- Keep people safe: Fair Pay for Home Care would keep older adults and disabled people out of nursing homes and emergency rooms.
- Strengthen our economy: The [state would generate \\$6.4 billion through job](#) creation and moving home care workers off of social assistance — putting FP4HC on track to be one of the most successful economic development programs in the state's history.
- Lift workers out of poverty: Fair Pay for Home Care would lift over 200,000 home care workers out of poverty. Solve the workforce shortage by making home care jobs sustainable=

Conclusion

New York is facing a dangerous home care shortage that will only worsen as our population ages. Yet the State has wasted nearly \$1.5 billion dollars a year alone paying private insurance companies to mis-manage Medicaid home care. Meanwhile, the promise of managed care, better care management and coordinated care, has never materialized. Insurance companies have made billions, the home care crisis for countless older adults and disabled New Yorkers across the state has worsened, and New Yorkers have gotten nothing.

Conclusion

We look forward to working alongside our legislative champions and allies across the state to ensure robust investment in home care and to safeguard Medicaid dollars meant for care from corporate profiteering. As Trump's Medicaid cuts loom, we can't afford to keep wasting billions on corporate middlemen who do nothing to improve the quality of our home care. In 2026, Albany must make a choice: care or corruption

