Testimony to the Joint Budget Hearing of the Senate Finance Committee and Assembly Ways and Means Committee on the Executive Budget - Health Care

February 16, 2017

Testimony By:
Heidi Siegfried, Esq.
Director of Health Policy
Center for Independence of the Disabled
Project Director
New Yorkers for Accessible Health Coverage

NYFAHC is an independent project of the Center for Independence of the Disabled in NY (CIDNY)
This testimony is submitted on behalf of New Yorkers for Accessible Health Coverage (NYFAHC) a statewide coalition of 53 voluntary health organizations and allied groups who serve and represent people with chronic illnesses and disabilities, including cancer, HIV/AIDS, cognitive impairments, multiple sclerosis and bleeding disorders. NYFAHC is a project of Center for the Independence of the Disabled, NY. NYFAHC is a founding member of Health Care for All New York. We appreciate the opportunity to share with you our thoughts about the New York State’s Executive Budget Proposal and our recommendations. Because the conditions affecting the individuals and families we represent do not discriminate between rich and poor, we advocate for accessible, affordable, comprehensive and accountable health insurance for the privately insured, as well as for those in need of access to public insurance programs.

NYFAHC opposes granting the Governor broad authority to make budget changes mid fiscal year. The looming changes at the federal level create uncertainties for all programs and the people impacted by them. However, any sudden changes to federal support or state revenue that require action by the State must be addressed jointly by the Executive and Legislature and should include a process for stakeholder input.

NYFAHC SUPPORTS CONSUMER ASSISTANCE FUNDING

NYFAHC supports increased funding for Community Health Advocates (CHA), the state’s health care consumer assistance program, with $4.75 million. Since 2010, CHA has helped 281,000 New Yorkers, including many people with disabilities, all over New York State navigate their health insurance plans to get what they need. Since 2010, it saved New Yorkers $21 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 services are more essential than ever in the present climate of uncertainty and disruption in health care. The Governor proposes a budget for the program of $2.5 million. We urge the Legislature to add $1.5 million for a total of $4 million to maintain current capacity.

NYFAHC supports adequate funding for the Medicaid Managed Care Ombudsperson Program. The state’s Medicaid Managed Care ombudsperson program called Independent Consumer Advocacy Network (ICAN) serves people receiving long term care services for more than 120 days in mainstream managed care, Managed Long Term Care, and the Fully Integrated Duals Advantage (FIDA) program. People served by this program are also worried about changes happening at the federal level and are becoming more reluctant to share their information. The Governor’s Budget provides base funding for ICAN. We encourage you to make sure this program is funded at sufficient levels.

NYFAHC supports increased funding for the Long-term Care Ombuds program. The Governor proposes to provide level funding ($3 million) for the Long-term Care Ombuds program—a program with a mandate to protect New York’s nursing home residents. The program is dealing with
downsizing and closures, discharge of residents to homeless shelters, psychotropic drugging and other serious problems with only minimal resources. Currently, New York’s program is one of the most poorly funded in the nation. The legislature should increase funding of the Long-term Care Ombudsprogram to at least $3.5 million.

NYFAHC SUPPORTS AFFORDABLE COVERAGE

Reject increased premiums or cost sharing for Essential Plan enrollees. New York's Basic Health Plan, branded the “Essential Plan”, provides quality, low-cost coverage with no deductible and low copays to New Yorkers with incomes up to $23,760 for a single person. The state has had a tradition of providing coverage with no premium for individuals up to 150% of the federal poverty level which began during Republican administrations. The state should not increase premiums or cost-sharing for Essential Plan enrollees.

Ensuring Coverage for All New Yorkers. With efforts underway to repeal the Affordable Care Act, health coverage options for immigrants may become even more limited. The State’s role in providing health coverage to New Yorkers is more important than ever. The State’s Child Health Plus program is a national model for providing coverage to all children, regardless of status. The State should allocate $81 million to expand Child Health Plus coverage to all New Yorkers up to age 29 earning incomes up to 400 percent of the FPL, regardless of immigration status. This would provide young adult immigrants with coverage at prices equivalent to the coverage offered to their citizen counterparts in the Essential Plan or through Qualified Health Plans in the Marketplace. This would also provide young adult immigrants with coverage that is equivalent to their citizen counterparts who are covered under their parents’ health insurance.

Preserve spousal and parental refusal. The Governor’s Budget again proposes to eliminate the longstanding right of “spousal/parental refusal” -- the right to protect some income for a non-disabled children and adults when children with severe illnesses, low-income seniors and people with disabilities need Medicaid to help with long term care costs and Medicare out-of-pocket costs. The “refusal” will only be honored and Medicaid granted if a parent lives apart from his or her sick child, or a “well” spouse lives apart from or divorces his or her ill spouse. It is counterproductive to have a couple separate or be unable to marry and form a household in order to enable the spouse with a disability to have health care. NYFAHC opposes denying Medicaid to these vulnerable groups; the projected cost savings from this action may not be realized, and in fact the increased insecurity of these consumers and their families may cause further health care and social costs that have not been included in the budget assumptions. We urge the Legislature to reject elimination of spousal and parental refusal, as it has in the past.

NYFAHC SUPPORTS COMPREHENSIVE COVERAGE

NYFAHC strongly opposes eliminating Provider Prevails. This proposal would repeal an important patient protection in the Medicaid. A prescriber, with New Yorkers For Accessible Health Coverage
clinical expertise and knowledge of his or her individual patient, should have the
final say to be able to override the preferred drug list for anti-retroviral, anti-
rejection, seizure, endocrine, hematologic, and immunosuppressant therapeutic
classes, as well as atypical anti-psychotics and anti-depressants. People with
disabilities often have chronic conditions that require a complex combination of
medications. Different individuals may have very different responses to
different drugs in the same class. Sometimes only a particular drug is effective
or alternative drugs may have unacceptable side effects. Disrupting the
continuity of care can result in detrimental or life threatening consequences and
can actually lead to more medical complications, expensive hospitalizations,
emergency room use, and higher health costs. It can also discourage
consumers from continuing with needed treatment due to uncomfortable side
effects or because drug failure erodes their trust in medication. Prescribers are
in the best position to make decisions about what drug therapies are best for
their patients. **NYFAHC urges the State to recognize the importance of specific
prescription drug combinations and protect Provider Prevails. We urge the
Legislature to preserve prescriber prevails for all current classes of drugs.**

Reject the proposal to carve transportation out of the managed long-
term care benefit package. People with disabilities find it challenging to
obtain transportation services they are entitled to. For nearly two decades the
Department of Health has argued against carving out benefits. This is because
carve-outs increase the difficulty of coordinating care. Currently MLTC plans
have the obligation to coordinate benefits. Removal of transportation services
from the benefit package places the burden on individuals, who are less likely to
successfully acquire and maintain transportation services on their own, placing
them at risk of not making it to their appointments and worsening their quality
of care and their outcomes. **We urge the Legislature to reject separation of
transportation from other services that need coordination.**

20-visit limit on Medicaid Physical Therapy, Occupational Therapy, and
Speech Therapy should be subject to an override. The Medicaid Redesign
Team adopted the recommendations of its Basic Benefit Review Workgroup that
included the principle that decisions on the Medicaid Benefit package would be
based on evidence derived from an assessment of effectiveness, benefits,
harms, and costs. Arbitrary visit limits may not make sense, and discriminate
against people with disabilities. People who have a stroke may need more than
20 physical therapy visits to regain the function of walking. We have seen a
person subjected to this limit who required surgery as a result, and then was
unable to get the recommended post-operative physical therapy due to the
limit. Some people may experience depression when they are unable to gain or
regain function that may require therapy or prescription drug treatment.
Medicare provides for an override, and Medicaid Utilization Thresholds which
have been used in New York have provided a procedure for a physician
override. Such a procedure should be implemented with these limits.

**NYFAHC SUPPORTS ACCESS TO CARE**

Supporting Safety Net Hospitals. New York's safety net hospitals are
facing cuts in both Disproportionate Share Hospital and Upper Payment Limit
New Yorkers For Accessible Health Coverage
payments from the federal government. Under the current allocation of funds from New York’s indigent care pool true safety net hospitals, which serve uninsured people and have a high volume of Medicaid patients, like New York City Health + Hospitals in NYC, will face a disproportionate share of the burden from these cuts.

People with disabilities disproportionately use public coverage like Medicaid for their health insurance and so are disproportionately served by these hospitals. The Legislature should work with the Governor to find a solution that distributes these cuts more equitably and ensures adequate funding for New York’s safety net institutions.

Provide a living wage to home care workers. While the Executive Budget did allocate $225 million to support the direct cost of the FY 2018 minimum wage increases for health care workers that provide services reimbursed by Medicaid, this is not sufficient. This funding only brings home care workers up to minimum wage – the same pay rate as fast food workers – however these are not minimum wage jobs. Home care workers help many of our most vulnerable New Yorkers by giving them the care they need to live at home. These are vital, not to mention physically and emotionally taxing jobs. Simply providing enough funding to meet minimum wage is insufficient to address the home care crisis we are facing in New York. In many parts of upstate, people are unable to get care at home because not enough people want these jobs due to the low pay. The State has also failed to provide sufficient funding to cover the additional costs associated with new labor laws, putting home care, particularly the Consumer Directed Personal Assistance Services (CDPAS) program at risk. We support a living wage for home care workers who are essential for allowing many people with disabilities to remain independent in their communities.

Establish a high-needs community rate cell to allow MLTC plans to serve those with the greatest needs. The creation of a high-needs community rate cell will provide managed care organizations (MCOs) with sufficient funding to serve those with the greatest needs. The current capitation rates do not provide for this, and as a result, those with the most significant disabilities may not be able to get the supports and services they need to live in the community. In order to ensure that those with the most significant needs are able to get the supports and services they need to live in the community, NYFAHC calls on the State to create a high needs community rate cell.

Oppose restriction of Managed Long-Term Care (MLTC) to those who are nursing home eligible. The Executive Budget proposes to eliminate access to MLTC for those who are not nursing home eligible. Many people with cognitive impairments, mental health, intellectual disability and chronic physical conditions are not being properly assessed, using the current assessment tools, as meeting the nursing home level of care and are being placed in Mainstream Medicaid Managed Care which lacks the appropriate care and supports. The consequence is increased likelihood of deterioration and institutionalization.
Oppose elimination of bed hold payments. The executive budget proposed to delete the section of Public Health Law that authorizes bed hold payments to nursing homes, which are payments triggered when a resident is temporarily hospitalized or goes on therapeutic leave. This will increase the likelihood that facilities will violate residents' rights to return to their facilities and their rooms. It will also increase the use of discharges to hospitals which have been used as a pretext to circumvent the federal protections that permit transfer and discharge of nursing home residents only for limited grounds and with advanced written notice and opportunity for a hearing. The legislature should reject the elimination of bed hold payments.

Thank you for your attention to our concerns. For further information, please contact Heidi Siegfried, NYFAHC's Project Director, at 646.442.4147 or hsiegfried@cidny.org.