



TESTIMONY OF

THE COALITION OF NEW YORK STATE PUBLIC HEALTH PLANS AND

THE NEW YORK STATE COALITION OF MANAGED LONG TERM CARE PLANS

ON THE GOVERNOR'S PROPOSED SFY 2024 HEALTH AND MEDICAID BUDGET

SUBMITTED FOR THE

Joint Legislative Budget Hearing on Health

SENATE FINANCE COMMITTEE CHAIR LIZ KRUEGER AND ASSEMBLY WAYS AND MEANS COMMITTEE
CHAIR HELENE E. WEINSTEIN PRESIDING

FEBRUARY 28, 2023

About the PHP and MLTC Coalitions

Members of the Joint Legislative Budget Committee: Thank you for the opportunity to testify on behalf of the Coalition of New York State Public Health Plans (“PHP Coalition”) and the New York State Coalition of Managed Long Term Care Plans (“MLTC Coalition”).

The **PHP Coalition** represents eight health plans that serve more 5.6 million New Yorkers enrolled in the State’s government-sponsored healthcare programs: “Mainstream” Medicaid Managed Care (MMC), HIV Special Needs Plans (HIV SNPs), Health and Recovery Plans (HARPs), Child Health Plus (CHP), Essential Plan (EP), and subsidized Qualified Health Plan (QHP) coverage offered through the New York State of Health Marketplace.

The **MLTC Coalition** represents 14 plans serving nearly 150,000 individuals with long-term care needs in New York’s Managed Long Term Care (MLTC) Partial Capitation (“Partial Cap”) program, the Program for All-Inclusive Care for the Elderly (PACE), and Medicaid Advantage Plus (MAP) program—over half of all enrollees in these programs.

PHP and MLTC Coalition plans (collectively, “Coalition plans”) are committed State partners, focused on expanding access to coverage and care, while improving healthcare quality for the lowest-income New Yorkers. Coalition plans specialize in delivering high-quality services to populations that have traditionally faced barriers to care, with the goal of improving health and reducing health-related disparities. The priorities that follow reflect the need to preserve and strengthen New York’s public healthcare coverage programs, which support the health of more than a third of New York’s population.

Restore and Make Permanent Critical Investments in Medicaid Managed Care Quality

The State’s MMC and MLTC Quality Incentive Programs (QIPs) fund critical investments in provider quality and community-based initiatives that improve health outcomes and address social care needs for the State’s most vulnerable populations. Plans rely on QIP funds to reimburse providers for high-value, evidence-based practices and support social drivers of health interventions that are not otherwise covered by Medicaid but that improve member health and quality of care.

Despite the positive impact and significant value created by the MMC and MLTC quality incentive programs, such funding has been consistently reduced over time and is now at risk of *full elimination* in this year’s budget: the Executive proposed to administratively discontinue the quality funding effective April 1, 2023. ***We urge the Legislature to reject this step backward and support Senate Bill [3146](#), which would codify the MMC and MLTC QIPs into law and ensure sustainable funding for what has become a powerful tool for driving high-quality and high-value care for the State’s lowest income residents.***

Repeal the Pharmacy Carve-Out

The State’s FY 2022 Budget delayed for two years the implementation of a previously enacted policy to remove—or “carve out”—the pharmacy benefit from the rest of the Medicaid managed care benefits. Without legislative action, the carve-out will go into effect on April 1, 2023. **Removing the pharmacy benefit from Medicaid managed care will harm Medicaid members:** it will lead to massive confusion, gaps in medication access and adherence, and fewer services and supports from the community-based safety net providers that serve them.

The carve-out's *substantial* impact on the services offered by safety net providers is due to lost federal 340B funding (funding that is only available through Medicaid managed care). Safety net providers use that sustainable funding stream to create programs that serve the underserved, and the Governor's short-sighted proposal to back-fill providers is not a durable or guaranteed solution. The Governor's proposal would require federal approval and create uncertainty for safety net providers—it is unclear whether revenue in future years will keep pace with the changing needs of those they serve and the payments proposed may be significantly delayed compared to the current system.

Further, along with other stakeholders, Coalition plans have *significant* concerns about the State's ability to smoothly operationalize the carve-out, given that it is slated to launch the same day that federal continuous coverage requirements expire, prompting to the State to begin redetermining Medicaid, CHP, and EP eligibility for upwards of nine million New Yorkers. ***We urge the Legislature to repeal the pharmacy carve-out in this year's budget to protect enrollees' access to needed medication and protect the sustainability of safety net providers. In the event full repeal is not possible, we would support the alternative proposal being advanced by the [Save the Safety Net Coalition](#).***

Reject the Proposed Managed Long Term Care Reforms (HMH Part I)

The Executive Budget includes a *highly* disruptive proposal that would substantially upend MLTC coverage for elderly or disabled New Yorkers. The proposal, which would require MLTC plans to meet minimum enrollment thresholds and give the Health Commissioner "sole discretion" to trigger a plan procurement, would winnow the market down to just the largest MLTC plans—eliminating smaller, provider-sponsored, nonprofit, community-based plans and reducing choice for enrollees, some of the oldest and frailest residents of the State. Moreover, the proposal fails to recognize major differences in enrollment and service delivery across the State's many regions. ***We urge the Legislature to protect the MLTC program and reject the proposed MLTC reforms.***

Expand Healthcare Coverage to More New Yorkers

The Coalitions applaud proposals to expand and enhance affordable coverage for New Yorkers. In this year's Executive Budget, the Governor proposed to: implement a new 1332 State Innovation Program that would extend Essential Plan-like coverage to individuals with incomes up to the 250% FPL and pregnant individuals and their newborns for one year postpartum, regardless of changes in household income; expand the Medicaid Buy-in for Working People with Disabilities program for certain populations; and expand Medicaid coverage for people in a correctional facility and people in an Institution of Mental Disease (IMD), subject to federal approval. ***We urge the Legislature to support expansions of coverage that help advance the goal of universal healthcare coverage in New York.***

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Thank you again for the opportunity to provide testimony on these critical issues. PHP and MLTC Coalition plans look forward to continuing their partnership with the State to ensure strong and sustainable safety net health programs and to best serve the New Yorkers that rely on them.

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If you have any questions, please do not hesitate to contact the Coalitions' representatives at Manatt: Tony Fiori (AFiori@manatt.com) and Hailey Davis (HDavis@manatt.com).

APPENDIX I: MEMBERS OF THE COALITION OF NEW YORK STATE PUBLIC HEALTH PLANS

Plan	Product Lines Offered	Counties Served
Amida Care	HIV SNP	New York City
EmblemHealth	Mainstream MMC, HARP, CHP, QHP, EP	<i>Public Insurance Programs:</i> New York City and Nassau, Suffolk, and Westchester counties <i>EP and QHP:</i> New York City, Albany, Broome, Columbia, Delaware, Dutchess, Fulton, Greene, Montgomery, Nassau, Orange, Otsego, Putnam, Rockland, Saratoga, Schenectady, Schoharie, Suffolk, Sullivan, Ulster, and Westchester counties
Fidelis Care	Mainstream MMC, HARP, CHP, QHP, EP	Every county in the State (for most product lines)
Healthfirst	Mainstream MMC, HARP, CHP, QHP, EP	New York City, Nassau, Orange, Rockland, Suffolk, Sullivan, and Westchester counties
MetroPlus Health Plan	Mainstream MMC, HARP, CHP, HIV SNP, QHP, EP	New York City
Molina Healthcare	Mainstream MMC, HARP, CHP, EP	<i>Public Insurance Programs:</i> New York City, Allegany, Broome, Cattaraugus, Chautauqua, Chenango, Cortland, Erie, Genesee, Livingston, Monroe, Nassau, Onondaga, Ontario, Orange, Orleans, Rensselaer, Seneca, Suffolk, Tioga, Tompkins, Wayne, Westchester, Wyoming counties. <i>EP:</i> Allegany, Broome, Cattaraugus, Chautauqua, Cortland, Chenango, Erie, Genesee, Livingston, Monroe, Onondaga, Ontario, Orleans, Seneca, Tioga, Tompkins, Wayne and Wyoming counties
MVP Health Care	Mainstream MMC, HARP, CHP, QHP, EP	<i>Public Insurance Programs:</i> Albany, Columbia, Dutchess, Genesee, Greene, Jefferson, Lewis, Livingston, Monroe, Oneida, Ontario, Orange, Putnam, Rensselaer, Rockland, Saratoga, Schenectady, Sullivan, Ulster, Warren, Washington, and Westchester counties <i>EP and QHP:</i> 50 counties in the State
VNSNY Choice	HIV SNP	New York City, Nassau, and Westchester counties

APPENDIX II: MEMBERS OF THE COALITION OF NEW YORK STATE PUBLIC HEALTH PLANS

Plan	Product Lines Offered	Counties Served
ArchCare Senior Life	Partial Capitation MLTC, PACE ¹	New York City, Putnam, Westchester
ElderServe Health (RiverSpring Health Plans)	Partial Capitation MLTC, MAP	New York City, Nassau, Suffolk, Westchester
EverCare	Partial Capitation MLTC	Dutchess, Orange, Rockland
Fallon Health Weinberg	Partial Capitation MLTC, PACE	Erie, Niagara
Fidelis Care at Home	Partial Capitation MLTC, MAP	New York City and 57 additional counties ²
Hamaspik Choice	Partial Capitation MLTC, MAP	Dutchess, Orange, Putnam, Rockland, Sullivan, Ulster
HomeFirst/Elderplan	Partial Capitation MLTC, MAP	New York City, Dutchess, Nassau, Orange, Putnam, Rockland, Sullivan, Ulster, Westchester
MetroPlus Health Plan	Partial Capitation MLTC, MAP	New York City
Montefiore Diamond Care	Partial Capitation MLTC	New York City, Westchester
Nascentia Health	Partial Capitation MLTC	Albany and 47 additional counties ³
Senior Health Partners/Healthfirst	Partial Capitation MLTC, MAP	New York City, Nassau, Westchester
Senior Network Health	Partial Capitation MLTC	Herkimer, Oneida
VillageCareMAX	Partial Capitation MLTC	New York City
VNSNY Choice	Partial Capitation MLTC, MAP	New York City and 28 additional counties ⁴

¹ ArchCare only offers PACE in New York City and Westchester.

² Albany, Allegany, Broome, Cattaraugus, Cayuga, Chautauqua, Chemung, Chenango, Clinton, Columbia, Cortland, Delaware, Dutchess, Erie, Essex, Franklin, Fulton, Genesee, Greene, Hamilton, Herkimer, Jefferson, Lewis, Livingston, Madison, Monroe, Montgomery, Nassau, Niagara, Oneida, Onondaga, Ontario, Orange, Orleans, Oswego, Otsego, Putnam, Rensselaer, Rockland, Saratoga, Schenectady, Schoharie, Schuyler, Seneca, St. Lawrence, Steuben, Suffolk, Sullivan, Tioga, Tompkins, Ulster, Warren, Washington, Wayne, Westchester, Wyoming, Yates.

³ Allegany, Broome, Cattaraugus, Cayuga, Chautauqua, Chemung, Chenango, Clinton, Columbia, Cortland, Delaware, Erie, Essex, Franklin, Fulton, Genesee, Greene, Hamilton, Herkimer, Jefferson, Lewis, Livingston, Madison, Monroe, Montgomery, Niagara, Oneida, Onondaga, Ontario, Orleans, Oswego, Otsego, Rensselaer, St. Lawrence, Saratoga, Schenectady, Schoharie, Schuyler, Seneca, Steuben, Tioga, Tompkins, Warren, Washington, Wayne, Wyoming, Yates

⁴ Albany, Columbia, Delaware, Dutchess, Erie, Fulton, Greene, Herkimer, Madison, Monroe, Montgomery, Nassau, Oneida, Onondaga, Orange, Otsego, Putnam, Rensselaer, Rockland, Saratoga, Schenectady, Schoharie, Suffolk, Sullivan, Ulster, Warren, Washington, Westchester