

New York State 2015-2016 Final Budget

Key Provisions in the Final Budget

There are a number of key provisions in the budget negotiations that affect direct-care workers, or the health care delivery system:

Provision	Executive Budget	Final Budget	PHI Position
Advanced Home Health Aide	The Executive budget proposed the creation of an Advanced Home Health Aide (AHHA) occupation through a change in the scope of practice for home health aides.	The Assembly included a modified version but the Senate refused to take up the issue and it was left out of the final budget.	PHI strongly supports this proposal and will work to see it passed in the remainder of the session.
Minimum Wage	The Executive budget proposed to increase the minimum wage to \$11.50 in NYC, and \$10.50 in the rest of the state beginning in December 2016.	The Assembly proposed an increase to \$15 for cities with populations over 1 million and \$12.60 for the rest of the state, but it was omitted by the Senate. It was not included in the final budget.	PHI supports this provision, as it would help home care aides earn a living wage.
Medicaid Global Cap	The Executive budget proposed to make a global Medicaid cap (\$17 billion for FY16) permanent, with an inflation factor of approximately 3.6 percent. It also extended the Commissioner of Health's "super powers" to reduce Medicaid expenditures if the cap is surpassed.	The Assembly included a similar provision, but the Senate proposed to extend this proposal for only one year. The Senate's provisions were included in the final budget.	PHI supports this decision. Wage parity implementation has demonstrated that greater attention must be paid to the cost of care and that lags in payment, as well as payment adjustments, weaken the delivery system.
Basic Health Plan (BHP)	The Executive budget proposed to implement and fund (\$35.7 million) the Basic Health Plan, which will cover individuals from 138 to 200 percent of the Federal Poverty Level.	The Assembly accepted the proposal, but the Senate rejected it. The final budget included the provision as well as authority for the Department of Health to set rates.	PHI strongly supports this provision. It will provide some home care workers with an affordable coverage option.
Community First Choice Options	The Executive proposed that any savings generated from the Community First Choice Options program go toward implementing the state's <i>Olmstead</i> plan.	The final budget includes a 6% set-aside for <i>Olmstead</i> provisions with an opportunity for providers and the Legislature to have input on spending.	PHI supports this provision.



Additional Provisions Included in the Final Budget

The final budget included a number of additional provisions which have the potential to affect direct-care workers or the health care delivery system:

Payment Adequacy and Financial Support

- **Managed Care Rates** – There is a provision that requires the Commissioner of Health in Medicaid Managed Care and Managed Long-Term Care rate-setting to consider the plan’s “costs for actuarially sound and adequate rates of payment to ensure quality of care.”
- **Nonprofit Infrastructure Funding** – The budget provides \$50 million in capital infrastructure funding for nonprofits with State funding for the provision of direct services. The money will support projects such as technology upgrades, renovations or expansions, and “greening” initiatives.
- **Expedited Approval of Personal Care** – The budget includes a requirement that managed care plans develop an expedited pathway for approving personal care services, including Consumer-Directed Personal Care services for beneficiaries with immediate need for services.

Workforce Development

- **Career Pathways Funding** - The budget provides \$1.5 million to establish a career pathways program to link career training to employment as well as support services that enable workers to advance in the workforce.

Family Caregivers

- **Respite Care Funding** – The final budget includes \$36.3 million for FY 16 and \$43.1 million for FY 17 for family caregiver respite. These amounts represent \$25 million each year in new funding for this important program. This money will be targeted towards those with Alzheimer’s and within the aging network.
- **NY Connects** – The budget includes \$8.2 million for FY15-16 and \$18.1 million for FY16-17 to enhance and expand NY Connects, which is the “no wrong door” system that provides free objective information and assistance to those needing long-term services and supports.

Health Transformation

- **Hospital-Home Care-Physician Collaboration Program** – A new provision authorizes funding for enhanced collaboration among hospitals, physicians and home health agencies. Activities may include transitions of care innovations, physician home visits for homebound patients, workforce retraining and increased use of telehealth technologies and clinical pathways for improved care. DOH is also authorized to waive regulations that might impede these efforts.
- **Delivery System Reform Incentive Program (DSRIP)** – Provider Performing Systems (PPS) must establish project advisory committees to make recommendations on PPS progress and activities including service delivery, project outcome measurement, and elimination of health disparities.



Provisions Excluded from Final Budget

There were certain proposals affecting direct-care workers or the health care delivery system that were **excluded** from the final budget:

- **Earned Income Tax Credit (EITC)** – The final budget did not include an increase in the EITC which advocates had proposed.
- **CARE Act** – Although introduced in both houses, the CARE Act did not pass. It would require hospitals to offer designated family caregivers instruction and demonstrations on how to perform medical tasks their loved ones will need at home after being discharged. There will be continued advocacy for the CARE Act's passage in the remainder of the session.
- **Value-Based Payment** – The Executive budget proposed that DOH have authority to engage in value-based payment under the Delivery System Incentive Payment Program (DSRIP). The Assembly and Senate rejected this proposal.