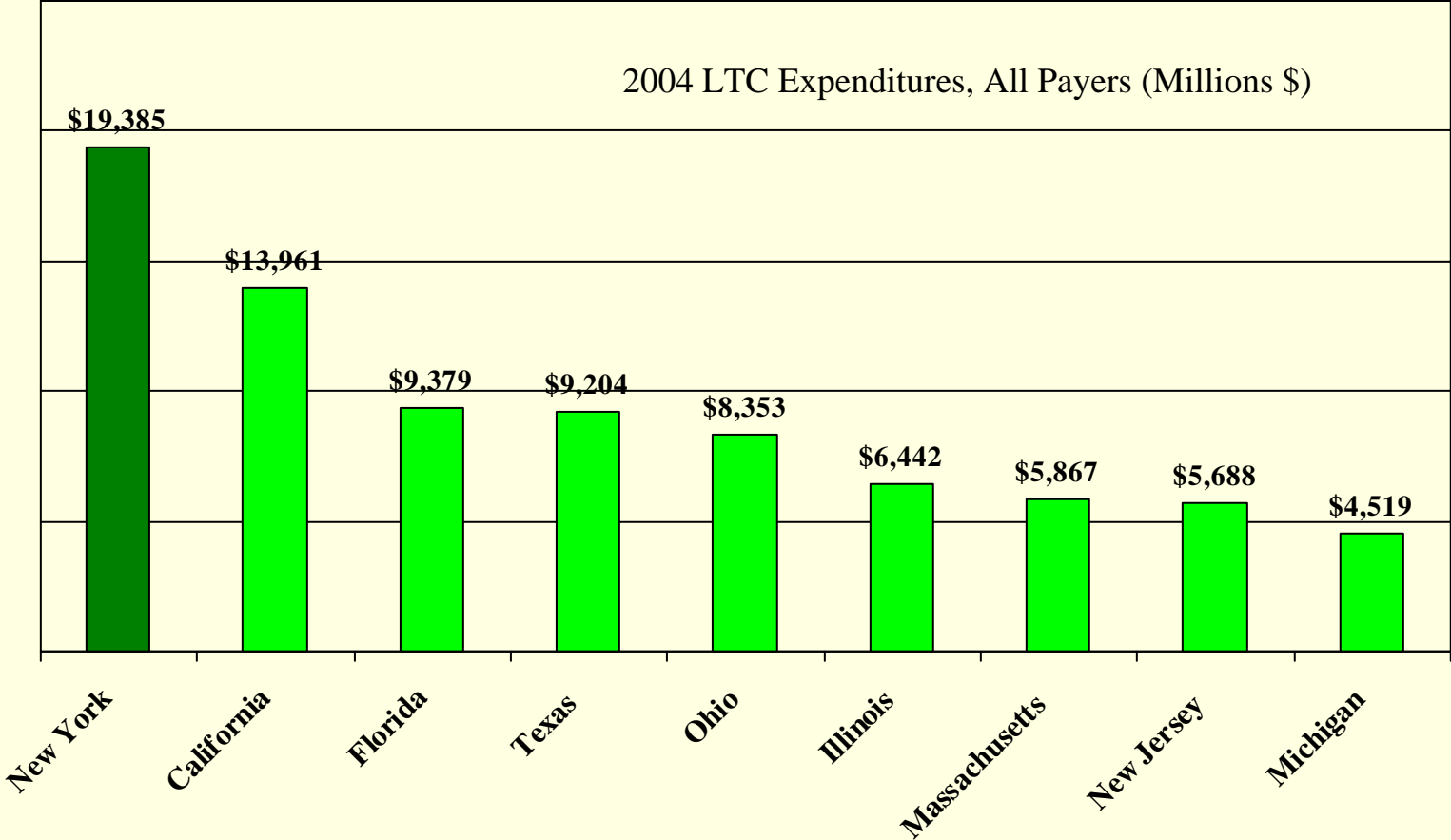


Home Care Association
of New York State
2008 Annual Conference
June 3, 2008

New York State Department of Health
Mark Kissinger, Office of Long Term Care
Lana I. Earle, Bureau of LTC Reimbursement

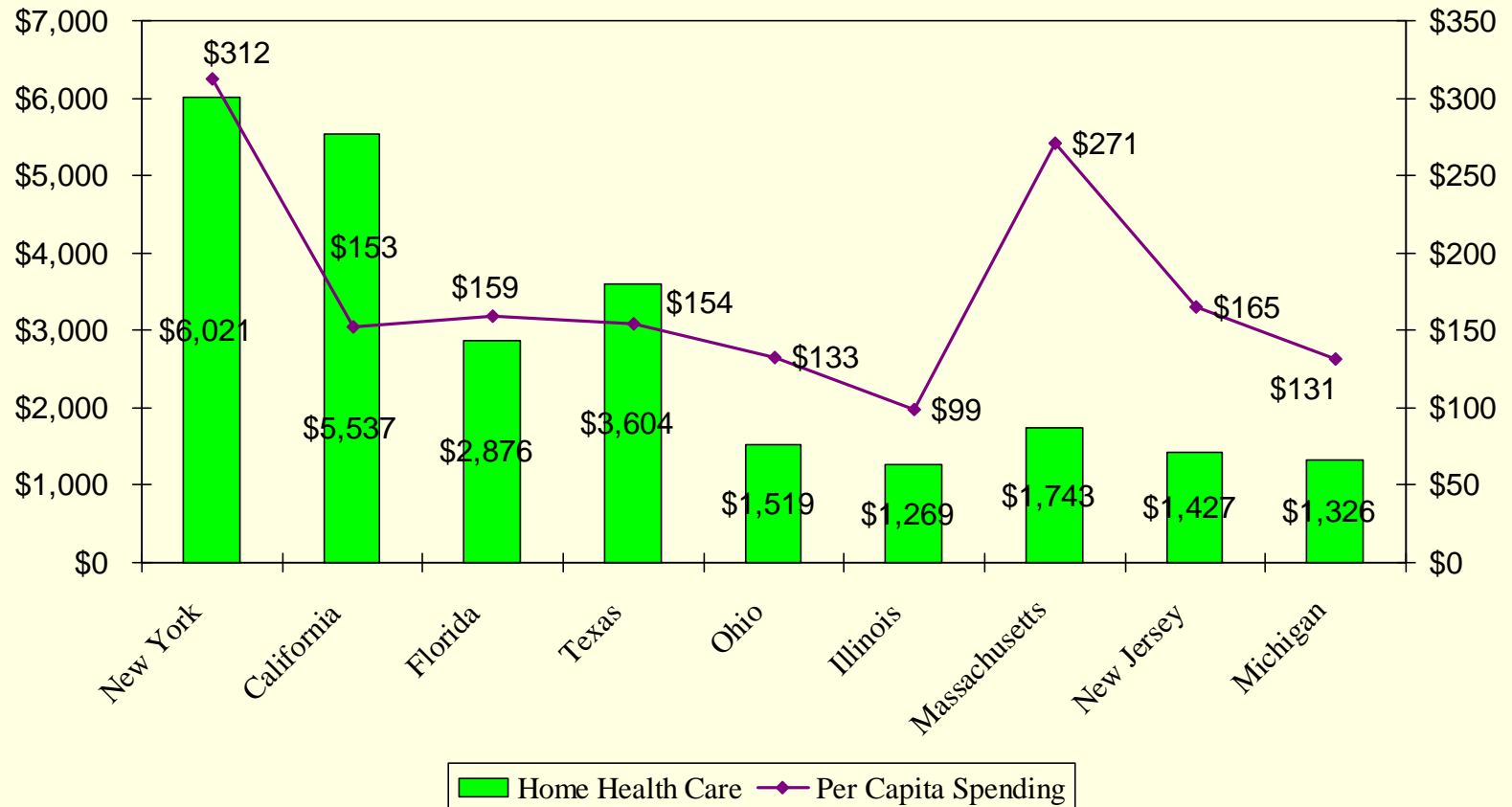
NY's Total LTC Expenditures Highest in the Nation ~ Exceeding 2nd Highest State, California, by 39 Percent



Source: National Health Expenditure Data, 2007 Center for Medicare and Medicaid Services

NY & CA Home Care Spending Comparable ~ NY Per Capita Spending Higher than CA

2004 Home Health Care Spending All Payers (Millions \$)

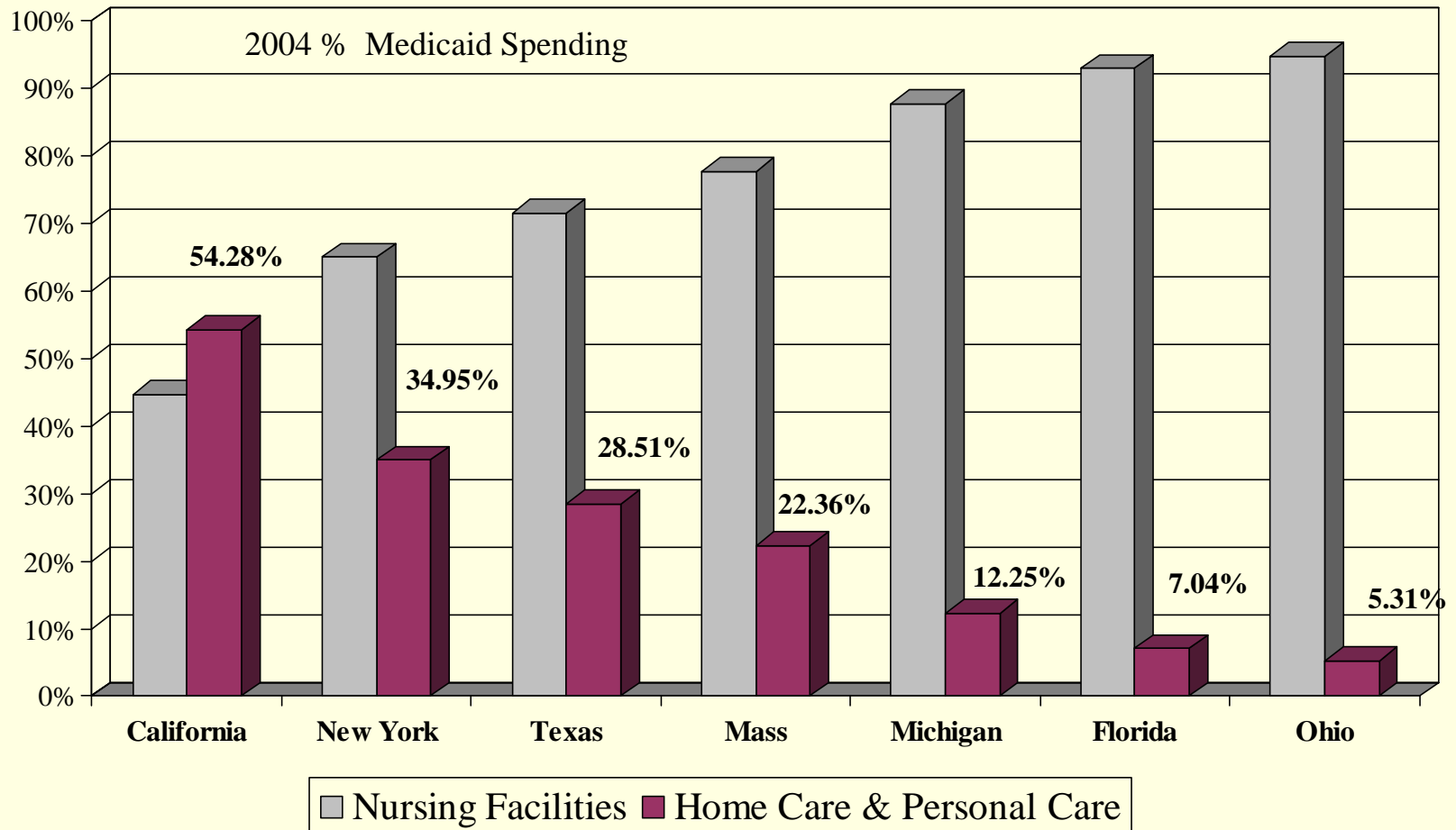


Source: National Health Expenditure Data, 2007 Center for Medicare and Medicaid Services

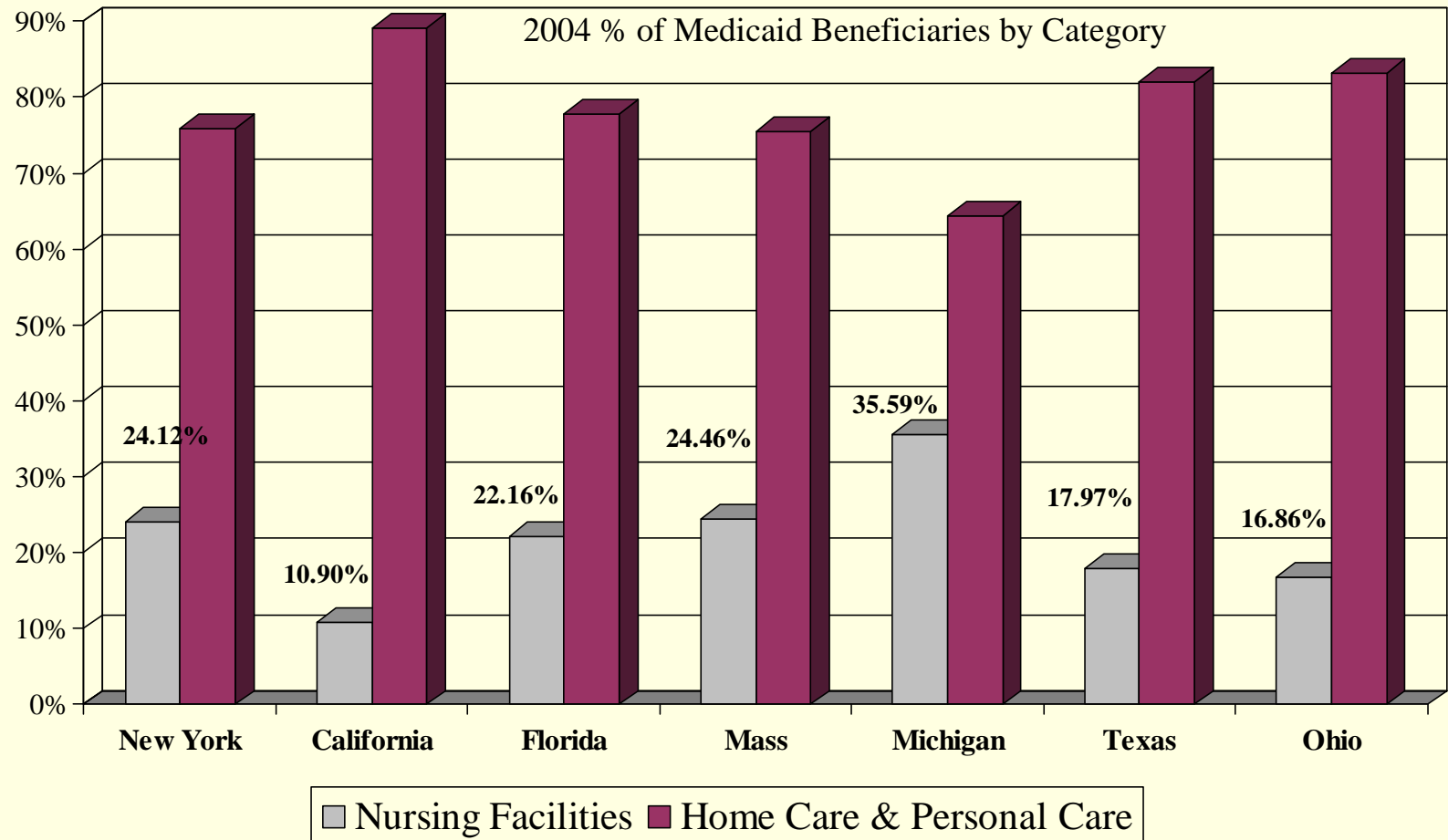
NY's Average Annual Growth Home Care Expenditures is the Fifth Largest ~ Recent Growth Strong in All States

	1998	1999	2000	2001	2002	2003	2004	% Change 2003-2004	Annual Average % Change
California	\$2,461	\$2,910	\$3,106	\$3,627	\$4,318	\$4,975	\$5,537	11.30%	14.47%
Michigan	\$947	\$969	\$996	\$985	\$1032	\$1,125	\$1,326	17.87%	5.77%
Massachusetts	\$1,262	\$1,197	\$1,208	\$1,315	\$1,396	\$1,561	\$1,743	11.66%	5.53%
New Jersey	\$1,068	\$1,170	\$1,121	\$1,115	\$1,171	\$1,296	\$1,427	10.11%	4.95%
New York	\$4,861	\$4,683	\$4,578	\$4,625	\$4,852	\$5,520	\$6,021	9.08%	3.63%
Florida	\$2,416	\$2,166	\$2,168	\$2,262	\$2,330	\$2,520	\$2,876	14.13%	2.95%
Illinois	\$1,102	\$1,031	\$996	\$1,011	\$1,058	\$1,111	\$1,269	14.22%	2.38%
Ohio	\$1,327	\$1,331	\$1,275	\$1,282	\$1,299	\$1,408	\$1,519	7.88%	2.28%
Texas	\$3,200	\$2,479	\$2,286	\$2,501	\$2,786	\$3,173	\$3,604	13.58%	2.00%

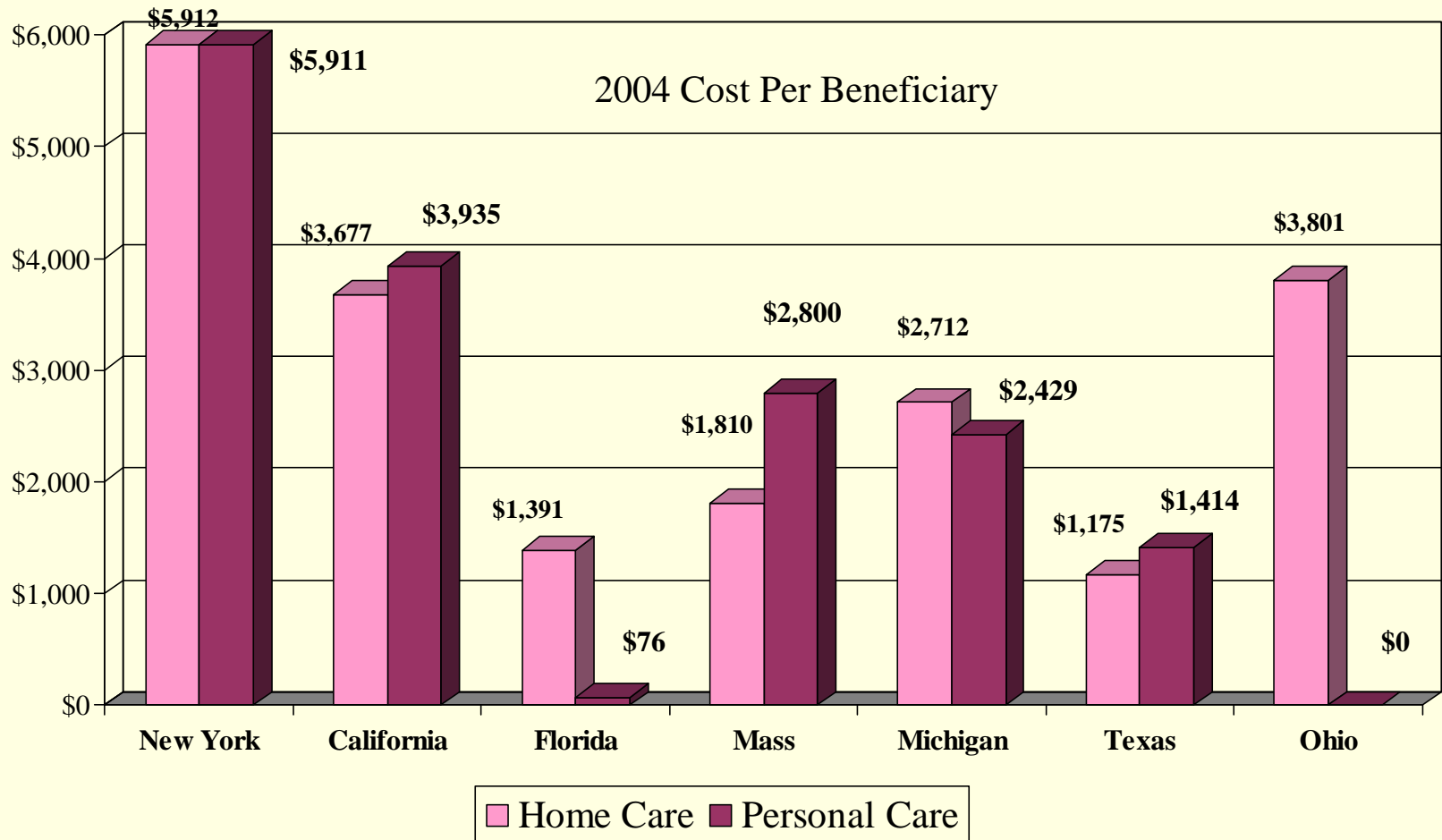
NY's LTC Medicaid System is Less Dependent on Institutional Nursing Facilities ~ Community Based Services Accounts for 35% of Medicaid Spending Second Only to California at 54%



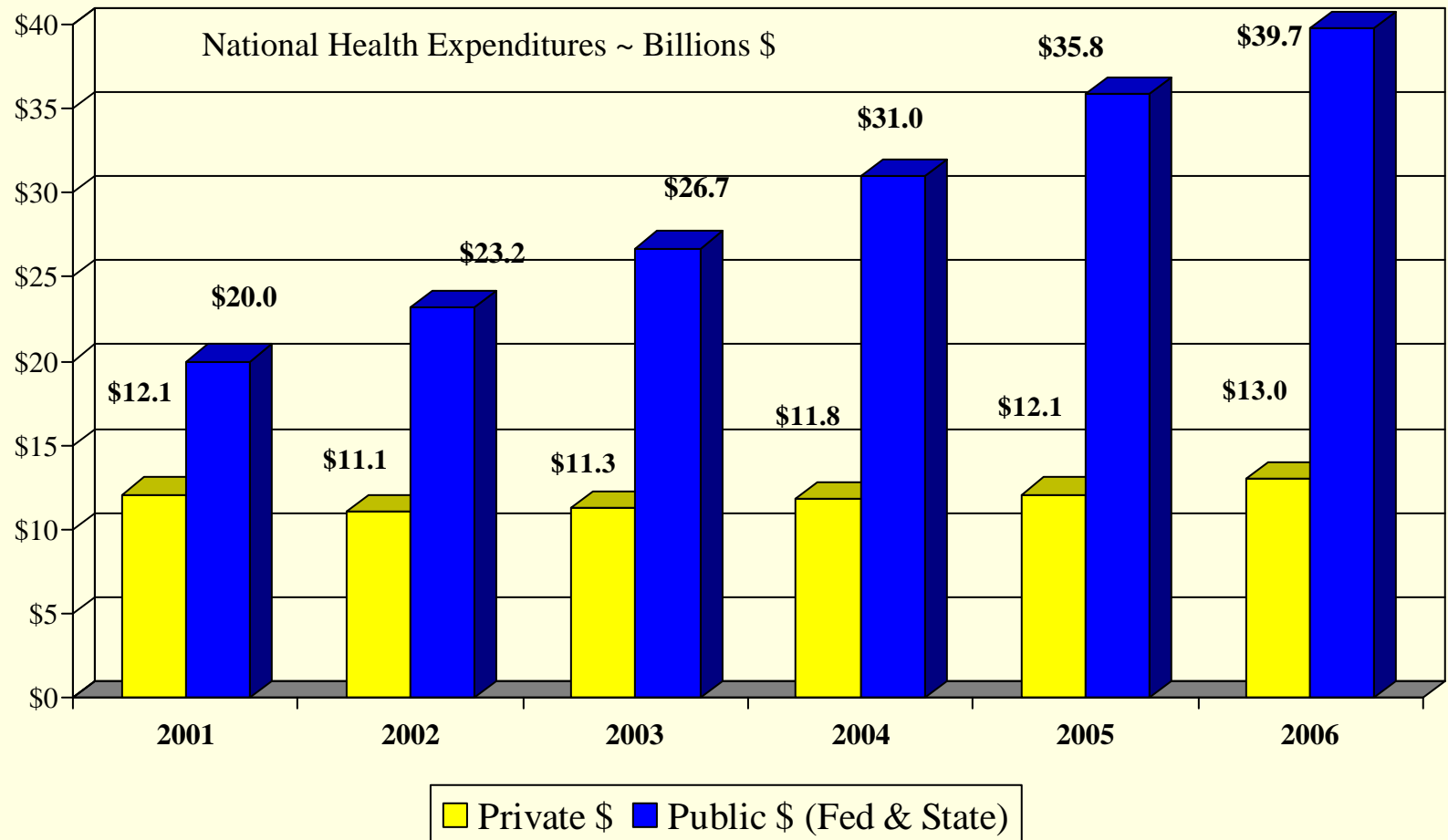
However, the Proportion of LTC Beneficiaries Cared for In Institutional Setting is Not Significantly Different than Other States



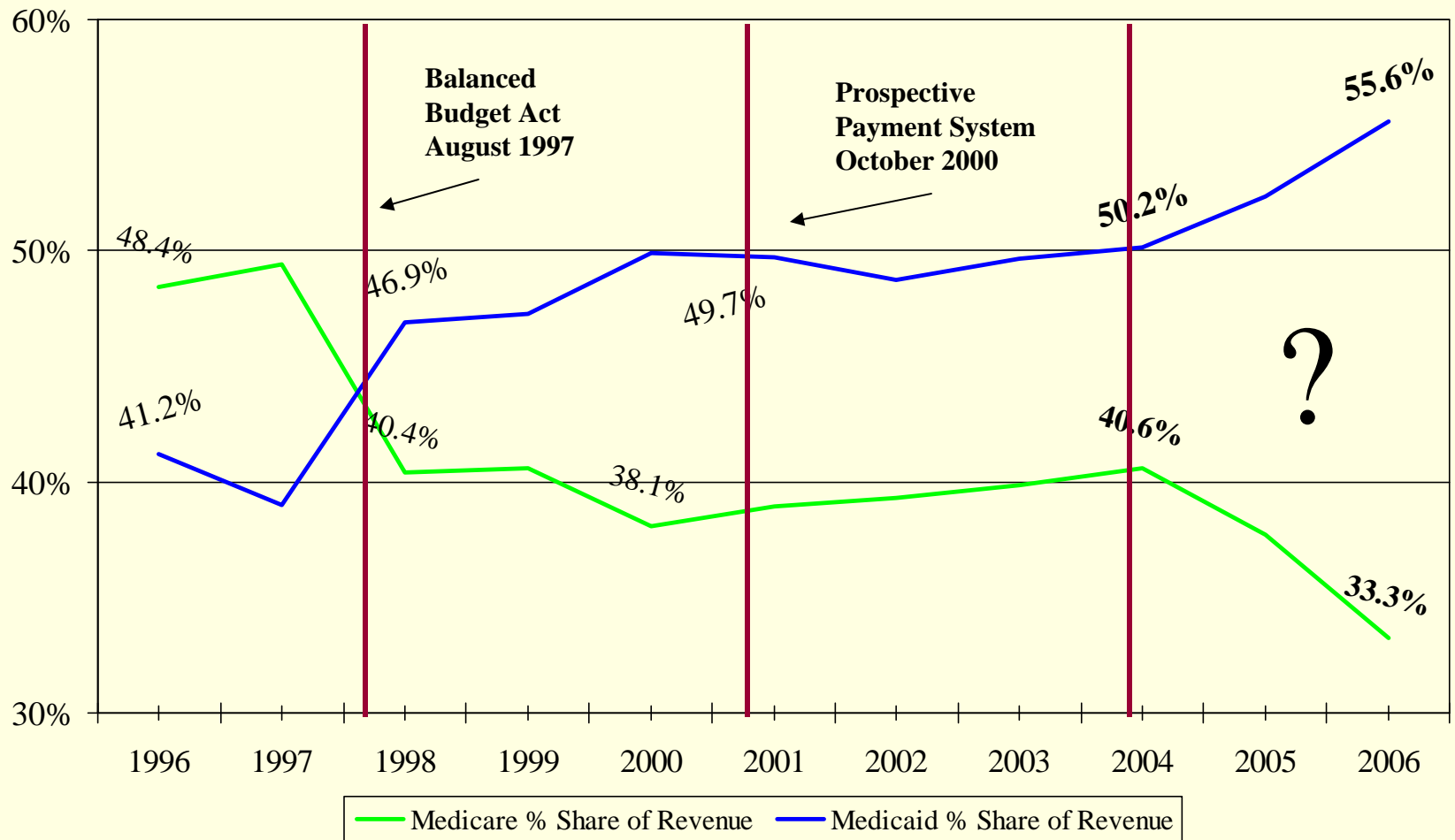
Why? NY has Highest Home Health Cost Per Beneficiary ~ 50 Percent Higher than Second Ranked California



Nationally, Private Funding of Home Health Care has Remained Flat and Public Funding has Increased Significantly



Reliance on Medicaid CHHA Funding in New York has Grown Significantly Since the Implementation of Medicare Reforms



Average Annual Growth in NY Medicaid Spending Per CHHA Recipient has Increased 14.1%

Medicaid Expenditures Per Recipient Certified Home Health Care Services						
	2003	2004	2005	2006	% Change 2005 to 2006	Average Annual % Change
Statewide	\$8,212	\$8,991	\$10,307	\$12,193	18.3%	14.1%
New York City	\$11,865	\$13,174	\$15,346	\$18,184	18.5%	15.3%
Suburban NYC	\$3,519	\$3,773	\$3,982	\$4,171	6.2%	5.8%
Upstate Rural	\$2,297	\$2,454	\$2,415	\$2,724	12.8%	5.8%
Upstate Urban	\$3,516	\$3,711	\$3,623	\$3,917	8.1%	3.6%

New York City ~ Hours Per Recipient has Increased Across All Categories in 2006

Average Hours per Recipient per Week ~ Services Provided by Home Health Aid and Billed by the Hour						
Beneficiary	2003	2004	2005	2006	% Change 2005 to 2006	Average Annual % Change
Overall	19.4	19.8	19.1	25.0	30.9%	8.7%
Seniors	21.0	21.4	20.7	27.6	33.3%	9.4%
Adults	15.6	15.8	14.8	18.0	21.6%	4.8%
Children	23.9	24.4	21.8	25.9	18.8%	2.7%

Source: Department of Health DataMart

Small Number of Providers Account for the 14.3% Annual Average Increase in Expenditures

What is Driving the Increase?

Bold Italics: Top 10 Providers Highest Expenditures

2006 Expenditures of New York City CHHA Medicaid Providers			
	2003	2006	Average Annual Percent Change
Total	638,340,095	954,052,323	14.3%
<i>A</i>	<i>22,849,003</i>	<i>142,367,583</i>	<i>84.0%</i>
<i>D</i>	<i>5,717,056</i>	<i>50,775,511</i>	<i>107.1%</i>
<i>E</i>	<i>33,393,182</i>	<i>66,153,796</i>	<i>25.6%</i>
G	1,307,019	31,106,504	187.6%
<i>I</i>	<i>2,733,926</i>	<i>40,525,569</i>	<i>145.7%</i>
<i>L</i>	<i>12,076,587</i>	<i>37,086,454</i>	<i>45.4%</i>
M	16,227,242	26,380,005	17.6%
<i>O</i>	<i>307,792,609</i>	<i>273,972,823</i>	<i>(3.8)%</i>
All Other	236,243,471	285,684,078	6.5%

Source: Department of Health DataMart

Governor's Long Term Care Bill

- Begins the reform efforts by:
 - Authorizing aggregate cap approach for Care at Home I/II
 - Addressing key issues related to the Long Term Home Health Care Program
 - Remove reference to health related facilities while allowing programs to exceed caps for certain subpopulations if allowed by CMS
 - Extend reassessment period to 180 days
 - Create equity statewide by assuring all available waiver services are provided
 - Authorize demonstrations to develop alternative methods of program administration related to assessment and care plan development

Governor's Long Term Care Bill

- Expand the focus of the Long Term Care Insurance Education and Outreach Program beyond insurance
- Allow income protection for the New York State Partnership Plan
- Require external appeals for long term care insurance
- Require insurers to promptly pay claims (20 days with electronic submission and 45 day by other means)

LTHHCP Data

NYS Medicaid Expenditures and Utilization for LTHHCP Service Date: Calendar Year 2006 and 2007

Calendar Year	Medicaid Expenditures			Unduplicated Recipient Counts		
	All Services	Waiver Services	Non Waiver Services	All Services	Waiver Services	Non Waiver Services
2006	\$634,518,195	\$33,984,767	\$600,533,428	27,603	22,573	27,076
2007	\$632,035,069	\$32,921,590	\$599,113,479	26,265	21,714	26,041

Source: NYS DOH/OHIP Datamart (based on claims paid thru 4/2008)

Questions: Contact Woopill Hwang @518-473-2230.

Home Care Technical Advisory Council:

Evaluate and make recommendations related to:

- The relevancy of Article 36 PHL and its implementing regulations;
- The availability of needed services to New Yorkers regardless of where they live;
- The role of technology in expanding services and reducing costs;
- The development of quality indicators that can be reported publicly and that are related to desired outcomes in health status; and
- Reimbursement methodologies to evaluate appropriate incentives

Principles to Guide Approaches to Reform for 2009 and Beyond

- Support and *enhance family care giving* resources
- Increased consumer *choice* and control for older individuals, persons with disabilities, and chronic illness.
- Ensure *access* to an appropriate array of home and community based long term care supports and institutional care when necessary.
- *Reduce costs* and promote payment mechanisms that support and reward better performance
- Encourage *personal planning* for long term support needs among individuals and their family members – including greater awareness of private sources of funding.
- Reverse the institutional bias in Medicaid eligibility.
- Enhance *quality* measurement to enable the provision of high quality long term care in the setting most appropriate for an individual's needs.
- Improve *coordination* of long term care and post acute care services.
- Utilize enhanced *health information technology* to better inform beneficiary choices, clinical decisions, payment and care coordinate functions

Reform Options

1) Value for Participants and Payer

- Payment reform to move towards performance-based and episodic reimbursement
- Development of uniform data sets and assessment tools

2) Support/Enhance Care in Community Settings

- Cash and Counseling
- Home Care Licensing & Certification Changes
- Balance nursing home bed need methodology to support care in community
- NYConnects -What are the next steps?
- Significantly increase caregiving resources
- Expansion of non medical programs (EISEP, Adult day care) – Build on 2008 Budget

3) Enhance Options to Increase Personal Planning for LTC Needs

- Expand LTC Partnership coverage
- Medicaid eligibility reform
- Increase supportive housing opportunities