



Health Care For All New York Position Statement on One-House Budget Proposals

Basic Health Program: We support full implementation of the Basic Health Program (BHP).

New York's adoption of a BHP in 2014 promises to provide affordable coverage to those who earn too much to qualify for Medicaid but still find private plans out of reach while generating significant Medicaid savings. Under BHP, New York will be able to draw down federal financial participation for a subgroup of consumers for whom the State now pays the full share of Medicaid costs, saving the State \$644.7 million in in FY 2016 and hundreds of millions in the years to follow. The Senate bill's provision to repeal BHP will threaten coverage for many New Yorkers and abandon these savings. HCFANY supports the Executive and Assembly proposals for full BHP implementation by including funding for the administrative costs of BHP.

NY State of Health (NYSOH) Funding: We support the Executive and Assembly proposal for an insurer assessment and the Assembly's additional consumer protection proposal.

Under the Affordable Care Act (ACA), state marketplaces like NYSOH must be self-sustaining starting this year. The Executive and the Assembly propose an identical tax to support NYSOH's operating expenses attributable to coverage for the qualified health plans it offers. The new assessment is imposed pro rata on the gross direct premiums collected by accident and health insurers on health and dental policies. We believe that the Assembly's proposal adds a strong consumer protection to the Executive's because it explicitly prohibits the charging of any additional fee or premium to members or policyholders to cover the assessment and explicitly directs the Department of Financial Services not to allow costs to be passed onto consumers and employers in rate proceedings. HCFANY strongly opposes the Senate's failure to fund NYSOH.

Community Health Advocates: We support the Governor's and Assembly's appropriation and request an increase to \$5 million.

Community Health Advocates (CHA) is a statewide network of community-based organizations and small business-serving groups helping individuals, families, small businesses access and use health insurance. Since 2010, CHA has handled over 200,000 cases, saving \$14 million for consumers. CHA services are needed now more than ever, with more than 2.1 million New Yorkers enrolled in the NY State of Health Marketplace since its launch in 2013. The Executive proposes a \$2.5 million in State funds for CHA, which the Assembly increases to \$3 million. The Senate eliminates the Governor's and Assembly's HCRA appropriation for NYSOH, thus defunding CHA. We urge the Legislature to increase CHA funding to \$5 million to secure a solid presence of CHA CBOs and small business serving-groups throughout the state.

Indigent Care: We support measures to strengthen accountability for indigent care funds.

The ACA requires that Disproportionate Share Hospital (DSH) funding be directed to states with high levels of uninsurance that target funds to hospitals with high Medicaid inpatient rates and high levels of uncompensated care (excluding bad debt). In 2012, New York revised the Indigent Care Pool (ICP) allocations to meet ACA requirements, but allowed a three-year transition period. HCFANY opposes the Governor's proposal (agreed to by the Assembly and Senate) to provide an additional three year transition period. HCFANY supports the Assembly proposal to reconvene the Medicaid Redesign Team Technical Assistance Team to make recommendations to adjust ICP payments if New York's DSH funding is reduced. HCFANY also supports the Executive and Assembly proposal to make the "financial assistance compliance pool" permanent, and opposes the Senate proposal to eliminate the pool after 2016. This pool rewards hospitals that comply with the law by providing consumers with access to hospital financial assistance.

Spousal Refusal: We agree with the Assembly's and Senate's opposition to eliminating spousal refusal.

We agree with the Senate's and Assembly's rejection of an Executive Budget proposal to eliminate the

longstanding right of “spousal/parental refusal” for children with severe illness, low-income seniors who need Medicaid to help with Medicare out-of-pocket costs, and other vulnerable populations. Under the Governor’s plan, the “refusal” will be honored and Medicaid granted only 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.

Prescriber Prevails: We agree with the Assembly’s and Senate’s rejection of repeal of “prescriber prevails.” HCFANY opposes the Executive Budget’s proposal to repeal “prescriber prevails” in fee-for-service Medicaid. A prescriber, with knowledge of his or her individual patient, should be able to override a formulary or preferred drug for atypical anti-psychotics, as well as other classes of drugs. Prescribers are in the best position to make decisions about what drug therapies are best for their patients. Without this provision, consumers would be left with no other option but to appeal drug denials.

Temporary Immediate Needs Medicaid: We support access to urgently needed medical care in Medicaid. HCFANY agrees with the Senate and Assembly rejection of a proposal by the Governor to eliminate temporary “immediate needs Medicaid.” We also support Assembly proposals to ensure access to critically needed personal care services through presumptive eligibility for Medicaid, and to clarify that temporary immediate need Medicaid is available for urgent medical care and services pending a Medicaid determination. These proposals are crucial to avoiding the hospitalization and institutionalization of individuals whose medical needs cannot wait the full 45 days it takes to process a Medicaid application.

Private Equity Demonstration Project: We oppose the Private Equity Demonstration Project. The Executive Budget outlines a demonstration project that would allow up to five businesses to invest private capital into the restructuring of hospitals and health care delivery systems. The Senate raises the number of participating businesses to ten. HCFANY agrees with the Assembly’s opposition to this initiative. An influx of private equity dollars could inappropriately shift the incentives of New York’s health care delivery systems away from providing quality care in favor of enabling excessive profits.

Physician Profile Program and Website: We support continuation of the physician profile website. HCFANY strongly opposes the Executive’s proposal to defund the physician profile website: www.nydoctorprofile.com. Through the program, New Yorkers can visit the website or call a toll free number and get significant information about any New York doctor, including his or her credentials and information about malpractice. While the Executive argues that the information contained in physician profiles are otherwise available online, in fact no single other website assembles the information in one place and there is no telephone access to the private websites. To eliminate this important program to save only \$1.2 million when New York is trying to improve health care quality is penny wise and pound foolish.

DSRIP Community Advisory Boards: We support establishing community advisory boards under DSRIP. We support the Assembly proposal to require sponsoring entities of Performing Provider Systems (PPS’s) within the Delivery System Reform Incentive Payment (DSRIP) program to convene community advisory boards (CABs) comprised of Medicaid consumers and community members within each PPS region. This proposal will help to ensure that PPS initiatives will reflect the needs of the communities they serve.

Non-contested issues: HCFANY thanks the Governor, the Assembly and Senate for:

- providing \$5 million for the transition of foster children into Medicaid Managed Care; and
- proposing to align the rates for ambulatory behavioral health services in Child Health Plus with the Ambulatory Patient Group (APG) rate.

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