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Jason Helgerson, Medicaid Director
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Office of Health Insurance Programs
One Commerce Plaza, Albany, NY 12210-2820

Mark Kissinger, Special Assistant to the Commissioner
Office of Long Term Care
Office of Primary Care & Health Systems Management
Corning Tower, Empire State Plaza, Albany, NY 12237

Andrew Segal, Director
Division of Long Term Care
Office of Health Insurance Programs
One Commerce Plaza, Albany, NY 12210-2820

Dear Sirs:

I am writing after getting alarming reports over the last week from consumers, families, advocacy groups and home care providers on Long Island about what is going on with the Consumer Directed Personal Assistance Program (CDPAP).

As I am sure you must be aware, some of the large Managed Long Term Care Plans have been cutting reimbursement rates to the Fiscal Intermediaries of the CDPAP to levels far below what they have been. Most recently I am told, GuildNet, issued a second cut in 6 months, which effectively makes a total cut of \$3.00 per hour for aides. Personal Assistance workers cannot have their pay arbitrarily go from \$13.13 per hour to \$10 something an hour and be expected to continue working. Fiscal Intermediaries cannot absorb those costs either, as they are already struggling with survival as a result of the FLSA overtime rules, rising minimum wages and several years of reduced rates from managed care plans. I am told personal assistants in the CDPAP program are making the only decision they can – they are finding new jobs. While some of these workers are family members, they have forgone other work to care for their loved ones, often at an already steep pay cut. Consumers are and will be forced to find care elsewhere – through traditional home care programs or nursing homes. The system is ill equipped to provide the same cost-effective, quality, consistent and culturally sensitivity care that many of these individuals currently have through CDPAP.

Clearly, this cannot be New York State's goal. The CDPAP program saves an enormous amount of money for the state, provides consumers with good and essential care not easily replaced, and is an important part of the State's compliance with Olmstead and access to enhanced funding through the Community First Choice Option. I do not need to tell you all of

the important virtues CDPAP provides, nor all the work we have done to enhance these kinds of alternative models of care. Last year we adopted legislation expanding the list of relatives eligible under the program to serve as caregivers, and this year we finally succeeded in getting Advanced Home Health Aides in statute, which will allow more individuals to live in the community.

I am sure MLTC Plans will tell me that they are not receiving adequate and timely rates, nor timely payments from the state necessary to pay the rates they have in the past. New York State cannot sit back and leave this to the plans and providers to work out. Nor can the state allow the program to fail because rates are inadequate. Doing so will not only be costly to the state, it will be devastating to the consumers and families the program serves.

Time is of the essence. I urge you to take steps to resolve this matter and ensure that CDPAP is preserved and consumers do not lose their care givers. I look forward to your early response to this letter.

Sincerely,

A handwritten signature in black ink that reads "Kemp Hannon". The signature is written in a cursive, flowing style.

Kemp Hannon
Chairman, Senate Health Committee

KH/ks

cc: Amy Nickson, Department of Health