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A Statement by HCA President Joanne Cunningham on Governor Paterson's Proposed Budget

"New York's home care system is already in serious financial peril, due to past reimbursement cuts that have left 67 percent of agencies operating in the red. An alarming 44 percent of home care providers must borrow money simply to meet daily operating expenses and fulfill their mission to New York's most vulnerable.

"The over \$147 million in new state-and-federal-share home care cuts proposed by Governor Paterson in today's budget – on top of over \$300 million in cuts already enacted since April 2008 – would add to these pressures, further destabilizing New York's home care safety net by making it even more difficult for providers to continue serving patients without racking up enormous losses, tumbling further into debt, cutting staff, or resorting to the elimination of programs.

"Under the weight of such new cuts, providers across the state will be forced to even further reduce services, staff and infrastructure, with some having no other choice than to follow the fate of over a dozen home care agencies that have either closed their doors or merged operations just since 2003.

"We urge the Governor and Legislature to treat home care as the solution to the state's health care needs, necessitating investment rather than cuts.

"In this regard, we do appreciate that the Governor's proposal embraces three important cost-savings ideas developed by HCA to assist the state in its efforts to close what by all accounts is a daunting budget gap.

"These proposals, unlike across-the-board cuts, would make the system more efficient without jeopardizing access to care. The HCA-developed proposals were originally included in our multipart Home Care Accessibility and Efficiency Improvement Act, sponsored by Senator Craig Johnson.

"Among the array of proposals in the HCA legislation that were selected by Governor Paterson for inclusion in the proposed budget are provisions which would: increase the minimum reassessment interval – from every 120 days to 180 days – for patients in the state's Long Term Home Health Care Program, allow home care providers to collaborate under dual waivers or case management to jointly serve patients, and create a Federal-State Medicare Shared Cost Savings Partnership Program.

"HCA urges the Governor and Legislature to further consider the other provisions of HCA's bill that would serve to obviate the need for any of the cuts proposed by the Governor."

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The Home Care Association of New York State (HCA), the state's premier home care association, represents more than 400 providers, individuals, and associate members who collectively serve thousands of New Yorkers.