STATE OF NEW YORK

9679

IN ASSEMBLY

January 21, 2026

Introduced by M. of A. CASHMAN -- read once and referred to the Committee on Health

AN ACT to amend the social services law, in relation to Medicaid reimbursement rates for rural home health care providers

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Subdivision 1 of section 368-a of the social services law is amended by adding a new paragraph (g-1) to read as follows:

(g-1) Notwithstanding paragraph (g) of this subdivision, section three hundred sixty-four-j of this title or any other provision of law, reimbursement for home health services provided in accordance with paragraph (d) of subdivision two of section three hundred sixty-five-a of this title by an individual or shared aide provided by an approved home health agency when such services are determined to be cost effective and appropriate to meet the recipient's needs for assistance, where such services are delivered in a rural area of the state, to be designated by the commissioner in regulation, shall be increased to include an amount necessary to cover the disparate transportation costs associated with providing such services in rural areas. The commissioner shall develop methodologies for calculating such delivery costs which are separate from direct personal care. Such reimbursement increase shall include all home health services provided for eligible recipients under this article, including those available or obtained through federal waivers.

§ 2. Subdivision 1 of section 365-l of the social services law, as added by section 37 of part H of chapter 59 of the laws of 2011, is amended to read as follows:

1. Notwithstanding any law, rule or regulation to the contrary, the commissioner of health is authorized, in consultation with the commissioners of the office of mental health, office of [~~alcoholism and substance abuse services~~] **addiction services and supports**, and office for people with developmental disabilities, to (a) establish, in accordance with applicable federal law and regulations, standards for the provision of health home services to Medicaid enrollees with chronic conditions, (b) establish payment methodologies for health home services

EXPLANATION--Matter in *italics* (underscored) is new; matter in brackets [-] is old law to be omitted.

LBD05558-01-5

based on factors including but not limited to the complexity of the conditions providers will be managing, the anticipated amount of patient contact needed to manage such conditions, **transportation costs,** and the health care cost savings realized by provision of health home services, (c) establish the criteria under which a Medicaid enrollee will be designated as being an eligible individual with chronic conditions for purposes of this program, (d) assign any Medicaid enrollee designated as an eligible individual with chronic conditions to a provider of health home services.

§ 3. This act shall take effect immediately.