STATE OF NEW YORK

7013

2025-2026 Regular Sessions

IN ASSEMBLY

March 18, 2025

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

AN ACT to amend the public health law, in relation to rates of payment for certified home health agencies

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

Section 1. Paragraph (b) of subdivision 13 of section 3614 of the public health law, as added by section 4 of part H of chapter 59 of the laws of 2011, is amended and a new paragraph (d) is added to read as follows:

(b) Initial base year episodic payments shall be based on Medicaid paid claims, as determined and adjusted by the commissioner to achieve savings comparable to the prior state fiscal year, for services provided by all certified home health agencies in the base year two thousand nine. Subsequent base year episodic payments may be based on Medicaid paid claims for services provided by all certified home health agencies in a base year subsequent to two thousand nine, as determined by the commissioner, provided, however, that such base year adjustment shall be made not less frequently than every three years. In determining case mix, each patient shall be classified using a system based on measures which may include, but not limited to, clinical and functional measures, as reported on the federal Outcome and Assessment Information Set (OASIS), as may be amended. **Notwithstanding any inconsistent provision of law or regulation to the contrary, the commissioner is authorized to increase, as necessary, the episodic payment level for costs not reflected in the statewide base, subject to the approval of the director of the state division of budget, including the cost of: inflationary increases in the health care market basket and/or consumer price index impacting providers; new state or federally mandated program regulatory requirements; home care staff recruitment and retention needs, particularly in shortage areas and disciplines; facilitating provider capabil-**

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

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ity to further align with state health reform models and policy goals; health care clinical and information technology investments; and any other matters the commissioner determines appropriate.

(d) Notwithstanding any inconsistent law or regulation, by October first, two thousand twenty-five and annually thereafter, the commissioner shall make the system of episodic payments, including all pricing mechanisms, available to all Medicaid managed care plans including managed long term care plans licensed to operate in New York state, all child health insurance plans licensed to operate under section twenty-five hundred eleven of this chapter, and all Essential Plans authorized by section three hundred sixty-nine-gg of the social services law. By October first, two thousand twenty-five and annually thereafter, the commissioner shall notify all such managed care plans of their responsibilities for ensuring that their enrolled members have access to certified home health agency services; that such services are critical to improving patient care and reducing overall costs, particularly costs related to avoidable hospital use; and that episodic payments as described in paragraph (a) of this subdivision are considered the standard method of certified home health agency payment by New York state government agencies. Nothing in this paragraph shall preclude a managed care plan and certified home health agency from agreeing upon an alternative rate methodology and payment rate, including value-based payments related to health outcome measurements.

§ 2. This act shall take effect immediately.