

# STATE OF NEW YORK

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4400

2025-2026 Regular Sessions

## IN SENATE

February 4, 2025

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Introduced by Sen. COMRIE -- read twice and ordered printed, and when printed to be committed to the Committee on Health

AN ACT to amend the public health law, in relation to a moratorium on new licensed home care service agency approvals; and to amend part B of chapter 57 of the laws of 2018 amending the public health law and other laws relating to limitations on licensed home care service agency contracts and registration of licensed home care services agencies, in relation to the moratorium on the processing and approval of applications seeking licensure of a licensed home care services agency

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

1 Section 1. Legislative intent. The legislature hereby finds and  
2 declares that local small business are the very lifeblood and economic  
3 building blocks of the empire state. These businesses are important to  
4 every community throughout our state: they hire locally, they spend  
5 resources locally, they pay state and local taxes and they offer essen-  
6 tial services that improve the quality of life of individuals at the  
7 local level. Without such local small businesses, our economy would not  
8 be able to function in a manner that benefits all our residents and  
9 reaches them in a very direct and personal way. A quintessential and  
10 leading example of the type of local, small business that provides life-  
11 changing services can be found in the form of licensed home care service  
12 agencies (LHCSAs). LHCSAs are a vital and essential component of our  
13 health care delivery system, interacting with patients on a daily basis,  
14 attending to their needs and standing on the very frontline of quality  
15 care. Furthermore, LHCSAs are very often small, local businesses started  
16 by compassionate social entrepreneurs who saw a need in their community  
17 and who have succeeded because of the very personal, trusting, compas-  
18 sionate and nurturing relationship they have with the individuals under  
19 their care. Additionally, the range of services provided by LHCSAs,  
20 including language and cultural competency, is unique and valuable, to

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

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1 them, to the employees they hire and to our overall community and health  
2 care system. The need for home care services for our senior population  
3 is rising exponentially and local, small business LHCSAs have rationally  
4 grown to meet this demand and provide skillful care for our loved ones.  
5 Moreover, LHCSAs often save the state money because they allow individ-  
6 uals to remain at home, instead of moving to institutionalized care.  
7 However, puzzlingly, the department of health constantly seems focused  
8 on threatening LHCSAs ability to operate, as exemplified by a two year  
9 moratorium enacted in 2008 and a series of potentially catastrophic  
10 provisions enacted as part of the 2018-19 New York state budget, includ-  
11 ing: another two year moratorium on new LHCSA approvals; the  
12 construction of a limit on the number of LHCSAs with which managed long  
13 term care plans (MLTCP) can contract; and authorization of a forward-  
14 looking requirement that could be enacted in the future, post the two  
15 year moratorium, that will mandate that LHCSA applicants need to demon-  
16 strate "public need" and "financial feasibility" to receive approval. In  
17 sum, these changes have simply gone too far in terms of overregulating  
18 local small businesses that are trying to provide quality of life health  
19 services to some of our most needy and vulnerable citizens. The new  
20 changes threaten the very social and economic existence of the locally  
21 centered LHCSAs that generations of New Yorkers have come to count on,  
22 letting them into their homes in times of trial and perseverance. In  
23 hindsight, the recently enacted provisions have proven to be overreach-  
24 ing, unwise and onerous, and consequently must be modified.

25 § 2. Subparagraphs (i), (ii), (iii), (v) and (x) of paragraph (j) of  
26 subdivision 7 of section 4403-f of the public health law, as added by  
27 section 9-a of part B of chapter 57 of the laws of 2018, are amended to  
28 read as follows:

29 (i) The commissioner may establish methodologies to limit the number  
30 of licensed home care services agencies licensed pursuant to article  
31 thirty-six of [~~the public health law~~] this chapter with which managed  
32 long term care plans may enter into contracts, provided that such limi-  
33 tations are consistent with the specifications set forth in this para-  
34 graph. However, before implementing any such methodological limitations,  
35 the department must hold a minimum of six public hearings including at  
36 least one in each of the following regions: the city of New York, Long  
37 Island, Westchester county, the capital region, central New York and  
38 western New York to hear from interested parties that may be affected by  
39 any proposed methodologies. The department shall widely publicize such  
40 hearings once scheduled, and must send notice of such hearings to all  
41 licensed home care services agencies at least two weeks in advance of  
42 each hearing. The hearings must be officially transcribed and written  
43 testimony and comments must be permitted both in person and via mail and  
44 electronic means. The department shall formally take into account the  
45 public hearing comments and written testimony before promulgating any  
46 final methodologies.

47 (ii) Managed long term care plans operating in the city of New York  
48 and/or the counties of Nassau, Suffolk, and Westchester may enter into  
49 contracts with licensed home care services agencies in such region in a  
50 maximum number calculated based upon the following methodology:

51 (A) As of October first, two thousand [~~eighteen~~] twenty-seven, one  
52 contract per seventy-five members enrolled in the plan within such  
53 region; and

54 (B) As of October first, two thousand [~~nineteen~~] twenty-eight, one  
55 contract per one hundred members enrolled in the plan within such  
56 region.

1 (iii) Managed long term care plans operating in counties other than  
 2 those in the city of New York and the counties of Nassau, Suffolk, and  
 3 Westchester may enter into contracts with licensed home care services  
 4 agencies in such region in a maximum number calculated based upon the  
 5 following methodology:

6 (A) As of October first, two thousand [~~eighteen~~] twenty-seven, one  
 7 contract per forty-five members enrolled in the plan within such region.

8 (B) As of October first, two thousand [~~nineteen~~] twenty-eight, one  
 9 contract per sixty members enrolled in the plan within such region.

10 (v) When calculating the number of additional contracts that a managed  
 11 long term care plan may enter using the methodologies established pursu-  
 12 ant to this paragraph, any fractional result shall be rounded [~~down~~] up.

13 (x) This subparagraph applies where implementation of the limits on  
 14 contracts with licensed home care service agencies of this paragraph (i)  
 15 would otherwise require an enrollee's care to be transferred from the  
 16 enrollee's current licensed home care service agency to another licensed  
 17 care service agency, and (ii) the enrollee (or the enrollee's authorized  
 18 representative) wants the enrollee to continue to be cared for by one or  
 19 more employees of the current licensed home care service agency, and  
 20 that continuation would otherwise be provided. In such a case: the  
 21 enrollee's managed long term care plan may contract with the enrollee's  
 22 current licensed home care service agency for the purpose of continuing  
 23 the enrollee's care by such employee or employees, and the contract  
 24 shall not count towards the limits on contracts under this paragraph for  
 25 a period of [~~three months~~] one year.

26 § 3. Subdivisions 4 and 6 of section 3605 of the public health law, as  
 27 amended by section 9-b of part B of chapter 57 of the laws of 2018, are  
 28 amended to read as follows:

29 4. The public health and health planning council shall not approve an  
 30 application for licensure unless it is satisfied as to [~~+(a) the public~~  
 31 ~~need for the existence of the licensed home health care service agency~~  
 32 ~~at the time and place and under the circumstances proposed; (b)] the~~  
 33 character, competence and standing in the community of the applicant's  
 34 incorporators, directors, sponsors, stockholders or operators [~~+(c) the~~  
 35 ~~financial resources of the proposed licensed home health care service~~  
 36 ~~agency and its sources of financial revenues; and (d) such other matters~~  
 37 ~~as it shall deem pertinent]~~.

38 6. Neither public need, tax status nor profit-making status shall be  
 39 criteria for licensure.

40 § 4. Section 3605-b of the public health law, as added by section 9-d  
 41 of part B of chapter 57 of the laws of 2018, is amended to read as  
 42 follows:

43 § 3605-b. Registration of licensed home care services agencies. 1.  
 44 [~~(a)~~] Notwithstanding any provision of law to the contrary, no licensed  
 45 home care services agency (LHCSA) licensed pursuant to section thirty-  
 46 six hundred five of this article shall be operated, provide nursing  
 47 services, home health aide services, or personal care services, or  
 48 receive reimbursement from any source for the provision of such services  
 49 during any period of time on or after January first, two thousand [~~nine-~~  
 50 ~~teen~~] twenty-eight, unless it has registered with the commissioner in a  
 51 manner prescribed by the department.

52 [~~(b)~~] 2. A LHCSA that fails to submit a complete and accurate set of  
 53 all required registration materials by the deadline established by the  
 54 commissioner [~~shall~~] may be required to pay a fee of [~~five~~] one hundred  
 55 dollars for each full month [~~or part thereof~~] that the LHCSA is in  
 56 default. A LHCSA that failed to register in the prior year by the dead-

1 line of the current year shall not be permitted to register for the  
2 upcoming registration period unless it submits any unpaid late fees.

3 [~~e~~] 3. The department shall post on its public website a list of all  
4 LHCSAs, which shall indicate the current registration status of each  
5 LHCSA.

6 [~~d~~] 4. The department shall institute proceedings to revoke the  
7 license of any LHCSA that fails to register for [~~two~~] three consecutive  
8 annual registration periods[~~, whether or not such periods are conse-~~  
9 ~~utive. The department shall have the discretion to pursue revocation of~~  
10 ~~the license of a LHCSA on grounds that it evidences a pattern of late~~  
11 ~~registration over the course of multiple years~~].

12 § 5. Section 9-e of part B of chapter 57 of the laws of 2018 amending  
13 the public health law and other laws relating to limitations on licensed  
14 home care service agency contracts and registration of licensed home  
15 care services agencies is amended to read as follows:

16 § 9-e. Effective April 1, [~~2018~~] 2027, the commissioner of health  
17 shall place a moratorium on the processing and approval of applications  
18 seeking licensure of a licensed home care services agency pursuant to  
19 section 3605 of the public health law that have not received establish-  
20 ment approval or contingent establishment approval by the public health  
21 and health planning council, except for: (a) an application seeking  
22 licensure of a licensed home care services agency that is submitted with  
23 an application for approval as an assisted living program authorized  
24 pursuant to section 461-1 of the social services law; (b) an application  
25 seeking approval to transfer ownership for an existing licensed home  
26 care services agency that has been licensed and operating for a minimum  
27 of five years for the purpose of consolidating ownership of two or more  
28 licensed home care services agencies; and (c) an application seeking  
29 licensure of a home care services agency where the applicant demon-  
30 strates to the satisfaction of the commissioner of health that  
31 submission of the application to the public health and health planning  
32 council for consideration would be appropriate on grounds that the  
33 application addresses a serious concern such as a lack of access to home  
34 care services in the geographic area or a lack of adequate and appropri-  
35 ate care, language and cultural competence, or special needs services.  
36 Such moratorium shall expire on March 31, [~~2020~~] 2029. In implementing  
37 the provisions of this section, the commissioner shall, to the extent  
38 practicable, review and, where appropriate, prioritize presentation to  
39 the public health and health planning council of complete applications  
40 under paragraph (b) of this section where the applicants demonstrate, to  
41 the satisfaction of the commissioner, that the proposed change in owner-  
42 ship is consistent with the goals of paragraph (j) of subdivision 7 of  
43 section 4403-f of the public health law.

44 § 6. This act shall take effect immediately; provided, however, that  
45 the amendments to section 4403-f of the public health law made by  
46 section two of this act shall not affect the repeal of such section  
47 pursuant to chapter 659 of the laws of 1997, as amended, and shall be  
48 deemed repealed therewith.