

STATE OF NEW YORK

7052

2025-2026 Regular Sessions

IN SENATE

March 31, 2025

Introduced by Sen. WEBB -- 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 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:

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

5 (b) Initial base year episodic payments shall be based on Medicaid
6 paid claims, as determined and adjusted by the commissioner to achieve
7 savings comparable to the prior state fiscal year, for services provided
8 by all certified home health agencies in the base year two thousand
9 nine. Subsequent base year episodic payments may be based on Medicaid
10 paid claims for services provided by all certified home health agencies
11 in a base year subsequent to two thousand nine, as determined by the
12 commissioner, provided, however, that such base year adjustment shall be
13 made not less frequently than every three years. In determining case
14 mix, each patient shall be classified using a system based on measures
15 which may include, but not limited to, clinical and functional measures,
16 as reported on the federal Outcome and Assessment Information Set
17 (OASIS), as may be amended. Notwithstanding any inconsistent provision
18 of law or regulation to the contrary, the commissioner is authorized to
19 increase, as necessary, the episodic payment level for costs not
20 reflected in the statewide base, subject to the approval of the director
21 of the state division of budget, including the cost of: inflationary
22 increases in the health care market basket and/or consumer price index
23 impacting providers; new state or federally mandated program regulatory
24 requirements; home care staff recruitment and retention needs, partic-
25 ularly 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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1 ity to further align with state health reform models and policy goals;
2 health care clinical and information technology investments; and any
3 other matters the commissioner determines appropriate.

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

23 § 2. This act shall take effect immediately.