Study Sheds Light on Pattern of Cuts in Medicaid-funded Home Care

(new York – July 22, 2016) Medicaid Matters New York and the New York Chapter of the National Academy of Elder Law Attorneys have issued a report with findings of an extensive study of fair hearing decisions on reductions of Medicaid home care hours by Managed Long Term Care (MLTC) plans. The findings suggest that low-income elderly and disabled New Yorkers’ ability to be cared for in their homes is being undermined by some of these plans’ attempts to arbitrarily reduce home care hours.

The study was undertaken after elder lawyers and other advocates noticed a sharp increase in the number of clients reporting that their MLTC plans had sought to reduce their home care services.

“The increase in cases raised concerns about whether these reductions violated the rights of plan members – and our study confirmed our worst fears, revealing a pattern of arbitrary and illegal reductions in home care hours,” said Rebecca Novick, Director of the Health Law Unit of The Legal Aid Society. “We are grateful that this issue has now been brought to the attention of all New Yorkers and call on the State to restore services for these vulnerable New Yorkers, stop plans from engaging in these illegal reductions, and improve its oversight of these private plans spending public dollars.”

The study identified every fair hearing decision posted in the New York State Office of Temporary and Disability Assistance (OTDA) online fair hearing archive concerning reductions by MLTC plans during the last seven months of 2015. The number of decisions issued each month increased six-fold during the period.

In 90% of the hearings decisions, MLTC plans’ attempt to cut services were thwarted, either by a plan member winning the hearing or because the MLTC plan failed to show up to defend the proposed reduction at the hearing. In a smaller but significant percentage of the decisions, the case was settled through an agreement in which the member -- often without an attorney to advise them -- agreed to accept the MLTC plan’s offer of a reduction in hours that was less than the plan originally proposed.

“Our member attorneys often represent the elderly and individuals with disabilities who require health care aides to remain in the community. NY NAELA is grateful that this issue has now been brought to the attention of all New Yorkers,” said Robert Mascali, Esq., of The Center for Special Needs Trust Administration, Inc. and the NY Chapter of the National Academy of Elder Law Attorneys.

Although most of the hearings identified for the report involved people in New York City, according to Amy Lowenstein, Senior Health Attorney with the Empire Justice Center, seniors and people with disabilities struggle with arbitrary home care reductions statewide.
“In our experience outside of New York City, if an attorney makes a call to the Managed Long Term Care plan pointing out the lack of justification for the reduction, the hours are typically restored and a hearing is avoided. Unfortunately, most people don’t know to call a civil legal aid provider like us or even ask for a hearing, so there are many who simply fall through the cracks,” said Lowenstein. “This is why it’s so important to closely and proactively monitor home care reductions to ensure that people are able to keep the home care assistance that allows them to maintain their health and live safely in the community.”

“When plans don’t provide the right amount of care, they might as well not provide any care,” said Bryan O’Malley, Executive Director of the Consumer Directed Personal Assistance Association of New York State. “When insurance companies nickel and dime members on hours or services, when they provide unjustifiably low reimbursement to providers, the outcome is the same - people that could stay at home are forced into institutions, or worse. Greater transparency and increased accountability are just two ways this can be done, and we look forward to working with the State to make sure those who need services actually receive them.”

The report recommends that the New York State Department of Health increase its monitoring of MLTC plans by collecting and publishing detailed data, including how many MLTC members faced reductions overall, not just through fair hearings, assessing whether the plans complied with legal requirements for the reductions, and continuing to closely monitor and assess whether plans are acting in compliance with the rules and regulations that govern them on an ongoing and regular basis.

About Medicaid Matters New York
Medicaid Matters New York (MMNY) is the statewide coalition dedicated to advancing the interests of Medicaid beneficiaries. Over 140 coalition partners work hard to ensure that policymakers understand the importance of Medicaid to the lives of low-income and vulnerable New Yorkers. MMNY is the voice in Albany representing Medicaid consumer interests during discussions of the State’s public health insurance programs. MMNY has and continues to play a critical role in influencing reform of the Medicaid program in New York State. See website at http://medicaidmattersny.org/.

About the National Academy of Elder Law Attorneys
National Academy of Elder Law Attorneys, NY Chapter (NY NAELA) - NY NAELA is the local chapter of a national professional association of elder law attorneys in the private and public sectors who are dedicated to improving the quality of legal services provided to people as they age and people with special needs. NY NAELA members are involved in education, public policy, and advocacy in all areas of elder law including public benefits and long term care planning.