

**Public Budget Hearings
November 2007**

Good afternoon. My name is Robert L. Callaghan and I am the President at New York Nursing Care. My agency provides home health care services to almost 100 patients in the Long Island area. On behalf of the patients and staff at New York Nursing Care, thank you for the opportunity to participate in the public dialogue concerning the 2008 – 2009 State Budget.

During the past year, Governor Spitzer has focused his efforts on a Patient-First Agenda to lower the cost of health care while improving patient outcomes. This policy preference will help move New York's health care system to one that strives to provide high-quality services in the least restrictive setting. At the same time, health care costs, particularly long term care costs, are rising and the demand for these services is growing.

Home care is the solution to many of New York's long term care needs. Home care is the cost effective alternative to health care delivered in more costly institutional settings and plays a critical role in the prevention of higher cost care. When the numbers are reviewed, home care is more cost-effective; when people are asked where they prefer to receive care, home care is emphasized; when the health care system is being reformed or restructured, home care is relied upon. The time to invest in and support home and community-based care is now.

Specifically, I urge the Governor to invest in home and community based-care by dedicating resources to:

- **Reimbursement.** Reimbursement rates for home care services must be increased to an adequate level, should recognize regional differences, and should be accessible in a timely and efficient manner. Providers should be given enough flexibility to utilize the funds in a manner that most benefits their patients, workers, and agencies.
- **Workforce Adequacy.** With a growing focus on home and community-based care, the State must ensure that there is an adequate supply of qualified employees to meet the demand for these services. Funds should be allocated for provider reimbursement of Criminal History Record Checks (CHRCs), the creation of a home care worker training registry, and the continuation of the critically important Healthcare Workforce Recruitment and Retention program. Funding should also be made available to increase Medicaid reimbursement across-the-board for private duty nursing services. Last year's rate enhancements for home care providers delivering nursing services to medically fragile children were tremendously helpful to providers for recruiting and retaining nurses. This initiative was a positive first

step; a similar plan should be implemented for nurses working with other populations in the home care industry.

- **Technology.** Technology is a solution we must embrace to meet the needs of the growing aging population. However, home care providers have not have access to traditional markets for capital funding. In order to invest in health information technology (HIT), home care providers need access to funding streams for investment capital and reimbursement for new technologies such as telehealth, electronic health records (EHRs), and other forms of HIT. These tools enable home care providers to care for more patients more efficiently, while also achieving better patient outcomes. Home care providers across the state eagerly await the implementation of the Medicaid Telehealth Reimbursement Demonstration Project included in last year's budget and hope to see continued funding in this area.

We all know that the State is anticipating a large deficit and difficult decisions will have to be made in crafting next year's budget. I encourage the Governor and the Legislature to make every effort to ensure that this sector of the health care continuum is given the resources it needs to provide the solution to the health care challenges facing this state.

Again, thank you for the opportunity to speak to you today. I look forward to reviewing the Governor's budget and hope that he will include proposals that will allow home and community-based care providers to focus on long-range planning to create a stronger, more efficient health care delivery system for the future.