



Consumer Directed Personal Assistance Association of New York State

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CDPAANYS Sues New York State State Department Of Health for Improper Medicaid Rate Reimbursement Overhaul

This is the second lawsuit filed by the organization against the Department for its failure to abide by state regulatory procedure.

Albany, NY – The Consumer Directed Personal Assistance Association of New York State (CDPAANYS) announced it filed a lawsuit Monday challenging the New York State Department of Health’s (DOH) new Medicaid Managed Care reimbursement methodology for Consumer Directed Personal Assistance (CDPA) providers, known as Fiscal Intermediaries (FIs). The new reimbursement system is scheduled to take effect on August 1, 2024, and would slash reimbursements by at least \$200 million per DOH’s estimates. In addition to CDPAANYS, six individual fiscal intermediaries have signed on to the suit.

Kendra Scalia, CDPAANYS President, said, “This latest attack from the Department of Health will cut at least \$200 million, if not more, from the Consumer Directed Personal Assistance program. The impact of this cut will be devastating for the 250,000 consumers who rely on this program to stay out of nursing homes - including me. We cannot allow the State to move ahead on a decision that will result in pay decreases to workers and tragic outcomes for older and disabled New Yorkers.”

New York’s home care workforce shortage is the worst in the nation and CDPA consumers are responsible for hiring their own personal assistants (PAs). Low wages and continued benefit cuts due to inadequate Medicaid reimbursement rates have made it increasingly difficult to recruit and retain enough workers to provide all, or even some, of the hours in their approved plans of care.

“This is the second time in five years that CDPAANYS has filed a lawsuit against DOH that coincided with the anniversary of the Americans with Disabilities Act,” said **Julia Battista, CDPAANYS Government Relations Manager**. “The government should be fighting to protect

disabled and vulnerable New Yorkers, but we are here again fighting to protect them against the government's continued attempts to cut this important program.”

CDPAANYS successfully sued DOH in 2019 for circumventing the State Administrative Procedure Act (SAPA) when it attempted to institute a per-member, per-month administrative rate structure without following regulatory protocol. In addition to again bypassing SAPA, DOH failed to provide any justification or analysis for adopting the new rate methodology, and it violates existing DOH regulations. Rates are currently negotiated between FIs and managed care plans per DOH regulation, rather than the predetermined rates DOH seeks to unilaterally impose.

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