Hospice & Palliative Care Association of New York State

Testimony of
Hospice and Palliative Care Association of New York State
at the Joint Legislative Public Hearing
on the State Fiscal Year 2015-2016 Executive Budget Proposal

Health / Medicaid

February 2, 2015

Introduction

The Hospice and Palliative Care Association of New York State (HPCANYS) appreciates the opportunity to provide comments on the 2015-2016 proposed Executive Budget. Hospice and palliative care models embody important components to provide quality and affordable healthcare--case management and patient centered care. They exemplify the State's Triple AIM approach. We support the Governor's vision of constructive partnerships helping to improve health care delivery and outcomes while reversing unsustainable spending trends and urge that hospice and palliative care providers be embraced as collaborative partners.

About Hospice and Palliative Care

Hospice and palliative care offer appropriate, high quality, cost-effective care to patients and their families, and Hospice is one of Medicare's most cost-effective programs:

- *"Dying in America,"* a report from the Institute of Medicine, focuses extensively on the needs of individuals with serious and chronic illnesses. It states: "People who meet the hospice eligibility criteria deserve access to services designed to meet their end-of-life needs." http://www.iom.edu/Reports/2014/Dying-In-America-Improving-Quality-and-Honoring-Individual-Preferences-Near-the-End-of-Life.aspx.
- According to an independent study conducted at Duke University, hospice saves Medicare an average of $2,300 per patient, or nearly $2 billion a year. *(Taylor, D.H., et al. (2007) 'What Length of Hospice use Maximizes Reduction in Medical Expenditures Near Death in the US Medicare program?' Social Science & Medicine Vol. 65, (7) pg. 1466-1478)*
- A study by Aetna found that "Liberalization of hospice benefits that permits continued curative treatment and removes limits on hospice benefits is a strategy that is financially feasible for health plan sponsors, insurers, and Medicare." *(Spettell, C.M., et al. (2009) 'A Comprehensive Case Management Program to Improve Palliative Care.' Journal of Palliative Medicine Vol. 12, (9) pg. 827-832)*
- Data from the 2008 Dartmouth-Atlas study, "Tracking the Care of Patients with Severe Chronic Illness" demonstrates "...more resources and more care (and more spending) are not necessarily better." *(Wennberg, J.E., Fisher, E.S., Goodman, D.C., Skinner, J.S.*

The new State Health Innovation Plan (SHIP), is designed to provide statewide access to high quality and coordinated care. Transitions of care is a key component to its success and we urge that hospice and palliative care be recognized as integral to care transitions.

Nursing homes promote continued reforms and performance improvement

As always, we urge the Legislature to provide incentives for nursing homes to make hospice care available through contracts with their local hospices. According to Medicare data, only 27% of Medicare beneficiaries who died in a nursing home in New York had been admitted to hospice, compared to 54% nationally. This is a lost opportunity to reduce Medicaid expenditures since Medicaid saves 5% of the nursing home rate if the resident is on the Hospice Medicare benefit.

Leveraging Health Homes – Establish better linkages and improve care coordination for:

- Children – HPCANYS' Interdisciplinary Pediatric Palliative Care Training Curriculum is designed to increase capacity to care for children with life-limiting illnesses. We urge Health Homes to take advantage of this training and to also partner with their local hospices and palliative care programs.
- Criminal Justice Populations – HPCANYS would welcome the opportunity to work with the state to explore how hospices, working with their health homes, could help provide better access to quality, cost effective end-of-life care.

Accountable Care Organizations (ACOs) and Health Homes.

As you deliberate the Executive Budget proposal I urge you to continue to support implementation of the Medicaid Redesign Team's recommendations regarding hospice and palliative care:

- MRT #209 to expand hospice—assure that access to hospice care is incentivized within medical health homes and ACOs, and
- MRT #109 to facilitate access to palliative care—consider using the newly formed New York State Palliative Care Collaborative (established by the Cancer Action Network and the Hospice and Palliative Care Association of New York State) to advance the goal of increased access to palliative care.

Upstate Health Care

The Governor proposed $300 million to create an integrated health care delivery system in Oneida County to reduce unnecessary inpatient beds and expand primary care services. It is

As set forth in the proposed Executive Budget, Certificate of Need Streamlining is proposed for general hospitals or diagnostic and treatment centers under particular circumstances. We propose that CON applications of construction of hospice offices, not inpatient facilities, also be streamlined.

Pilot Program – Establishment of business corporations

HPCANYS opposes the proposal to establish a pilot program of no more than 5 business corporations via private equity groups. The corporations could also include hospices, and we are concerned that the lack of regulation of private equity groups could have a negative impact on quality of care.

Fully Integrated Duals Advantage (FIDA)

Implementation of the FIDA demonstration project began just one month ago, January 1, 2015. The Hospice Medicare benefit is "carved out." However, it is imperative that duals have full, seamless access to their Medicare hospice benefit, and we ask that the Legislature make this a priority.

- We urge you to pay special attention to hospice in the nursing home and to assure that there are no "disincentives" for nursing home residents accessing their Medicare hospice benefit.
- As FIDA's new Interdisciplinary Team (IDT) is implemented we urge the New York State Department of Health and CMS to assess and determine how the beneficiary and FIDA IDT will collaborate with hospices' Interdisciplinary Team (also IDT) (which includes physicians, nurses, social workers, hospice aides, therapists, counselors, pastoral care and bereavement staff) in advocating for the beneficiary's right to appropriate end-of-life care provided by hospice.

E-Prescribing & Improved Information Technology

As the implementation date—March 27, 2015—fast approaches, it is clear that information systems and vendors will not be ready by the deadline. We urge you to pass recently introduced legislation to move back the implementation date. In addition, we ask that you recognize the need to invest in making EMR software compatible with electronic prescribing software. Without the ability to interface, health care providers will be forced to work with ineffective, cumbersome systems that will require manual updating—an inefficient use of limited