

How much help someone gets from Medicaid in New York state depends on where they live

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By **James T. Mulder / The Post-Standard** (Syracuse)

Annie Sibley needs help bathing, getting dressed, cooking meals and cleaning her apartment.

A home health aide comes in to help the elderly Syracuse woman with these activities. Without the service, Sibley said she would have to go to a nursing home.

Sibley would like to have her aide come every day. But Onondaga County limits her to three two-hour visits a week because the service, known as personal care, is paid for by Medicaid, the government program that covers health care for the needy, the elderly and disabled.

If Sibley lived in New York City, she might be able to get approved for up to 24 hours a day of personal care. That's because many elderly shut-ins get around-the-clock home care in New York City. Medicaid spending on personal care in the Big Apple is more than three times higher per patient than it is in Onondaga County.

Some observers see this huge Upstate-Downstate disparity as an area ripe for reform as the state faces a \$9 billion budget deficit. Gov. Andrew Cuomo's administration is looking to save money by overhauling the state's \$53 billion Medicaid program.

Gary Fitzgerald, president of the Iroquois Healthcare Alliance, an Upstate hospital trade group, said the cost disparity in the personal care program should be a top priority for Cuomo's recently appointed Medicaid Redesign Team, charged with finding ways to cut Medicaid spending.

"It doesn't seem to me people can be that much sicker in New York City than people in Upstate receiving the same care," Fitzgerald said.

The federal government pays half the cost of New York's Medicaid program. State and local governments pick up the rest. Medicaid is a growing financial burden for counties. Onondaga's share of the Medicaid bill this year is expected to exceed \$101 million, or about 65 cents of every dollar Onondaga County collects in property taxes. More than 80,000 people are on Medicaid in Onondaga County, or about one of every six residents. The situation is similar in Cayuga, Madison, Oswego and other counties across the state.

State Sen. John DeFrancisco, R-Syracuse, said Central New Yorkers are indirectly paying for some of what he calls New York City's "exploding" personal care costs.

That's because a cap was imposed on local governments' contributions toward Medicaid costs in 2006, shifting more of that cost to the state. DeFrancisco said there's no incentive for New York City to control personal care spending because those costs "... go on the back of state taxpayers."

Personal care is just one relatively small piece of the mammoth Medicaid program that also pays for care in nursing homes and hospitals, doctors' and dentists' offices, prescription drugs and services to people with disabilities.

But the personal care piece shows Medicaid spending and use vary dramatically by region. Experts say that variation stems in part from major inconsistencies in the way local governments run Medicaid.

The federal government sued New York City earlier this month for overbilling Medicaid by improperly approving 24-hour personal care in patients' homes. The lawsuit said the city ignored rules requiring recommendations from doctors, nurses and social workers before patients could be enrolled in the program, or rejected doctors' findings that the services were not needed. The suit contends 17,500 people in New York City have received 24-hour personal care over the last 10 years. The annual cost in these cases can range from \$75,000 to \$100,000 for each person, according to the suit.

Around-the-clock personal care is rare in Onondaga County. Sarah Merrick, of the county Social Services Department, said there are no more than two cases here. The average is about 10 hours a week for elderly people who get personal care from agencies that contract with the county, she said.

The county conducts assessments to determine the amount of care. Each patient's needs are reviewed every six months to see if the number of hours need to be changed, Merrick said.

The lawsuit against New York City said the city routinely reauthorized personal care without doing reassessments.

Manhattan U.S. Attorney Preet Bharara said the allegations in the suit "... reflect a systemic failure to responsibly administer the Medicaid program."

While the state Health Department oversees New York's Medicaid program, 57 counties and New York City administer the program. They review applications and determine eligibility. The way this process is handled and determinations are made varies from county to county. A 2009 report by the United Hospital Fund's Medicaid Institute called the fragmented administrative system "an antiquated welfare bureaucracy."

"The results of this arrangement have been divided accountability, muddled priorities and enormous variation in program implementation," the report said.

The state recently passed legislation requiring the Health Department to come up with a

plan to take over administration of Medicaid over the next five years.

Michael Birnbaum, of the United Hospital Fund, said Medicaid spending on personal care must be viewed as just one component of overall Medicaid spending on long-term care. He recently wrote a report that shows that while New York City spends a disproportionate amount on personal care, the use of more costly nursing home care is significantly higher Upstate.

“The fact that New York City accounts for 84 percent of the state’s spending on personal care is a real eye-opening fact,” Birnbaum said. But he does not believe it means the city uses too much. It suggests people Upstate may not be getting enough personal care instead of nursing home care, he said.

While nursing home use is higher Upstate, Health Department statistics show Medicaid nursing home spending per patient in New York City is about 1.5 times higher than in Onondaga. That’s because Medicaid’s average daily payment rates are higher Downstate, according to the United Hospital Fund’s Medicaid Institute.

Home-based care, when properly administered, is much less expensive than nursing home care, according to DeFrancisco.

“But when you have 24-hour personal care costing the state up to \$150,000 a year per patient, that’s an abuse of what personal care is supposed to be about,” DeFrancisco said.

Lyse Joseph, the aide who helps Annie Sibley, worked as a home aide in New York City before moving to Syracuse. She said most of her former patients in New York City were eligible for eight to 12 hours of personal care a day.

Joseph now works for Home Aides of Central New York, the area’s largest provider of personal care.

Most of that agency’s patients get fewer than two hours per visit, said Sandra Martin, president of Home Aides.

“We have a lot of clients who don’t get as many hours as they should,” she said.

Medicaid programs vary from state to state. Personal care is not a mandatory service states must provide.

Martin fears New York City’s high level of spending and the state’s budget crisis may prompt New York to eliminate personal care, a service received by about 969 Onondaga County residents who are elderly or disabled.

“If New York City had the same kind of control over its program that we do, we wouldn’t have that much of a problem in the state,” Martin said.

