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Long-term care services and supports for frail elderly and physically disabled low-income New Yorkers accounted for \$13.6 billion, or more than a quarter of the state's Medicaid spending, in 2009. As New York grapples with the challenge of closing budget gaps and as the state moves to a more centralized model of Medicaid administration, United Hospital Fund today released two reports from its Medicaid Institute that look at patterns and variations in long-term care service use and spending. Both reports will inform policymakers as they seek to meet the needs of beneficiaries and improve the effectiveness of long-term care in an environment of constrained resources.

"Medicaid long-term care services support many of our state's most vulnerable low-income residents, and New York has long been a leader in its commitment to addressing their complex needs," says James R. Tallon, Jr., president of the United Hospital Fund. "These reports illustrate the extent to which we lack consistency in the availability and delivery of these vital services. The reports' details will help policymakers identify and explore opportunities for improvement through the establishment of new policies."

The first report, [Medicaid Long-Term Care in New York: Variation by Region and County](#), analyzes rates of service use and levels of spending per recipient across New York State, documenting variation by region and by county. It also examines four interrelated factors—demographics, reimbursement policies, availability of service, and local administration—to begin to explain regional variation.

Among the findings, spending in New York City accounts for 66 percent of long-term care spending statewide, a level somewhat higher than the city's share of all elderly and disabled Medicaid beneficiaries in the state (58 percent). The component parts of this spending, too, are far from uniform across the state: compared to its overall share of costs, New York City is home to a significantly lower share of nursing home spending (52 percent), and a significantly higher share of spending on home health services (80 percent) and personal care (84 percent).

The second report, [Medicaid Personal Care in New York City: Service Use and Spending Patterns](#), focuses on one type of Medicaid long-term care service: personal care, which includes assistance with eating, bathing, and dressing, as well as activities associated with independent living such as shopping and meal preparation. The report takes two distinct looks at one group of personal care recipients, elderly dual Medicare-Medicaid beneficiaries in New York City. It provides a brief examination of those who received care during December 2008, and it also profiles in depth a cohort of beneficiaries first receiving the service in 2003 and follows them through 2008.

Among the findings, the report identifies substantial variation in the rates of personal care utilization across the city. Another finding that highlights the magnitude and complexity of the care management and cost containment challenges faced by policymakers is that once Medicaid beneficiaries become personal care recipients, they typically will not revert to lower levels of service use or cost.

“As the incoming State Administration faces substantial budget shortfalls, Medicaid long-term care will be front and center,” says Michael Birnbaum, director of policy for the Medicaid Institute at United Hospital Fund and an author of both reports. “Variations in service use and spending that we’ve identified in these reports will no doubt invite greater scrutiny as the state moves toward more centralized Medicaid administration. While variation is not inherently unjustified, understanding it can often inform the development of more rational policies and better service delivery.”

Medicaid Long-Term Care in New York: Variation by Region and County was written by Michael Birnbaum, Elizabeth Patchias, and Jennifer Heffernan. *Medicaid Personal Care in New York City: Service Use and Spending Patterns* was written by Sarah Samis and Mr. Birnbaum.

Both publications are available on the United Hospital Fund’s website.

About the United Hospital Fund: The United Hospital Fund is a health services research and philanthropic organization whose mission is to shape positive change in health care for the people of New York.

About the Medicaid Institute: The Medicaid Institute at United Hospital Fund provides information and analysis explaining New York’s Medicaid program, with the goal of helping all stakeholders redesign, restructure, and rebuild the program.

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