

THE HOME CARE SAVINGS & REINVESTMENT ACT

\$722M

In MLTC insurer profits in a single year, double the national average

\$3.5B

Estimated annual savings from switching to managed fee-for-service

\$1.47M

Projected shortage of New York home care workers by 2035

WHAT THE HOME CARE SAVINGS & REINVESTMENT ACT DOES

- ✓ Save New York State approximately \$35 billion over ten years
- ✓ Repeals the partially capitated MLTC program that enriches insurance company middlemen
- ✓ Transitions home care to a fee-for-service model with direct state oversight
- ✓ Preserves fully capitated programs (PACE, MAP) that provide comprehensive coordinated care
- ✓ Generates billions in savings that can be reinvested in home care services and worker wages
- ✓ Restores transparency so the state knows exactly where Medicaid dollars go

KEY FACTS

- 66% of New Yorkers are in favor of eliminating the current MLTC system
- 79% of New Yorkers prefer reducing insurer overhead to cutting worker wages and hours
- 81% of New Yorkers say home care costs are currently unaffordable
- \$3.5 billion in estimated annual savings from switching to managed fee-for-service
- \$5.5 billion in administrative costs and profit paid to private insurers over just 3.75 years
- \$722 million in profits posted by MLTC plans in 2021 alone (the latest full year of data available), DOUBLE the national average
- Connecticut successfully transitioned away from private MLTC management and serves as a proven model
- The bill preserves fully capitated programs like PACE and Medicaid Advantage Plus (MAP)