

## 2022 State of the State Healthcare Proposals

### OVERVIEW

On January 5<sup>th</sup>, Governor Kathy Hochul delivered her first State of the State speech, which outlined her policy agenda for the 2022 Legislative Session. The accompanying State of the State Book, entitled “A New Era for New York,” describes the Governor’s proposed agenda across nine sections. Notably, the first section is focused on the “healthcare economy” and includes workforce, digital health, and coverage expansion proposals. Other sections outline the Governor’s plans for affordable housing, economic development, and infrastructure initiatives. Further details, including legislative language for proposals that require funding appropriations, will be included in the Governor’s upcoming Executive Budget and Financial Plan, which are to be submitted to the State Legislature this month.

A summary of the Governor’s healthcare-related proposals is provided below. The full State of the State book is available [here](#).

### WORKFORCE

The Governor proposes to grow the State’s healthcare workforce by 20% over the next five years to address system staffing challenges that exacerbated by the Covid-19 pandemic. In total, the Governor proposes \$10 billion of investments, which include:

- \$2 billion to support healthcare wages;
- \$2 billion to support healthcare and mental hygiene worker retention bonuses;
- \$500 million for Cost of Living Adjustments (COLAs) for human services workers;
- \$2 billion for healthcare capital infrastructure and improvements to lab capacity.

These proposals are inclusive of the \$2.2 billion of federal funds for which New York has already applied from the enhanced home and community-based services (HCBS) funding available through Section 9817 of the American Rescue Plan.

### Training and Education

To improve educational capacity and reform educational institutions, the Governor proposes to:

- Increase the training capacity of medical institutions, including by:
  - Funding the creation of new programs;
  - Providing funding for the training of full-time support staff; and
  - Developing new training techniques.
- Direct SUNY and CUNY to adopt a policy granting prior learning credits to workers with work experience, accelerating their pathway to gaining credentials.

- Develop an apprenticeship job training program for immigrant workers to become direct support professionals.
- Expand apprenticeship opportunities, including in healthcare, by increasing funding for apprenticeship programs at SUNY and CUNY, incentivizing employers with the Empire State Apprenticeship Tax Credit, and creating a pre-apprenticeship portal.
- Expand human services workforce development programs such as the Direct Support Professional Career and Technical Education Program and the SUNY for All Partnership with the Office for People with Developmental Disabilities (OPWDD) to create opportunities for direct care workers statewide.
- Expand the SUNY Pre-Medical Opportunity Program and Diversity in Medicine Programs to recruit and train a diverse healthcare workforce.

To help reduce the cost of education, the Governor proposes to:

- Provide free tuition, stipends, and wraparound services for students pursuing high-demand health occupations and who commit to practicing in New York State for a period of time.
- Strengthen the workforce in underserved areas, particularly rural regions, by increasing funding for existing loan forgiveness programs such as “Doctors Across New York” and creating similar loan forgiveness programs for nurses.

## Licensure and Scope of Practice

The Governor proposes to:

- Join the Interstate Medical Licensure Compact and Nurse Licensure Compact, which will simplify the process by which physicians and nurses can use their existing license from other states to practice in New York (including through telehealth).
- Make permanent certain scope of practice expansions that were put in place by executive order during the Covid-19 public health emergency (PHE), including but not limited to:
  - Allowing non-nursing staff to administer vaccines, flu, and Covid-19 testing;
  - Modernizing and simplifying clinical laboratory supervisory requirements;
  - Removing the requirement that Nurse Practitioners (NPs) must have a written practice agreement with a physician.
- Facilitate the creation of a model for training “universal” long-term care workers to more easily transition across caregiving roles.

## NYS Workforce Offices

The Governor proposes to:

- Create an Office of Healthcare Workforce Innovation under the purview of the Department of Health (DOH). The Office will:
  - Develop an online portal/hub to match candidates with training, support services, and jobs;
  - Test new care models and educational strategies; and

- Research and recommend policies to increase the supply of health care and direct support workers.
- Create an Office of Workforce and Economic Development, to be managed by the Empire State Development (ESD) and run through the State's Regional Economic Development Councils (REDCs). The Office will determine workforce development funding on a real-time basis for career pipeline programs in regionally-important industries, including healthcare, information technology, and sciences.

## EMS

To reform the Emergency Medical Services (EMS) workforce, the Governor proposes to:

- Create a coordinated statewide EMS emergency response system.
- Develop statewide basic and advanced life support treatment protocols across EMS agencies.
- Offer additional EMS educational opportunities to increase the volume of frontline responders.
- Update the definition of EMS to include new delivery models, such as community paramedicine and emergency department diversion programs.

## TELEHEALTH AND DIGITAL HEALTH

### Insurer Requirements

The Governor proposes to enact new telehealth requirements for private insurers, including:

- Requiring commercial insurance plans to reimburse providers for telehealth services at rates equivalent to in-person services, and maintaining this policy in Medicaid;
- Establishing network adequacy requirements for telehealth services; and
- Requiring commercial insurers to publicly disclose information about the availability of telehealth services in their networks.

### Digital Health Innovation

The Governor proposes to create a Center for Medicaid Innovation, which will work with technology companies offering innovative digital health solutions that can help achieve the goals of the Medicaid program, to connect them with Medicaid systems and populations.

Additionally, the Governor proposes to establish partnerships with digital health companies to help make patients' health information more accessible to them.

### Infrastructure

The Governor plans to enact the ConnectALL initiative to invest over \$1 billion in State and Federal funding to increase affordable broadband access via infrastructure and planning grants and subsidies for low-income households, allowing individuals living in underserved areas to more readily access healthcare via telehealth.

## INSURANCE

The Governor plans to introduce a package of reforms to expand access to health care coverage for vulnerable populations, including low-income households, families with children, seniors, and individuals with disabilities. Key components of this package include:

- Expanding Medicaid eligibility for individuals aging into Medicare. Specifically, the Governor proposes to eliminate the resource eligibility test and raise the eligibility level for Medicare-eligible individuals (through age or disability) to match the standard adult population threshold of 138% of the Federal Poverty Line (FPL).
- Expanding the Essential Plan (EP) by requesting federal approval to raise the eligible household income threshold for EP coverage from 200% of the FPL to at least 250%.
- Eliminating Child Health Plus (CHP) premiums for families with household incomes between 160% and 222% of the FPL; and
- Fully aligning the CHP benefit with the Medicaid benefit package, so that CHP beneficiaries will be able to access behavioral health and substance use services, HCBS services, and residential rehabilitation.

## MATERNAL HEALTH

To improve maternal health outcomes and increase equitable access to prenatal and postnatal care, the Governor proposes to:

- Extend Medicaid postpartum coverage for mothers to 12 months;
- Provide Medicaid reimbursement for dyadic therapy services delivered in integrated primary care within New York State HealthySteps program sites;
- Increase Medicaid reimbursement for midwife maternity services;
- Provide social work services in clinical and non-clinical settings for new mothers;
- Reimburse registered dietitians for providing nutrition services to pregnant women; and
- Reimburse community health workers for delivering care coordination and support services in maternal health settings.

## LONG-TERM CARE

The Governor will issue an Executive Order to implement a State Master Plan for Aging to coordinate long-term care policies and programs. The Master Plan will be designed to coordinate all State policy and programs for this population, addressing challenges related to communication, coordination, caregiving, financing, and innovative care models.

To expand residential service capacity for long-term care, the Governor proposes to:

- Develop, as part of the wider Housing Plan, additional affordable and permanent supportive housing units for seniors who might otherwise need to reside in nursing homes or other institutional settings;
- Investing in innovative nursing home models, including the conversion of traditional nursing homes to Green House model facilities;

The Governor also proposes the following proposals related to beneficiary protections and services:

- Requiring that facilities that provide memory care services (long-term care for residents with dementia or memory issues) meet specific certification criteria, including staff training requirements and resident programming requirements;
- Establishing an Elder Abuse Financial Exploitation Prevention Program in the Department of Financial Services (DFS) that will identify situations of financial exploitation and provide professional bill-paying services to vulnerable seniors;
- Expanding the New York State Office of the Aging's (SOFA) programs to subsidize wireless internet costs; and
- Commissioning a study to explore reforms for New York's Long-Term Care Ombudsman Program.

## MENTAL HEALTH AND SUBSTANCE USE SERVICES

To address the burgeoning mental health crisis in communities as a result of the pandemic, the Governor proposes to:

- Expand the Home-Based Crisis Intervention (HBCI) program to double the current volume of families served;
- Establish a pilot program to develop a Mental Wellness Community Workforce, to be comprised of lay personnel trained in mental health to provide care to individuals who currently have limited access to mental health services;
- Provide mental health grants to high-need school districts to support the hiring of mental health professionals and expansion of school-based mental health services; and
- Allocate funding for pilot programs in high-need schools to reduce violent incidents, including programs supporting Therapeutic Crisis Intervention and Positive Behavioral Interventions and Supports.

The Governor also will direct DOH and the Office of Addiction Services and Supports (OASAS) to expand and enhance a public health-style program, specifically to:

- Create a Division of Harm Reduction within OASAS to implement initiatives such as mandating pharmacies to stock naloxone and buprenorphine, and creating a medication-assisted treatment (MAT) program for uninsured individuals.
- Modernize outpatient addiction programs by allowing opioid treatment program (OTP) providers to implement mobile methadone programs by:
  - Removing regulatory requirements that opioid treatment programs (OTP) locations be located in contiguous counties;

- Developing guidelines for providing mobile methadone services;
- Investing in retrofitting existing outpatient mobile treatment units and purchasing additional units; and
- Investing in telehealth equipment for mobile service providers.
- Create a voluntary certification process for recovery-supportive housing providers.

## HOUSING AND HOMELESS SERVICES

The Governor plans to implement a new \$25 billion five-year housing plan aimed at addressing community health disparities and expanding housing access in historically underinvested areas. This plan will include the following components:

- Create and preserve 100,000 units of low-income housing, with focused programs for rural areas and seniors;
- Allocate \$300 million in capital improvements for senior housing; and
- Provide 10,000 units of supportive housing (comprised of 7,000 new units and 3,000 preserved units) for populations at risk of homelessness.

The Governor will also introduce proposals to support populations at risk of homelessness, including to:

- Address street homelessness by creating Safe Options Support (SOS) teams of mental health practitioners to move individuals living on the streets into shelters and stable housing settings;
- Invest in the expansion of crisis and transitional living beds for LGBTQ youth at risk of homelessness;
- Introduce legislation to allow for homeless youth to consent to their own treatment and be able to access healthcare services without requiring consent from their legal guardians; and
- Equip law enforcement and outreach workers with tablets and technological resources to connect the street homeless population with mental health professions in Comprehensive Psychiatric Emergency Programs (CPEP); and
- Increase the amount of public assistance that a recipient can earn before losing eligibility and eliminate the 45-day waiting period for Safety Net Assistance benefits for individuals not eligible for Public Assistance.

## ECONOMIC INITIATIVES

The Governor aims to encourage the State's economic recovery by proposing to:

- Accelerate the timeline for a scheduled \$1.2 billion-dollar tax cut for the middle class, by phasing in the full benefits in the 2023 tax year (two years earlier than scheduled); and
- Provide \$100 million in tax relief for nearly 200,000 small businesses with gross incomes of up to \$1.5 million.

## ETHICS

The Governor proposes to:

- Introduce a Constitutional amendment to limit statewide elected officials to two consecutive four-year terms in office;
- Prohibit all statewide public officers from supplementing income with outside work, except for academic positions approved by the ethics board;
- Replace the Joint Commission on Public Ethics (JCOPE) with a new ethics enforcement entity that is subject to Open Meeting Laws and the Freedom of Information Law (FOIL); and
- Standardize ethical provisions and expected standards of conduct for municipal officials.

## OTHER

The Governor also proposes to:

- Increase transparency for consumers by:
  - Creating a Pharmacy Benefits Bureau in the DFS that will provide oversight of Pharmacy Benefit Managers (PBMs) and monitor increases in prescription drug pricing at the manufacturer level and pharmacy dispensing level;
  - Adopting new regulations in accordance with federal legislation regarding surprise billing; and
- Propose legislation to codify regulations that require commercial insurers to cover abortion services without cost-sharing.