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Joint Statement from the Coalition of NYS Health Homes, NYS Care Management Coalition, and iHealth on the NYS SFY 2026/27 Enacted Budget

The Coalition of NYS Health Homes, the New York State Care Management Coalition, and iHealth are deeply troubled by the State's decision to exclude Health Home Care Management (HHCM) services administered by the Department of Health, from the 2.7% Targeted Inflationary Increase (TII) in the SFY 2026-27 Enacted Budget. At the very moment New York is acting to stabilize its Medicaid workforce, the Budget leaves out the programs that hold the most complex members in that system together. That omission is shortsighted, and its consequences will be felt well beyond Health Homes.

Health Home rates have been effectively frozen since 2018. Over those years, providers have absorbed rising workforce costs, sustained inflation, mounting administrative requirements, and steadily increasing member acuity, all without a corresponding investment. Excluding HHCM from this year's TII does not hold the line; it deepens an already unsustainable gap between what the State asks of Health Homes and what it provides to deliver.

Health Home care management serves more than 185,000 of New York's most vulnerable Medicaid members, including individuals with serious mental illness and substance use disorders, people managing chronic medical conditions, children with complex behavioral health needs, justice-involved individuals, and those facing significant social care needs. These are precisely the populations hit hardest by workforce shortages, fragmented care, and the erosion of community-based supports, and they are the populations Health Homes exist to reach.

The math is straightforward and unforgiving. Without meaningful investment in the Health Home workforce and operations, care management agencies cannot sustain the staffing and service capacity these members require. The result will be growing waitlists, widening gaps in care, and members losing the coordinated support that keeps them stable, housed, and out of crisis. When care management infrastructure is weakened, the people with the most complex medical, behavioral health, and social needs are the first to fall through.

The cost does not stop there. Underfunding Health Homes shifts pressure directly onto hospitals, emergency departments, behavioral health and primary care providers, local governments, and community-based organizations that are already stretched to their limits. Health Homes are a foundational component of New York's whole-person care model and are essential to the long-term stability of the Medicaid system and the community safety net statewide. Disinvesting in them is not a savings; it is a cost deferred and multiplied.

We recognize and appreciate the Legislature and the Governor for maintaining overall Health Home program funding and rejecting proposed cuts. But preserving a program while denying it the resources to function is not enough. The exclusion of HHCM from the TII is a missed opportunity to stabilize and strengthen a workforce that New York's Medicaid system cannot succeed without.

We call on the Governor and the Legislature to correct this omission and to ensure that Health Home Care Management is included in inflationary investments going forward. The Coalition of NYS Health Homes, the NYS Care Management Coalition, and iHealth are ready to work with the State to advance sustainable investment in Health Home care management, so that Medicaid members across New York continue to receive the coordinated, community-based care they need to stay healthy and safe.

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