

**NEW YORK STATE SENATE
INTRODUCER'S MEMORANDUM IN SUPPORT
submitted in accordance with Senate Rule VI. Sec 1**

BILL NUMBER: S9387

SPONSOR: KRUEGER

TITLE OF BILL:

An act to amend the public health law, in relation to the establishment, incorporation, construction, or increase in capacity of for-profit hospice

PURPOSE OR GENERAL IDEA OF BILL:

To prohibit future establishment or increased capacity of for-profit hospice.

SUMMARY OF SPECIFIC PROVISIONS:

The bill amends Public Health Law § 4004 (3) to prohibit the Public Health and Health Planning Council of the Department of Health from approving new applications for establishment, construction or increased capacity by for-profit hospice entities. Existing for profit hospice will remain approved but may not expand capacity.

JUSTIFICATION:

A recent article in the Journal of the American Medical Association* found that "for-profit compared with nonprofit hospices provide narrower ranges of services to patients, use less skilled clinical staff, care for patients with lower-skilled needs over longer enrollment periods, have higher rates of complaint allegations and deficiencies, and provide fewer community benefits, including training, research, and charity care. For-profit hospices are more likely than nonprofit hospices to discharge patients prior to death, to discharge patients with dementia, and to have higher rates of hospital and emergency department use."

For-profit organizations have a duty to their owners to generate as much profit as possible and distribute net income to the owners. Their obligations to the people they ostensibly serve are secondary. This is especially troubling in the case of hospice. The mission of hospice, providing compassionate end-of-life care, should not be subservient to providing profit to investors.

New York is uniquely situated to prevent the deterioration of end-of-life care described above, as currently only two of 41 hospice in New York are for-profit, compared to a national average of two-thirds as of 2017. Now is the time to place the care and safety of persons who are dying first and foremost over profit.

* Hospice Tax Status and Ownership Matters for Patients and Families
JAMA Internal Medicine, August 1, 2021 By Melissa D. Aldridge.

S9387 KRUEGER Same as [A 8472](#) Gottfried

ON FILE: 05/23/22 Public Health Law

TITLE....Relates to prohibiting the establishment of new for-profit hospices

05/23/22 REFERRED TO HEALTH

06/01/22 COMMITTEE DISCHARGED AND COMMITTED TO RULES

06/01/22 ORDERED TO THIRD READING CAL.1842

06/01/22 SUBSTITUTED BY A8472

A08472 Gottfried

11/17/21 referred to health

01/05/22 referred to health

02/01/22 reported

02/03/22 advanced to third reading cal.366

05/04/22 passed assembly

05/04/22 delivered to senate

05/04/22 REFERRED TO HEALTH

06/01/22 SUBSTITUTED FOR S9387

06/01/22 3RD READING CAL.1842

06/01/22 PASSED SENATE

06/01/22 RETURNED TO ASSEMBLY