



## ***Support Viability of Medical Model Adult Day Health Care Programs***

### **Continued ADHC Closures Negatively Impact Registrant Health and Families**

In March 2020, all 116 adult day health care (ADHC) programs across the state were instructed to close due to COVID-19 – one of the only provider settings to be instructed to close their doors. During that time, individuals statewide went without their ADHC services, including personal care, therapies, and skilled nursing services, resulting in a spike in preventable hospitalizations, nursing home admissions, and deterioration of member health and hygiene. The loss of opportunities to see friends and participate in enriching activities led to cognitive and emotional decline for many ADHC registrants.

ADHC programs were authorized to reopen in March 2021, ending a year-long period of isolation and limited access to care for registrants and a complete depletion of ADHC staff and revenue loss for programs. To date, only 52 ADHC programs have been able to reopen. Others are trying to reopen and are struggling to do so. The Adult Day Health Care Council (ADHCC) respectfully requests that the State dedicate the necessary resources to commit to a full return to operational status for ADHC programs. ADHC programs provide nursing home-level care to individuals who live in the community, and it is critical that these resources are re-established as quickly as possible.

#### **SUPPORT AND INVEST IN ADHC PROGRAMS:**

##### **Increase Medicaid reimbursement rate for ADHC providers and ADHC transportation.**

While the Executive Budget provides a modest increase in Medicaid reimbursement for ADHC programs and other providers, it is not enough. We urge the State to increase reimbursement for all long-term care providers, including ADHC programs, to reflect current costs of care, associated operating expenses, and adequate compensation of staff. ADHC programs have not seen an increase in Medicaid rates to reflect rising costs since 2008.

Further, we support increased reimbursement for ADHC Medicaid transportation. A critical component of ADHC is assisting registrants with safe transportation to program. Medicaid transportation providers continue to receive the same outdated reimbursement rates as ADHC programs. Programs struggle to find vendors with the current rate and often have to subsidize additional compensation to get their registrants to program. Rates fail to cover the increased costs of gas, insurance, drivers, and the purchase and maintenance of vehicles. Further, transportation vendors are experiencing workforce shortages as well, limiting their ability to serve ADHC programs and causing program census challenges. ADHC programs prefer Method 1 transportation, which allows them to directly manage transport of this highly vulnerable population. Even though ADHC programs lose money with every trip, 70 percent of programs continue to choose Method 1, instead of turning that responsibility over to the State transportation broker (Method 2), Medical Answering Services (MAS).

**Commit to a full reopening of ADHC programs; ensure that HCBS eFMAP funds are distributed promptly, and allow flexibility in spending.**

ADHC programs, along with social day care programs, are also slated to receive \$10 million in Home and Community-Based Services Enhanced Federal Medical Assistance Percentage (HCBS eFMAP) funding for reopening and operational support. Like their sponsoring nursing homes, ADHC programs are on unstable financial footing and are struggling to open or stay open and hire and retain their staff. Their programs have literally had to start from scratch hiring staff and carrying out readmissions and assessments of their registrants. Moreover, programs that have reopened are operating at limited capacity due to staffing shortages, infection and exposure challenges, and transportation issues. While ramping up their staffing and enrollment, programs are having difficulty generating sufficient revenue to pay their bills and stay open.

The State should ensure that the eFMAP allocations to ADHC programs are distributed as soon as possible, and that programs have the flexibility to use their funds to address pressing needs, so that programs can continue to work toward reopening.

**Support making telehealth flexibilities permanent; Clarify that telehealth parity applies to equivalent services delivered by ADHC programs.**

ADHCC supports making permanent ADHC telehealth flexibilities authorized during the pandemic. The expanded use of telehealth services during the pandemic demonstrated the value of connecting with older adults and people with disabilities via these modalities. Programs continue to utilize telehealth for registrants who cannot attend program and for registrants whose programs are limited in capacity and short on staff. Utilizing telehealth as a supplement will ensure preventive health measures are taken through social work support, case management, prescription delivery and more.

ADHCC also supports the Executive's proposal requiring parity of reimbursement of telehealth services equivalent to in-person services. The Executive Budget provides for parity for Medicaid telehealth services delivered on a fee-for-service basis by some providers, but does not clearly include equivalent telehealth services delivered by other Medicaid long-term care providers, nor does it clearly include equivalent telehealth services delivered under contracts with Medicaid Managed Long Term Care (MLTC) plans.

While hands-on personal care clearly cannot be delivered via telehealth, several elements of ADHC can be enhanced by telehealth modalities, including nursing assessments, case management, patient check-in and remote monitoring of vital signs and other physiological data. Medicaid beneficiaries who use long-term care services, whether enrolled in MLTC plans or in fee-for-service Medicaid, should continue to have access to these services. Providers and plans should be appropriately reimbursed for services delivered via telehealth modalities.

**QUESTIONS?** Please contact Meg Everett at 518-867-8871 or [meverett@leadingagency.org](mailto:meverett@leadingagency.org).