

SSI Rate Falls Far Below Cost of ACF Care

Background

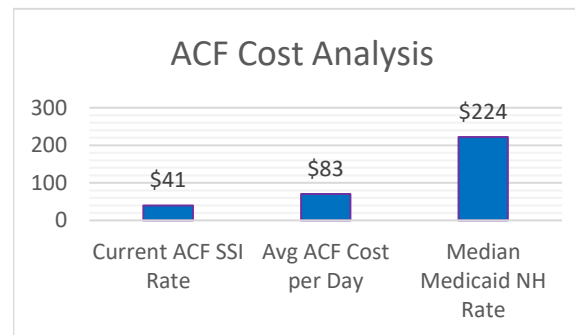
Adult care facilities (ACFs) provide temporary or long-term, non-medical residential care services to adults who are substantially unable to live independently. Residents of ACFs are provided with a variety of services, including personal care, assistance with medication management, case management, supervision, meals, and activities. For those who qualify based on income and assets, the Supplemental Security Income (SSI) Congregate Care Level 3 benefit pays for an individual to live in an ACF. People who are eligible for SSI are typically eligible for Medicaid as well. Unfortunately, the SSI rate falls far short of the cost of providing care. To better quantify this shortfall, LeadingAge New York conducted a cost analysis.

Determining Cost of Care

In determining the cost of providing ACF services to an individual, we conducted an analysis using the most recent data available from Department of Health (DOH) reports. Using DOH Annual Statistical Report data, we identified ACFs that predominantly served SSI recipients in 2015. The percentage of SSI residents was determined by dividing the year-end census number by the reported number of SSI residents. Facilities with Assisted Living Program (ALP) beds were excluded. 28 ACFs were identified that had an SSI census of 75% or greater. 2015 DOH ACF Financial Report data was used to determine the reported cost per resident-day.

The average cost per day for ACFs with 75% or more of their residents in receipt of SSI was **\$82.91 in 2015**, a **\$13** increase from **\$69.84 in 2013**. Over half of the sample had costs exceeding \$80 per day.

Why is this important?



ACFs currently receive **\$40.96** per day for any SSI recipient that resides in the facility, which is nearly **\$42 less per day** than average 2015 costs. Put another way, the average daily shortfall has surpassed the daily rate! It should be noted that ACF costs have only grown in the past two years due to the minimum wage mandate and other escalating costs.

This chronic underpayment is untenable. ACFs that serve the SSI population are struggling to keep their doors open. If these ACFs close or choose to serve fewer SSI recipients, these residents will likely go to nursing homes unnecessarily, at a greater cost to Medicaid. **ACFs need an increase in the State portion of the SSI benefit to bring the rate up to current costs. Moving forward, a cost of living adjustment must be implemented to keep the rate current.**