

## SSI Rate Falls Far Below Cost of ACF Care

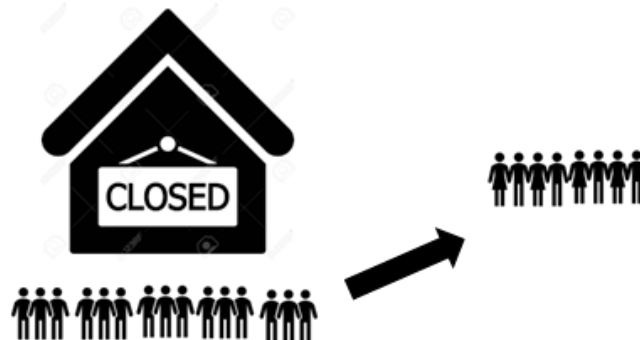
### Inadequate SSI Reimbursement Increases Medicaid Spending

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 pays for an individual to live in an ACF. People who are eligible for SSI are typically eligible for Medicaid as well, meaning that these individuals would likely be served in higher cost settings with their care funded by Medicaid if ACF care were unavailable to them. Unfortunately, the SSI rate falls far short of the cost of providing care and an increasing number of ACFs serving this population are forced to close. **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.**

- *Between 2015 and 2040 the number of adults 65+ is projected to increase by 50 percent while the number of those 85+ will double.*
- **32 ACFs have closed in the past 5 years, 15 in the past 18 months.**
- *Staffing costs which comprise over half of the daily costs for ACF serving SSI residents continue to escalate driven by minimum wage increases.*
- **The average cost of care at an ACF serving an SSI population is twice the SSI rate of \$41.46.**
- *Continued rate stagnation will further endanger access to this level of care that allows Medicaid-eligible individuals to remain in the community by providing affordable, non-medical assistance.*

### Case Study: What Happens When an ACF Closes?

When an ACF serving a rural part of New York closed in 2018, 31 percent of the residents moved to nursing homes, a setting that costs \$233 per day or \$85,000 per year, almost 3 times what it would have cost to serve them in the ACF. The majority of nursing home care is paid for by Medicaid. Just over half moved to Assisted Living Programs (ALP) which are also primarily Medicaid funded.



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