

Assisted Living and ACF Services Need More Support to Ensure Access

Assisted living (AL) and adult care facility (ACF) are housing settings that offer meals, housekeeping, and assistance with medications and activities of daily living. These models promote independence and offer opportunities for socialization in a home-like setting. Given the popularity with consumers and the demographic trends, we anticipate the demand for these services will only grow. It is alarming, however, that NY has *the lowest assisted living bed supply in the country*, and supply for those with low incomes is even more limited, according to the [AARP 2023 State Scorecard](#). Since 2010, there have been *nearly 100 ACFs that have closed* in NY, resulting in loss of 4,000 beds, The closures are largely due to inadequacy of funding. The state must do more to support and promote these critical services, as outlined below:

Restore the Enhancing the Quality of Adult Living (EQUAL) Program: The Executive Budget proposes to eliminate EQUAL, which supports quality of life initiatives for residents of ACFs that serve a low-income population. ACFs are woefully underpaid for the services they provide. **The Legislature must fully restore EQUAL program funding at \$6.5M.**

Restore the Enriched Housing Subsidy: The Executive Budget proposes to eliminate this subsidy, which pays \$115 per month per SSI recipient to not-for-profit enriched housing programs. This is a small but critical lifeline to programs that are committed to serving low-income seniors and chronically underpaid. **The Legislature must fully restore the Enriched Housing Subsidy at \$380,000.**

Increase the SSP Rate for ACF Residents by at Least \$20 per Day, and Build in an Annual COLA Thereafter: Supplemental Security Income (SSI), together with the State Supplement Program (SSP), pays ACFs **\$46.22 per day**, less than half of what it actually costs to provide all regulatorily required services. The SSP rate has not been increased since 2007 and many ACFs serving this population have closed. Lack of access to ACF options results in nursing home placement, at a significantly higher cost to the State. LeadingAge New York estimates that *for every 45 low-income ACF residents who can remain in their ACF or are diverted from nursing home placement, the State saves at least \$1M in Medicaid spending annually*. **We urge the Legislature to increase the SSP rate by at least \$20 per day and build in an annual cost-of-living adjustment (COLA).**

Update the Assisted Living Program (ALP) Medicaid Rate to Reflect Current Costs: The ALP is the only Medicaid-funded AL option in the state, and is a cost-effective alternative to nursing home care. While the past two budgets have included helpful investments, they did not make up for 15 years of underfunding, and sharply rising costs. We have seen an alarming trend of ALP closures over the past two years due to inadequate rates. The Governor's proposal for a \$15M investment would essentially maintain funding at last year's levels. To ensure financial viability, ALPs need adequate and reliable rates year after year. **We urge the Legislature to increase the ALP Medicaid rate by 20% (\$38.3M state share investment), and update the base nursing home base year by which the rate is calculated from 1992 to present day to ensure that it reflects current costs moving forward, as outlined in A.1406(Paulin)/S.3329 (Cooney).**

ALP Needs Based Application Process: Despite the growing need for ALP services and aforementioned inadequate supply, there is currently no way to increase the number of beds in the state as we await the development of a needs-based application process for new ALP beds. The statutory deadline for this process is April 1, 2025, however the Executive Budget proposes to again delay this deadline to April 1, 2026. **We urge the Legislature to reject this proposal and maintain the deadline for the ALP Need Methodology to April 1, 2025.**

Even with an April 2025 deadline intact, however, we anticipate it will take significant time to implement and bring new ALP beds online. Meanwhile, there are some communities where the need for this service is great. **Therefore, we also urge the Legislature to include language in the budget to enable existing ALPs an expedited process to expand their beds by nine or fewer, as had been done in the 2018-19 budget, and as outlined in A.2731 (Paulin).**

Expand the Special Needs ALR (SNALR) Voucher Program: The SNALR Voucher Program for Persons with Dementia is designed to financially assist individuals with dementia or Alzheimer's disease residing in SNALRs who are at risk of requiring nursing home placement due to dwindling resources. Designed to intervene before someone becomes Medicaid-eligible, the program can save the State money. In recent years, the state has had to pause processing of applications because the funding would not support additional vouchers. Meanwhile, we anticipate the number of people with Alzheimer's disease to continue to climb. **We urge the Legislature to double the SNALR Voucher program funding to \$15M to meet current and future demand.**

Allow Nurses to Provide Nursing in ACFs: The enhanced assisted living residence (EALR) is the only ACF/AL setting that permits nurses to provide nursing services in New York. During this workforce shortage, we should be maximizing resources and utilizing nurses working in ACFs to provide periodic services that would result in better health outcomes, prevent hospitalizations, support end of life care, and save Medicaid dollars. **We urge the Legislature to implement a no-cost workforce solution by enabling nurses working in ACF/AL settings to provide nursing services, as outlined in A.525 (Solages)/S.3184 (Rivera).**

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