

# 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, 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.

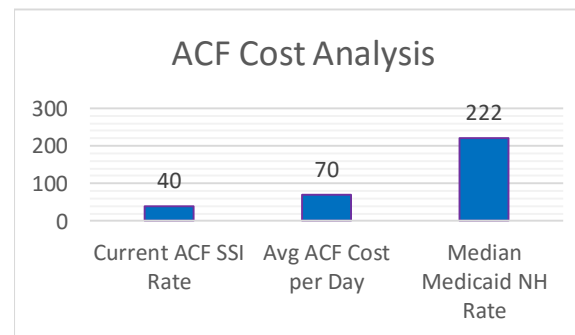
Unfortunately, the SSI rate falls far short of the cost of providing care. To better quantify this shortfall, LeadingAge New York conducted a cost-analysis.

## Determining Cost of Care

In determining the cost of care to provide ACF services to an individual, we conducted an analysis using 2013 ACF cost report data. The most current data available at this time. Using DOH Annual Statistical Report data, we identified ACFs that predominantly served SSI recipients in 2013. 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. 30 ACFs were identified that had an SSI census of 75% or greater. 2013 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 **\$69.84 in 2013**; and over half of the sample had costs exceeding \$80 per day.

## Why is this important?



ACFs currently receive **\$40.60** per day for any SSI recipient that resides in the facility, which is nearly **\$30 less per day** than average 2013 costs. It should be noted that the 2013 costs do not account for the cost of implementing minimum wage. This chronic underpayment—which grows each year-- is untenable.

Given this long standing underpayment, facilities that serve the SSI population are struggling to operate, and are facing difficult decisions about their future. If these ACFs close or choose to serve fewer SSI recipients, those people 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.**