



For Immediate Release:
January 2, 2018

Contact: Paul Larrabee
518.689.7246
PLarrabee@corningplace.com

NEW YORK'S FORGOTTEN SENIORS:
MINIMUM WAGE INCREASES DRIVE UP FACILITY COSTS
WHILE INADEQUATE SSI REIMBURSEMENT RATES FROZEN FOR TENTH YEAR
Governor Cuomo's Vetoes Create Crisis for Low Income Elderly – Closures Contemplated in 2018

As Governor Cuomo trumpets a New Year's increase in the state's minimum wage, nearly 12,000 low-income New Yorkers relying on assisted living and adult care facility (ACF) services continue to face risk of their safety or unnecessary placement into a nursing home due to inadequate reimbursement, according to two well-respected groups deeply involved in providing residential care for the elderly.

LeadingAge New York and the Empire State Association of Assisted Living (ESAAL) referenced the increase in costs as creating a crisis for low-income New Yorkers relying on Supplemental Security Income (SSI) reimbursement for housing, meals, care management and assistance with all facets of life including personal care and assistance with their medications. The state's SSI reimbursement for low-income assisted living and ACF residents has not changed in over 10 years.

"The Governor's social justice agenda increased labor costs across the state and provided assistance to virtually all health care providers to help manage the rising costs, except one – the Governor has provided no relief to those who provide essential ACF services to the low-income elderly. In Upstate New York, hourly wages jumped from \$9.70 per hour to \$10.40 per hour (a 7.2 percent increase); on Long Island, the hourly wage increased from \$10 to \$11 (a 10 percent increase); and in New York City wages increased from \$11 to \$13 (an 18 percent increase). Without any additional assistance for these providers, low-income seniors will have even less access to needed assisted living and ACF services in the future," said James W. Clyne, Jr., President and CEO of Leading Age New York.

According to the two organizations, in December, Governor Cuomo vetoed a measure that would have provided a gradual increase in the SSI reimbursement rate for assisted living and ACF services. The state's SSI rate has been frozen since 2007, and the total daily rate of \$40.60 is grossly inadequate. In 2017, 13 ACFs either closed or announced they were in the process of closing. In the absence of some sort of financial relief, additional facility closures are anticipated in 2018. These closures mean that low-income seniors will have less access to assisted living and ACF services, forcing them into nursing homes unnecessarily and at much greater cost to the State's Medicaid program.

In addition, Governor Cuomo vetoed legislation which establishes a fair and reasonable process that provides a pathway for allowing these facilities to provide enhanced health care and personal care services to Medicaid beneficiaries via the Assisted Living Program (ALP).

“Rather than providing an open, reliable and objective process for the granting of ALP beds, the Governor has decided to continue to rely on a secretive, subjective and unpredictable “solicitation” process for granting ALPs,” said ESAAL Executive Director Lisa Newcomb.

Leading Age and ESAAL agree that in the next few weeks, through his budget recommendations and during discussions with the Legislature, the Governor has an opportunity to set a course that provides some predictability and certainty by providing an increase in New York’s SSI reimbursement rate and expanding ALP access – rather than exacerbating a crisis in the New Year. The Governor must not leave low-income seniors behind in his social justice agenda.

#