



****For Immediate Release****

Stop the Crisis. Increase Funding for Long-Term Care.

LeadingAge NY warns of an escalating statewide crisis, with chronic underfunding and soaring operating costs driving long-term care providers to the brink of closure.

Albany, NY (January 8, 2026) — Chronic underfunding and state inattention have pushed New York’s long-term care providers to the brink – placing access to quality care for older New Yorkers in jeopardy. LeadingAge New York, a statewide association representing not-for-profit long-term care and aging services providers, has long advocated for sustainable funding solutions. Despite repeated warnings, the state has delayed meaningful action, leaving providers struggling to keep pace with inflation, workforce shortages, and regulatory demands.

The reality is clear: services are disappearing, doors are closing, and community members from Buffalo to Long Island are being left without care or support.

LeadingAge New York has monitored closures for years and is raising the alarm that they are accelerating. Since 2014, more than 40 nursing homes have closed, with 20% of those closures occurring in the last two years. Thirteen adult care facilities have closed in 2025 alone, and 18 certified home health agencies have closed since 2019. With more and more non-profit providers operating at negative margins, more closures are expected in the coming year.

The consequences of this inaction are rippling throughout New York State. As the state’s older adult population grows, the demand for long-term care services continues to rise sharply. At the same time, capacity across the continuum of care – particularly among

mission-driven, not-for-profit providers – is steadily shrinking. Nursing homes are being forced to reduce services, limit admissions, sell, or close altogether due to inadequate reimbursement rates and unsustainable operating conditions.

Without immediate intervention, access to high-quality long-term care will continue to erode, leaving older adults and their families with fewer options and longer waits for critical services.

“Long-term care providers have operated on negative margins for years, absorbing rising costs wherever possible. While the cost of providing care continues to climb, government reimbursement is flat or declining, and the situation is unsustainable. State leaders must act now to meaningfully support the older New Yorkers who depend on these services – or allow this essential system to continue unraveling, globally impacting the entire healthcare system and reducing access to care for all New Yorkers” **said Sebrina Barrett, President and CEO at LeadingAge New York.**

For nursing homes, the cost of care has risen by 51% since the cost basis for the current rates was set in 2007. Medicaid rates have risen by only 12.8% during that period. Adult care facilities that serve people reliant on Supplemental Security Income (SSI) are paid a mere \$46.88 per day to cover the cost of room, board and a host of services, well below the cost of care.

LeadingAge New York is urging the state to act decisively this legislative session by giving long-term care the attention it has long been denied and establishing sustainable funding – essential steps to protect access to care, preserve capacity, and ensure the health and dignity of older New Yorkers.

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