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**LEADINGAGE NEW YORK OFFERS A FIVE-POINT PLAN TO
BEND THE MEDICAID COST CURVE AND CARE FOR NEW YORK'S AGING POPULATION**

A statewide association representing 400 providers of housing and care services for the elderly that collectively serve 500,000 older New Yorkers receiving important senior services, ranging from modest in-home personal assistance to long-term skilled care, is offering a series of recommendations in the hope of helping address a growing problem that impacts everyone from baby boomers to state budget makers.

The problem stems from demographic trends, the costs of long-term care and their impact on the state budget, in particular New York's Medicaid program.

The U.S. Department of Health and Human Services estimates that nearly 70 percent of people who reach the age of 65 will ultimately need long-term services and supports.

At its heart is the fact that over the next 20 years, the number of adults over age 65 will increase by 50 percent, and those over the age of 85 will double. At the same time, the number of New Yorkers between 18 and 64 is declining, leading to a severe shortage in caregivers to serve the aging cohort.

"The growing over-65 population is driving enrollment in Medicaid and increasing costs at an unsustainable rate, and we need to find solutions that will help us bend the cost curve," said Ami Schnauber, Vice President of Advocacy and Public Policy for LeadingAge New York. "Additionally, we need to ensure a sufficient workforce exists to provide care to our aging population."

As New Yorkers age, their health care needs and costs increase. It is important to note that Medicare covers services such as short-term hospitalizations and rehabilitation, and the Medicaid program supports long-term services and supports provided by home care, assisted living programs (ALPs) and nursing homes. Due to inadequate Medicaid reimbursement rates, nearly all of these program providers are operating at a loss.

Schnauber added, "The demand for services is high, but the current reimbursement rate fails to cover expenses, and there are not enough caregivers to meet the current demand. The State's lack of a strategy to address these concerns has meant some facilities have been unable to make it, often moving housing and ALP residents into nursing homes unnecessarily – or leaving potential nursing home residents stuck in hospitals – at a far greater cost."

State officials are seeking ways to close a state budget gap estimated at \$6 billion – and much of their efforts focus on the Medicaid program. On January 1, reimbursement rates were cut by 1 percent for the final three

months of the fiscal year. These cuts will exacerbate an already untenable situation and will do nothing to solve the long-term problem.

LeadingAge New York and other advocates are encouraging Governor Andrew Cuomo and the State Legislature to invest in lower cost programs that allow the aging population to remain in the community, by increasing the capacity of affordable housing and assisted living through capital investment and by targeting workforce investments to growing the health care workforce to meet needs of our elderly so they can remain in the community as long as possible.

The shortage of health care workers is an alarming trend in New York State; openings for Registered Nurses (RNs) and Licensed Practical Nurses (LPNs) show a current shortage of approximately 4,500 positions.

Despite these challenges, LeadingAge New York applauds the \$175 million proposal announced by Governor Cuomo last week to meet emerging job demands and hopes the initiative will help meet the need for health care jobs.

As the Governor and state legislators prepare a budget for fiscal 2020-21, LeadingAge New York recommends a five-point plan to help bend the cost curve and meet demands of the aging population.

The recommendations include:

- **Investing** in affordable senior housing and assisted living as part of New York's capital program;
- **Enabling** nurses to work within their full capacity in adult care facilities and assisted living settings;
- **Allowing** Certified Nursing Assistants (CNAs) to administer medications in nursing homes;
- **Providing** financial support to students pursuing RN and LPN degrees and fund certification programs at BOCES and community colleges to train CNAs, home health aides and personal care aides; and
- **Offering** job-related wage subsidies for LTC workers.

To view and download video of the press conference announcing this five-point plan, visit:
<https://drive.google.com/file/d/1qUwK8CPbqNLj1yAK6fdHlsPW4jHleI8l/view>.

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