

## ***Our Families Include Older Adults and People with Long-Term Care Needs: Fight for Investments in Long-Term Care and for Services in Affordable Senior Housing!***

New York’s population is rapidly aging – by 2030, more than 25% of the population will be over the age of 60 in 51 counties across the state, and nearly 70% of those who reach age 65 will need long-term care services at some point in their lives. The Executive Budget acknowledges this demographic trend, the rising need for long-term care services, and workforce shortages. Yet, while ‘fighting for families,’ the Executive Budget fails to take the steps necessary to ensure the wellbeing of our families’ elders. We ask the Legislature to help fill the gap in funding created by years of neglect.

Older New Yorkers and their families are already facing unprecedented challenges in accessing needed services in their communities, as nursing homes and home care agencies are forced to limit admissions or close entirely. Access issues in long-term care (LTC) are creating bottlenecks across the healthcare system. Our hospitals are struggling to find nursing home beds and home care services for patients ready for discharge. Lack of nursing home beds and home care staff is limiting the availability of hospital beds for those with acute care needs, leading to overcrowded emergency rooms, and longer EMS response times.

Medicaid is the primary payer for nursing home care and home care in New York, and the Medicaid program bears responsibility for the viability of the LTC system. Unlike other health care providers, when costs rise, long-term care providers cannot turn to commercial payers for increased reimbursement to cover them. New York’s refusal for 16 years to make inflation adjustments in Medicaid spending on long-term care, along with sharply rising labor expenses, have created a gap between Medicaid rates and costs that providers can no longer absorb.

Nursing home Medicaid funding, for example, falls short of costs by \$1.6 billion (all funds) annually. The state’s adult care facilities (ACFs) for low-income older adults are paid only \$46.22 per day by SSI/SSP -- well below the costs of room, board, personal care, and case management. Home care agencies are also struggling with rates shortfalls. As a result of inadequate Medicaid rates, LTC providers are unable to offer competitive wages, many have closed their doors, more are planning to do so in the absence of a financial infusion, and most are in precarious financial condition. Since 2020, 14 nursing homes have closed in New York – almost all of which were not-for-profit, and 85% of not-for-profit nursing homes have negative operating margins. Since 2010, nearly 100 ACFs have closed, including some Medicaid assisted living programs (ALPs). Given the growing number of older adults that will need services, we are on an alarming trajectory.

**If New York is truly committed to health equity and aging with dignity in one’s preferred place for people of all income levels and in all regions of the state, it must be prepared to pay for it. *Significant investment is needed in LTC to ensure the viability of our LTC continuum and meet the needs of older adults today and tomorrow.***

### **RECOMMENDATIONS FOR SFY 2025-26 BUDGET**

#### **Nursing Homes:**

- Invest in closing the gap between Medicaid rates and costs; preserve access to quality care with a 20% rate increase:
  - Ensure that the previously enacted \$285M (all funds) continues based on the same allocation methodology and is made permanent;

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- Add \$460M (state share) to the proposed new funding as a percentage increase to make real progress toward closing the Medicaid rate-to-cost gap that has ballooned to an average \$90 per Medicaid resident day.
- Restore the 15% capital cuts enacted in 2024 and 2020, in order to enable the creation of safe, homelike environments and the fulfillment of DOH-approved debt service obligations.
- Correct the error in staffing funds distribution and appropriate \$2.7M (state share) for 11 non-profit homes that were denied funding even though they met and exceeded direct spending requirements, but received one-time funding (e.g., COVID relief) that disqualified them.
- Allow staffing models tailored to resident needs, by adding titles to minimum staffing level provisions.
- Support Medication Aides to enable career ladders for CNAs and improve nurse recruitment and retention.

#### **Adult Care Facilities and Assisted Living:**

- Restore EQUAL and Enriched Housing Subsidy for ACFs that serve low-income residents
- Reject the proposed delay in the development of an ALP need methodology and allow existing ALPs to increase capacity by up to 9 beds.
- Increase the ALP Medicaid rate by 20% and update the base year upon which the rate is calculated (A.1406(Paulin)/S.3329 (Cooney)).
- Double the funding for the SNALR Voucher program to \$15M.
- Increase the State Supplement Program (SSP) rate for ACF residents by \$20/day, and implement a cost of living adjustment.
- Enabling nurses working in ACF/AL settings to provide nursing services- a no cost workforce solution- as outlined in A.525 (Solages)/S.3184 (Rivera).

#### **Managed Long Term Care and PACE:**

- Reject the proposed elimination of the MLTC Quality Pool and restore the prior year's cut to enable incentives for high-quality plans and providers.
- Preserve partial cap MLTC-- Reject S.2332 in order to protect access and preserve choice.

#### **Home and Community-Based Services:**

- Invest in home care and hospice workforce and in certified home health agency services.
- Ensure that the Hospital at Home program preserves home care collaborations and does not divert funds from long-term/post-acute care services.
- Support funding for the Elderly Program (EISEP) and Community Services for the Elderly (CSE), and Naturally Occurring Retirement Communities (NORCs and N/NORCs).

#### **Adult Day Health Care:**

- Increase Medicaid reimbursement for Adult Day Health Care (ADHC).

#### **Affordable Senior Housing Resident Assistants:**

- Invest \$10M over 5 years to support Resident Assistant positions in subsidized and income-restricted independent rental housing for low-income seniors to assist them in navigating health and social supports and facilitate social and wellness activities.

#### **Continuing Care Retirement Communities (CCRCs):**

- Support the efficient operation, expansion, and development of CCRCs, while maintaining vital resident protections, by including CCRC reform legislation, A.1464-A (Paulin), in final budget agreement.

#### **Workforce:**

- Support participation in interstate licensure compacts, and scope of practice changes.
- Invest in the LTC workforce by funding training and financial incentives for direct care staff, aide training programs, and nurse residency programs and nursing school collaborations in LTC settings.

**Questions?** Please contact Sarah Daly at 518-867-8845 or [sdaly@leadingagency.org](mailto:sdaly@leadingagency.org).