

MEMORANDUM

A.1406 (Paulin)/S.3329 (Cooney)

AN ACT to amend the public health law, in relation to certain rates of payment for services provided by assisted living programs

LeadingAge New York, and its not-for-profit and government-sponsored members, support this bill which would ensure that the assisted living program (ALP) Medicaid reimbursement is more consistently updated to better meet current day costs.

The ALP is the only Medicaid funded assisted living option in New York. As the demand for assisted living options for low-income older adults climbs, we must ensure the viability of the program. ALPs, by definition, serve individuals who are nursing home-eligible, but can get their needs met in a lower cost, more home-like setting. This program prevents nursing home placement and better meets the needs of many older adults who are not yet in need of nursing home care.

By statute, the ALP rate is set at fifty percent of the nursing home prices established in 1992. While the 1992 base year is trended to 2002, the rate fails to keep up with present day costs. Given all that has changed since this statute was enacted, it makes sense to revisit this construct. The update in this bill would ensure that the ALP Medicaid rates are updated to reflect more present-day costs, and there is a mechanism to update rates periodically moving forward.

The ALP provides a critical service to individuals and to the state. The ALP is consistent with consumer preferences, to stay in a more home-like setting when possible. The program also saves significant Medicaid dollars for the State. We should be investing in the ALP to ensure we meet the needs of New York's older adults now, and in the future.

For these reasons, LeadingAge New York supports A.1406 (Paulin)/S.3329 (Cooney) and urges its passage in this legislative session.

LeadingAge New York represents over 400 not-for-profit and public long-term care providers, including nursing homes, home care agencies, senior housing, retirement communities, assisted living, adult care facilities, adult day health care and managed long term care.

Contact: Sarah Daly; sdaly@leadingageny.org