



Assisted Living and Adult Care Facility Priorities for FY 2026-27 State Budget

Together, the above associations represent nearly all 534 adult care facility (ACF) and assisted living (AL) providers in the state. ACF and AL services promote independence and offer opportunities for socialization in a home-like setting. By 2030, older adults will comprise 25-30% of the population in most New York counties.¹ Despite the demographic trends and the popularity of AL models, NY has *the lowest AL bed supply in the country*, and supply for those with low incomes is even more limited, according to the [AARP 2023 State Scorecard](#). Even more alarming is that ACF and AL closures are accelerating. 114 ACFs have closed in NY since 2010 according to DOH data (as of Nov. 2025), resulting in a loss of 5,168 beds. 13 ACFs closed in 2025 alone. The closures are largely due to inadequacy of funding. On behalf of the above organizations, their members and those they serve, we urge the Legislature and the Governor to ensure that the FY 2026-27 State Budget includes the below actions to enable greater access to ACF and AL services.

Increase the Assisted Living Program Medicaid Rate

The Assisted Living Program (ALP) is the only Medicaid-funded assisted living option in the state. It provides 24-hour care and supervision to individuals who are medically eligible for nursing home placement, at a significantly lower cost. As a result of more than 15 years of underfunding, ALP closures are accelerating with 9 programs closed in the past two years alone. Despite rapidly rising labor, food, insurance, and regulatory costs, the Executive Budget maintains level funding for ALPs. Both one house budget bills reflect an intent to increase ALP funding, but the actual amounts are unclear and fail to meet the cost of care. The ALP reimbursement methodology outlined in statute is based on a 1992 nursing home base year. **To help stabilize the system and prevent further closures that push low-income seniors into higher-cost nursing homes, the ALP Medicaid rate must be increased by at least 10 percent. Additionally, the statutory base year must be updated to reflect today's true cost of care, as proposed in A. 1406 (Paulin) / S.3329 (Cooney).**

Double Funding to \$15M for the SNALR Voucher Program to Meet Demand

According to the Alzheimer's Association, New York is second among the five states with the highest projected prevalence of Alzheimer's, and is seeing a rising prevalence of Alzheimer's disease and dementia.² There is an urgent and growing need for services for

¹ Office of Governor Kathy Hochul. ["Governor Hochul Releases First-Ever Master Plan for Aging, Offering a Roadmap for Aging New Yorkers."](#)

² Alzheimer's Association, [2025 Alzheimer's Disease Facts and Figures](#).



people with dementia, and yet there are limited assisted living options available for those who spend down their resources. The Special Needs Assisted Living Residence (SNALR) Voucher Demonstration Program for Persons with Dementia is designed to assist individuals with dementia or Alzheimer's disease residing in SNALRs for at least one year who are at risk of requiring nursing home placement due to dwindling resources. The program provides stability and continuity of care by preventing unnecessary transfers. In addition, the program is designed to provide support *before* someone becomes Medicaid-eligible, by subsidizing up to 75% of the regional average cost of care. This program can prevent the need for someone to transition to a nursing home and become reliant on Medicaid.

In recent years, the State has had to pause the processing of applications because the funding would not support additional vouchers. **The funding for the SNALR Voucher program should be doubled to \$15M annually to address the current need and waiting list.**

Restore EQUAL and Enriched Housing Subsidy Funding

The Executive Budget proposes to eliminate two critical programs that support ACFs that serve the low-income population; EQUAL and the Enriched Housing Program (EHP) Subsidy. ACFs are woefully underpaid for the services they provide to those who rely on Supplemental Security Income (SSI) and the State Supplement Program (SSP). In recognition of this underfunding, both EQUAL and the EHP Subsidy programs provide additional resources to support quality of life initiatives in those ACFs. **We urge that both programs be reinstated, with the restoration of total EQUAL program funding at \$6.5M, and the Enriched Housing Subsidy at \$380,000.**

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