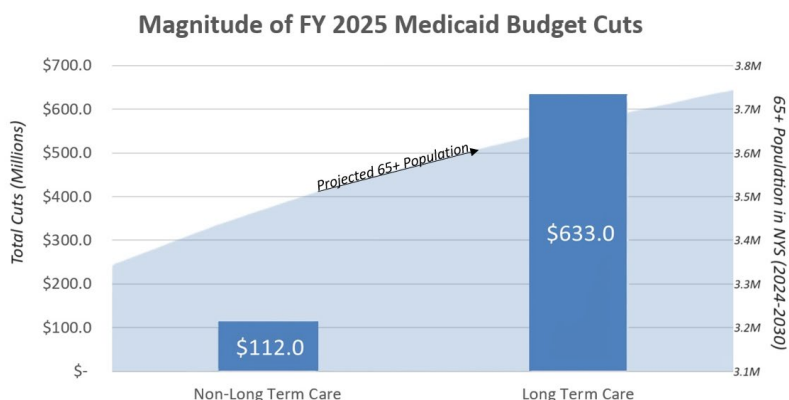


## Protect Access, Promote Equity: Older Adults and Their Families Need Your Support for Medicaid Rates That Cover Long-Term Care Costs!

The Executive Budget targets older adults and people with disabilities in need of long-term care (LTC) services with the overwhelming majority of its Medicaid cuts, at a time when investments are desperately needed to preserve access to care. The Governor acknowledges the growth in New York’s population of older adults, the rising need for LTC services, and the dire workforce shortages. Yet, instead of investing in LTC, the budget proposes cutting over **\$1.2B** (all funds) from the LTC sector (\$633.7M State share), while asking all other health care services combined to absorb only a net reduction of \$224.4M (\$112.2M State share). The inequitable targeting of older adults in need of LTC for the deepest cuts, and the repeated neglect of older adults and LTC services in major health initiatives like the 1115 Waiver, is inexplicable and unjustifiable.



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 LTC are creating bottlenecks across the health care system. Our hospitals are struggling to find nursing homes and home care agencies with the ability to accept 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 it bears responsibility for the viability of the LTC system. Unlike other sectors, when costs rise, LTC providers cannot turn to commercial payers for increased reimbursement to cover them. New York’s refusal for 15 years to make inflation adjustments in Medicaid spending on LTC, along with sharply rising labor expenses, has 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 at least 25 percent on average, resulting in a gap of \$810M (State share) annually. The state’s adult care facilities (ACFs) for low-income older adults are paid only \$46 per day by Supplemental Security Income (SSI)/State Supplement Program (SSP) – well below the costs of room, board, personal care, and case management. Home care agencies are also struggling with inadequate rates. With 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 a precarious financial condition. **More than 75 public and not-for-profit nursing homes have closed or been sold to for-profit operators since 2014; 11 closures and 9 sales occurred in the past 4 years alone.** Another 15 not-for-profit homes are currently in the sale process. Given the growing number of older adults who will need services, we are already 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 have a system that will meet the needs of older adults today and tomorrow.**

## **RECOMMENDATIONS FOR STATE FISCAL YEAR (SFY) 2024-25 BUDGET**

### **Protect LTC from Unallocated Cuts:**

- Reject \$800M (all funds) in unallocated cuts – \$400M targeted at LTC alone and \$400M targeted at the health system more generally.

### **Workforce:**

- Support the Executive Budget’s workforce investments and flexibilities, including medication aides in nursing homes, 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.

### **Nursing Homes:**

- Increase Medicaid rates by \$510M (State share) to preserve access pending an update to the rate methodology by 2025.
- Reject proposed 10 percent capital cut, restore existing 5 percent cut, and waive imputed occupancy penalty in capital reimbursement.
- Restore proposed \$75M cut to Nursing Home Vital Access Provider Assurance Program (VAPAP) funding.
- Add titles to minimum staffing level provisions and allow nurses to satisfy aide hours requirements.

### **ACFs and Assisted Living:**

- Reject the elimination of the Enhancing the Quality of Adult Living (EQUAL) Program and Enriched Housing Subsidy.
- Increase the Assisted Living Program (ALP) Medicaid rate. Update the base year to ensure that reimbursement better reflects current costs, per *A.7553 (Paulin)/S.7248 (Cooney)*.
- Increase the SSP rate for ACF residents by \$20/day, and implement a cost of living adjustment.
- Modify the Assisted Living Residence (ALR) quality reporting proposal to allow more time and require provider input.
- Accept the Governor’s proposal to make the Special Needs ALR (SNALR) Voucher Demonstration program permanent, and also increase the number of vouchers available.

### **Managed Long-Term Care (MLTC) and Programs of All-Inclusive Care for the Elderly:**

- Block competitive procurement of plans and reject *A.8470/S.7800* in order to preserve consumer choice, protect access, and preserve LTC provider-sponsored MLTC.
- Reject the 1 percent cut in MLTC rates to protect the stability of community-based LTC services.
- Restore the MLTC Quality Pool to enable incentives for high-quality plans and providers.

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

- Invest in the home care and hospice workforce.
- Reject amendments to hospital-home care collaborations that would create an uneven playing field and divert funds from long-term/post-acute care services.
- Support funding for the Expanded In-Home Services for the Elderly Program (EISEP) and the Community Services for the Elderly (CSE) program, and Naturally Occurring Retirement Communities (NORCs) and Neighborhood NORCs (N/NORCs).

### **Adult Day Health Care (ADHC):**

- Increase Medicaid reimbursement for ADHC.
- Reject the Executive’s 10 percent nursing home capital cut to preserve ADHC access to capital.

### **Affordable Senior Housing:**

- Establish and fund the Affordable Independent Senior Housing Resident Assistance Program.

**Contact:** Sarah Daly, 518-867-8845, [sdaly@leadingagency.org](mailto:sdaly@leadingagency.org).