



FOR IMMEDIATE RELEASE

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NYS Health Care Facility Transformation Grants A "Missed Opportunity" to Help Seniors

"Demographic reality calls for a stronger commitment to the elderly"

ISSUE: New York's stated goal to reduce hospitalizations in favor of less costly and equally effective primary and community care.

ALBANY, NY – New York State's decision to award only a tiny sliver of \$491 million in "Health Care Facility Transformation Grants" to non-profits that provide long-term acute care for the elderly is a "huge missed opportunity to reduce hospitalizations, save money and improve care for senior citizens," advocates for those non-profits said today.

"Long term post-acute care (LTPAC) providers and the people they care for continue to be left behind in the state's investment plan. It's baffling that the Health Department on the one hand makes reducing hospitalizations a main priority but then basically ignores the very entities that can make that happen," said James W. Clyne Jr., LeadingAge NY President & CEO.

"Sadly, the state's continued lack of commitment to these providers comes at a time when our 65-and-over and 80-and-over populations are growing and consumers are already facing gaps in care and services. Demographic reality calls for a stronger commitment to the elderly," Clyne said. "While we appreciate that several nonprofit providers received grants, the overall share of grants going to long term care providers is inadequate to meet the need."

BACKGROUND:

Non-profits sought Statewide Health Care Transformation Program funding for LTPAC infrastructure, including health IT and health information exchange, telehealth, assisted living

program expansion and a nursing home renovation and reconfiguration program aimed at upgrading the State's outdated infrastructure and improving quality of life for residents.

LTPAC providers are in dire need of infrastructure funding to upgrade aging physical plants, rightsize/restructure existing services, add new services, deploy electronic health records and engage in health information exchange, and adopt telehealth and data and analytics platforms.

This infrastructure would allow them to participate meaningfully in New York's health care reform efforts (Delivery System Reform Incentive Payment, or DSRIP), managed care initiatives, and value-based payment.

Despite these compelling needs, LTPAC providers have not received State financial support for the critical infrastructure necessary to survive in today's changing delivery system. Nursing homes and other facility-based LTPAC providers will not be able to make critically needed investments to modernize their physical plants to improve efficiencies, to enhance their services to respond to changing needs, and to restructure operations through affiliations, mergers and service reconfigurations without a dedicated capital funding stream.

New York is home to approximately 3 million residents age 65 and older, representing 15 percent of the population. By 2025, 18 percent of New York's population is projected to be age 65 or older, up from 14 percent in 2010.

Both the number and percentage of older New Yorkers is expected to continue to rise over the next 20 years. This growth will drive a corresponding increase in the number of New Yorkers with cognitive and functional limitations who need long-term care (LTC) services.

However, by 2025, the availability of younger New Yorkers to care for seniors will be at its lowest point in a decade and declining. Both informal caregivers and workers in the formal care delivery system to support the growing population of seniors will be in short supply. Moreover, with one-third of today's older New Yorkers living at or near the poverty level, it is reasonable to expect that a significant portion of our growing senior population will continue to rely heavily on public programs – principally the Medicaid program – to cover their LTC needs.

These demographic and socioeconomic challenges are not just problems for the future. Today, seniors and their families are already experiencing the impact of LTC workforce shortages, lack of access to home care services (especially upstate), and financial pressures associated with the high cost of LTC. Faced with current and future demographic challenges and their anticipated impact on the State budget, New York must take action now.

About LeadingAge New York

LeadingAge New York is the only statewide organization representing the entire continuum of not-for-profit, mission-driven and public continuing care, including senior housing, nursing home, adult care facility, continuing care retirement community, assisted living, home care, adult day health care and community services providers. Leading Age New York's more than 600 members employ 150,000 professionals serving more than 500,000 New Yorkers annually.

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