



## **55 Adult Day Health Care Programs Are Still Closed Post Pandemic**

### **Increase ADHC Program Medicaid Rates to Assist in Reopening**

**REQUEST: Establish an adult day health care (ADHC) Medicaid operating rate that is 65 percent of the nursing home operating rate to ensure that ADHC programs are accessible to complex patients who would otherwise be placed in a nursing home. Dedicate the necessary resources to commit to a full return to operational status for ADHC programs.**

ADHC programs are unique home and community-based programs in that they provide the services of a nursing home to people who live in their own homes. ADHC participants benefit from the approach of an integrated care team that includes a program director; registered nurse; licensed practical nurse; social worker; occupational, respiratory, or physical therapists; certified nurse aides; and recreational therapists. The costs of staffing ADHC programs alone have risen exponentially due to staffing shortages and the difficulty paying a competitive wage sufficient to recruit and retain people. Like nursing homes, ADHC programs must compete with hospitals that can pay higher salaries for clinical staff. Hospitality and retail fields can pay competitive wages for less emotionally and physically demanding work, pulling away potential program aide candidates. Medicaid does not reimburse enough to cover the current cost of care, nor do the rates support the ability to pay competitive wages to staff up the programs.

### **Lack of ADHC Access**

In March 2020, all 116 ADHC programs across the state were instructed to close due to COVID-19 – one of the only provider settings to be permanently shut down by the State. During that time, there was no indication of when the programs could reopen. Individuals statewide went without their ADHC services, resulting in a spike in preventable hospitalizations, nursing home admissions, and health and cognitive deterioration of members.

ADHC programs were finally authorized to reopen in March 2021, ending a year-long period of isolation and limited access to care for registrants. By this time, the ADHC programs were depleted of staff and there was a staggering loss of revenue. This was so damaging that to date, only 55 of the state's 116 actively licensed ADHC programs have been able to reopen. Many programs are still closed, and many reopened programs are struggling to stay open due to staffing challenges and inability to cover operating costs.

Currently, the 24 counties in the state that used to have one or more actively licensed ADHC programs have none. There is only one open ADHC program in the Bronx – a borough of approximately 200,000 adults over age 65 – while four of its programs remain closed. Most regions now lack ADHC programs in their communities altogether.

The Adult Day Health Care Council (ADHCC) urges the State to increase ADHC rates to reflect the current medical Consumer Price Index (CPI) to address increased costs for staffing, utilities, food, medical equipment, building services, supplies, and personal protective equipment (PPE). ADHCs are struggling due to historic underfunding since 2011. ADHCC appreciates the 6.5 percent increase in the Medicaid rate enacted in last year's budget, but this amount does not come close to addressing current costs involved in ADHC care.

We urge the State to set ADHC operating rates at 65 percent of a program's sponsoring nursing home operating rate and ensure that rates increase with nursing home rate rebasing. We propose a ceiling on the increase and upstate and downstate base rates for programs to address certain programs that are subject to extremely low operating rates.

### **Conclusion**

ADHC programs are a critical home and community-based service that meets the needs of complex patients who would otherwise be receiving care in an institutional setting. In addition to the clinical services offered, registrants can benefit from the socialization that ADHC offers. These programs are essential lifelines to registrants, their caregivers, and families.

In New York, ADHC programs and the people they serve are at a significant juncture that requires focused attention and investment. We are at serious risk of losing ADHC in most areas of the state if proper and swift action is not taken to reopen and rebuild programs.

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