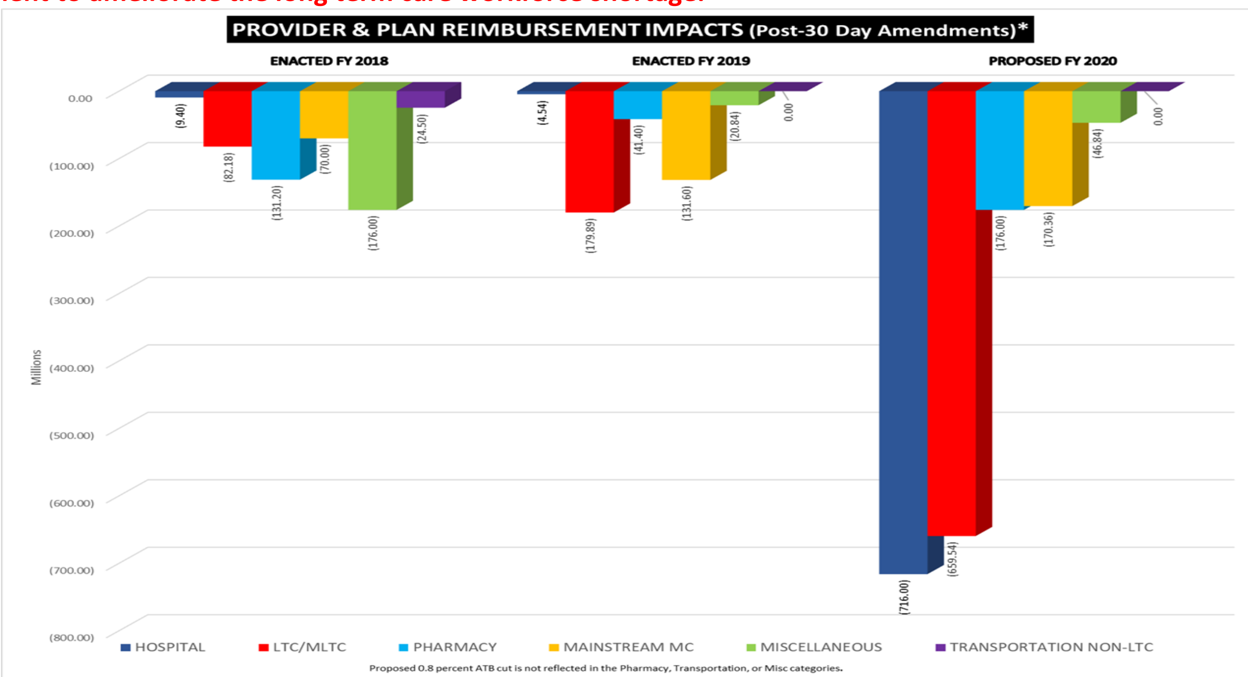
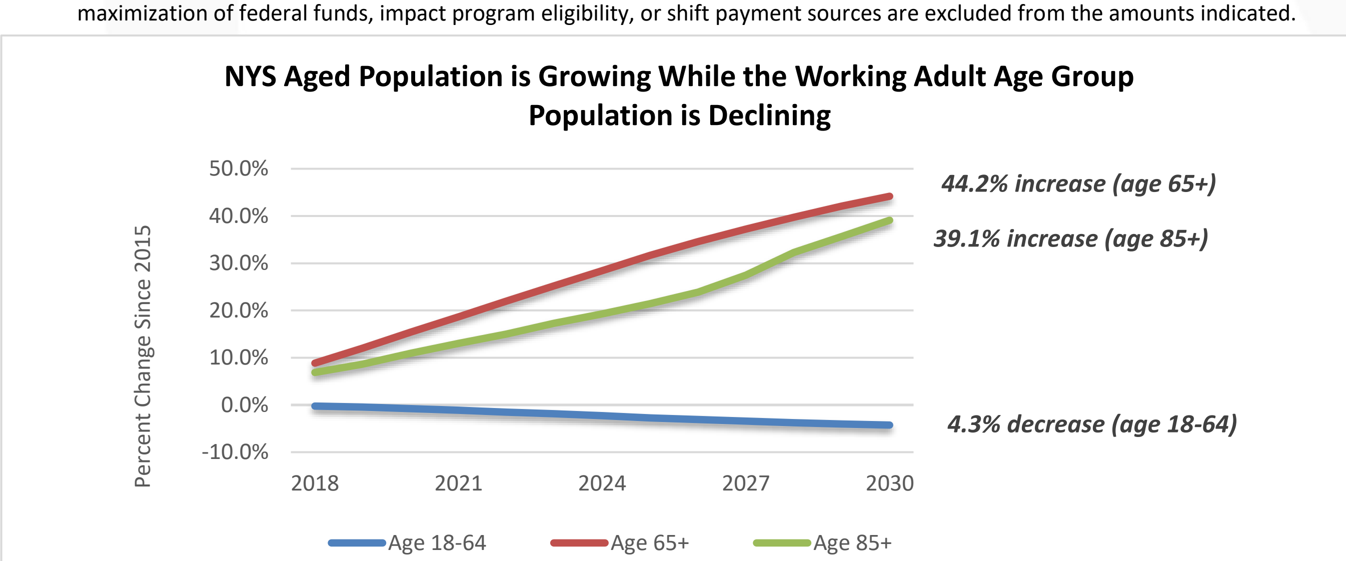
LeadingAge New York

State Unprepared for Needs of Growing Population of Elderly and Disabled New Yorkers

Long-Term and Post-Acute Care (LTPAC) providers and the people they care for continue to shoulder a disproportionate share of budget cuts and to be left behind in many of the reforms and investments that are being provided by the State. Our over age 65 population is expanding, and consumers are already facing gaps in care and services. The Executive Budget proposals will exacerbate the problem with **$660 million in cuts to services and supports for seniors and no investment to ameliorate the long term care workforce shortage.**



*Each bar reflects budget cuts or investments that impact provider or plan rates or impose penalties. Budget initiatives that rely on maximization of federal funds, impact program eligibility, or shift payment sources are excluded from the amounts indicated.



Without your help, quality providers will struggle to maintain staff and services, and seniors and people with disabilities will struggle to find services in their communities.

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Invest in Workforce Recruitment and Retention

LTPAC providers are experiencing workforce shortages that have led to ongoing recruitment and retention issues for providers across the continuum of care. These shortages have resulted in long waiting lists for community-based services, inability to fill authorized home care hours, admission of individuals to higher levels of care due to lack of access to community-based services, inability to admit nursing home residents with complex medical conditions and/or high supervision needs, and reliance on overtime and staffing agencies. The Legislature should appropriate $50 million in funding to expand the long term care workforce and develop a comprehensive plan to meet the demand for LTPAC services.

Invest in SSI for Assisted Living and ACFs

Assisted living and Adult Care Facilities (ACFs) offer Medicaid and Supplemental Security Income (SSI) recipients an alternative to nursing home care, providing services at a lower cost. The Legislature should increase the Level 3 SSI rate by $20 per resident day and institute an annual cost of living adjustment to the State portion of the rate thereafter. This cost-effective investment will save Medicaid dollars by maintaining these facilities as financially-viable alternatives to nursing home placement and enabling frail elderly beneficiaries to remain in community-based settings.

Fund an Affordable Independent Senior Housing Assistance Program

Investing in affordable housing with support services will provide low-income seniors with access to safe places to live and basic supports in the community, allowing them to age in place and delaying or preventing the need for high-cost Medicaid services. Following up the State's historic $125 million for senior housing capital, the Legislature should appropriate $10 million for an Affordable Independent Senior Housing Assistance Program, to help senior housing providers offer an array of services that assist residents to remain independent by emphasizing wellness and healthy aging.

Maintain Dedicated Capital Funding for LTPAC Providers, Assisted Living, ACFs, and Hospice

The Executive Budget proposes to transfer up to $300M of the Statewide Health Care Facility Transformation Program Phase III funding to applications already submitted under Phase II that are not able to be accommodated by the Phase II funding. However, hospice and assisted living program (ALP) providers were not eligible for Phase II funding and, as a result, did not submit applications under Phase II. The transfer would diminish the remaining Phase III funding available to newly eligible ALPs, ACFs, and hospices, and it is unclear whether dedicated allotments to nursing homes and community-based health care providers under Phase III would be maintained for the transferred funds as well. Providers are also in need of these Phase III funds as soon as possible and have been awaiting the application for nearly a year.

Reject Nursing Home Case-Mix Cap

The Executive Budget would reduce case-mix adjustments to Medicaid rates for changes in resident acuity by $246 million annually, by far the single biggest proposed Medicaid cut in the FY 2020 Executive Budget. Medicaid and Medicare efforts to reduce hospital lengths of stay and admissions are raising the acuity level of residents in nursing homes. The impact of this cut would more than wipe out a recent 1.5 percent increase in nursing home rates reflecting increased staffing costs.

Restore MLTC/PACE, Home Care, ADHC, and Fiscal Intermediary Cuts

The Executive Budget continues to slash the rates paid to Managed Long Term Care (MLTC) plans and community-based providers of care for frail elderly and disabled New Yorkers. The budget would cut MLTC rates by approximately $375 million in SFY 2019-20, on top of approximately $200 million in cuts enacted and implemented in SFY 2018-19 that will be renewed and annualized in 2020-21. These cuts in MLTC rates represent cuts in funding for long term care services and supports for vulnerable New Yorkers. The budget removes $50 million from MLTC rates based on anticipated reductions in personal care use and cuts $150 million from rates paid to fiscal intermediaries, while eliminating many fiscal intermediary organizations. It would also reduce MLTC and personal care rates to offset the Expanded In-Home Services for the Elderly Program (EISEP) investment. In addition, the budget carves transportation services out of the MLTC benefit package and adult day health care (ADHC) rates, thereby limiting the ability of MLTC plans and ADHC programs to manage and oversee the transportation services provided to the people they serve.