

Social Adult Day Care (SADC) State Directed Spending Guidance

Support for Social Adult Day Centers Reopening State Directed Payment Initiative
Information for SADC Sites

November 8, 2023

Payment Logistics:

1. The New York State Department of Health (DOH) submitted a request for payment template to the Centers for Medicare & Medicaid Services (CMS) on June 06, 2023, and received approval on October 31, 2023.
2. SADC sites that qualify may be eligible for payment. Any payments to SADC sites will be contingent upon achievement of performance measures following the end of the performance period (June 1, 2023 – November 30, 2023). Please reference the Performance Measures Process on page 5 for more information.
3. Payments will flow to SADC sites through Managed Long-Term Care (MLTC) plans—including Managed Long-Term Care Partial Capitation (Partial Cap) or Medicaid Advantage Plus (MAP). Each unique SADC site will receive funds through only one contracted MLTC plan.
4. Following the end of the performance period, DOH will share a payment schedule with MLTC plans in the first quarter of 2024 that lists the payments the plan is responsible for making to each SADC site.

Guidance for Spending and Implementation:

The following guidelines must be followed by all SADC sites participating in the Support for Social Adult Day Centers Reopening Initiative:

1. SADC sites must spend their funds on at least one of the following categories:
 - **Improvements in the workforce,**
 - **Training resources,**
 - **Person-centered planning (PCP), and/or**
 - **Policy effectiveness.**

Please reference the Investment Guidance on pages 3 - 4 in this document for additional information.

2. Funding cannot be used to pay for current wage levels, including overtime, for any employees or salary increases for administrative staff, managers, and executive staff.
3. Funding cannot be used to fund recruitment and/or retention for administrative staff, managers, and executive staff. This includes salary increases and bonuses.
4. Funding cannot be used to cover capital expenses. For the purposes of the Support for Social Adult Day Centers Reopening State Directed Payment, capital expenditures include any expenditures that are not chargeable as operational or maintenance expenses. Expenses associated with the acquisition, improvement, expansion, or replacement of fixed assets are considered capital expenditures.



Department of Health

KATHY HOCHUL
Governor

JAMES V. McDONALD, M.D., M.P.H.
Commissioner

JOHANNE E. MORNE, M.S.
Acting Executive Deputy Commissioner

5. Funding cannot be used to supplant current or already planned expenses. For example, a SADC site cannot use this funding to cover existing training or salary increases initiated prior to the receipt of the award. Any investment a SADC site makes using this funding must be a **new** investment.
6. Funding cannot be used to pay for activities that are also funded by other American Rescue Plan Act (ARPA) initiatives. It is the SADC site's responsibility to ensure no duplication of payment/spending occurs.
7. SADC sites that fail to expend funds, or expend funds on non-approved uses, will be subject to recoupment of their award.
8. SADC sites must retain all records necessary to document the distribution of the Support for Social Adult Day Centers Reopening State Directed Payment Initiative payment, including but not limited to employee payroll records, consistent with the New York False Claims Act and all other applicable state and federal laws and regulations. Such information shall be available in a form and format that will facilitate it being furnished upon request to DOH and/or other regulatory authorities.
9. At the conclusion of participation in the Support for Social Adult Day Centers Reopening State Directed Payment Initiative, all payments to a SADC site may be subject to a final reconciliation.

Assistance and Resources:

1. Any questions can be sent to DOH at SADC.FMAP@health.ny.gov.
2. More information on New York's enhanced FMAP for Home and Community-Based Services (HCBS) efforts [can be found here](#) or by typing https://www.health.ny.gov/health_care/medicaid/redesign/hcbs/enhanced_funding/ into your browser.



KATHY HOCHUL
Governor

Department of Health

JAMES V. McDONALD, M.D., M.P.H.
Commissioner

JOHANNE E. MORNE, M.S.
Acting Executive Deputy Commissioner

Investment Guidance:

The following guidance details examples of expenses that may be covered using funding from this award. This is not an exhaustive list of allowable expenses. SADC sites may use the list of allowable expenses to guide their decisions on how to use their awards.

Please remember that, per the requirements of the State Medicaid Director letter sent on May 13, 2021 ([SMD# 21-003](#)), funding cannot be used to supplant current or already planned expenses, including any portion of any settlement obligations or other liabilities owed by the SADC site, or any related person or entity, prior to receipt of final awards. Any investment your SADC site makes using this funding must be a **new** investment.

Improvements in the Workforce

Addressing the current shortage of SADC staff requires investment in your workforce. These efforts will help decrease vacancy rates, improve employee satisfaction, and build morale. Suggestions for such investments include, but are not limited to:

- **Employee recognition and retention activities**, including but not limited to: performance bonuses, recognition programs, and retention incentives/bonuses
- **Employee development initiatives**, including but not limited to: employee support groups or mentorship programs and defined promotion pathways
- **Enhanced employee benefits**, including but not limited to: compensation for travel expenses (e.g., coverage of fuel and mileage costs, parking expenses, public transportation, and ride share services), medical and dental insurance, disability insurance, wellness benefits, child and family-caregiver benefits and support, and paid vacation days
- **Employee recruitment efforts**, including but not limited to: updating recruitment materials to include non-English language versions and showcase a diverse group of employees, technology that improves the recruitment experience, and advertising job listings across job boards, local publications, and social media
- **Note:** Funds cannot be used to pay for awards, benefit programs, or salary increases for administrative staff, managers, and executive staff. Funds cannot be used to support current wage levels, including overtime, for any employees.

Training Investments

Training opportunities can help employees improve their job-related skills and abilities. Increased competency results in greater employee satisfaction as well as improved delivery of care. Suggestions for such investments include, but are not limited to:

- Increasing the number and types of trainings your site offers (e.g., cultural competence)
- Improving or enhancing existing trainings
- Providing incentives to staff to complete training programs, such as:



KATHY HOCHUL
Governor

Department of Health

JAMES V. McDONALD, M.D., M.P.H.
Commissioner

JOHANNE E. MORNE, M.S.
Acting Executive Deputy Commissioner

- Compensation for training hours
- Childcare or other caregiver coverage during training
- Bonuses or wage increases for training completion or certification
- Career advancement or mobility within the agency
- Investing in technology to improve the quality of trainings and the trainee experience

Person-Centered Planning

Investments in person-centered planning improve SADC sites' abilities to provide services in the least restrictive settings that meet the needs and preferences of the individual by offering flexibility and choice in services. Suggestions for such investments include, but are not limited to:

- Expanding community integrated activity offerings and/or schedules available to participants
- Offering person-centered planning training / programs
 - For more information on the New York Department of Health Person-Centered Planning Statewide Training Initiative, visit the [Person-Centered Planning Resource Library](#)
- Providing paid transportation to offsite activities
- Increasing access to food (snacks) and beverages and providing multiple meal options

Procedure / Policy Effectiveness

Establishing and maintaining up-to-date procedures and policies in areas such as regulatory, HCBS standards, service delivery, and/or emergency preparedness can improve staff adherence and result in the delivery of high-quality social adult day care services. Suggestions for such activities include, but are not limited to:

- Reviewing and updating existing compliance procedures on a consistent basis
- Conducting gap assessments of current policies and procedures
- Developing new policies and procedures when necessary
- Ensuring staff have been trained on and have access to current policies and procedures

Performance Measure Process:

This funding is contingent upon completion of performance measures by the end of the performance period, which began June 1, 2023, and ends November 30, 2023. SADC sites will



Department of Health

KATHY HOCHUL
Governor

JAMES V. McDONALD, M.D., M.P.H.
Commissioner

JOHANNE E. MORNE, M.S.
Acting Executive Deputy Commissioner

be required to respond to a performance measure survey following the end of the performance period, and DOH will review the results of the survey to determine the amount each SADC site will receive for payment.

DOH used results collected from the SADC HCBS Self-Assessment Tool distributed in December 2021 to establish baseline performance measures. DOH will evaluate each unique SADC site's completion of the following three performance measures relative to baseline performance:

1. All staff (paid and unpaid) have received new hire training related to company policies, including HCBS specific policies, person-centered planning, practice, and thinking.
2. Company policies have been reassessed for compliance and effectiveness and amended as necessary.
3. Company has documentation that shows the staff's adherence to policies such as HCBS specific training documentation and sign-in sheets for relevant activities.

Completion of each of these three measures is worth 33% of a site's payment. For example, completion of all measures will result in maximum funding, or 100%, being awarded, while completion of two measures will result in 66% of available funding being awarded.

If it is determined after an SADC site receives payment that the SADC site was ineligible to receive the payment, or the SADC site does not participate in the required survey or reporting processes, or in any other manner violates the terms and conditions of this Support for Social Adult Day Centers Reopening State Directed Payment Initiative, DOH will conduct an immediate recoupment or take other action necessary to retrieve up to 100% of the Support for Social Adult Day Centers Reopening State Directed Payment Initiative payment the SADC site received.

Note: Initial eligibility was determined by SADC sites that *were in the process of being verified for compliance with the HCBS Settings Final Rule by NYS DOH, as of February 1, 2023*. To continue to be eligible to receive payment, SADC sites must continue to be determined operational and in compliance with the HCBS Settings Final Rule by the end of the performance period (November 30, 2023).