



April 1, 2024

The above-named associations representing assisted living providers across New York State respectfully request that the Legislature prioritize the following SFY2024-25 State Budget issues in support of the State's renewed commitment to high-quality care for its aging population.

Increase the Assisted Living Program (ALP) Medicaid Reimbursement Rate: *We urge you to preserve a Medicaid ALP rate increase as proposed in both the Senate's (9.5%) and Assembly's (10.5%) one-house Budget proposals.*

- The current statewide average ALP Medicaid reimbursement rate is too low to cover the cost of care, operating and capital costs.
- Without an increase to the Medicaid rate, New York's ALPs will continue to struggle to cover operational and staffing costs. Inadequate rates are also preventing ALPs from being able to offer competitive wages, which makes recruiting and retaining direct care staff very difficult. Low rates and staffing shortages result in facility closures, with residents then admitted to a nursing home at a much higher cost to the State.

Update the ALP Medicaid Rate Methodology ("Rebasing"): *We urge you to preserve rebasing methodology language for ALPs as put forth in the Senate's one-House Budget proposal.*

- ALP Medicaid reimbursement is based on 50% of skilled nursing facility rates paid in 1992. This badly outdated methodology results in rates that are too low to support the program. Statutory changes are needed to update the ALP rate from 1992 to 2023, and regularly thereafter, to adequately reflect program costs and to prevent additional facility closures.

Include Stakeholders in the Quality Reporting Process: *We urge you to include stakeholder engagement in the assisted living quality reporting proposal and provide more time for development.*

- We urge you to support the inclusion of stakeholder consultation as part of this process to ensure that quality reporting considers differences across facilities, yields useful information for consumers and is workable for providers. In addition, the Houses should delay the date in which this requirement would go into effect as it will take time to collaboratively develop meaningful measures and educate assisted living communities.

Make Permanent the Special Needs Assisted Living Residence (SNALR) Voucher Program: *We urge your continued support for the SNALR Voucher Program's permanency and inclusion of the Senate's proposal to remove utilization caps for this high demand program.*

- This program allows individuals residing in a SNALR who require memory care services to age in place within their assisted living communities, thereby reducing Medicaid reliance and a disruptive and unnecessary move to a nursing home. The SNALR Voucher Program has been in a demonstration phase since its authorization in 2018, and the demand for the program is growing. As of July 2023, the Department of Health paused applications indefinitely for those seeking vouchers.

Adult Care Facility (ACF) Respite: *We urge you to support the Governor's proposal to allocate \$7.2 million in funding to provide relief to high-need family caregivers who need to access respite care in adult care facilities for their loved ones.*

- This funding should remain with the Department of Health rather than being transferred to support other programs, as was the case in last year's budget.

Restoration of EQUAL and the Enriched Housing Subsidy: *We thank the Legislature for restoring funding for the Enriched Housing Subsidy and the Enhancing the Quality of Adult Living (EQUAL) programs and urge that this be reflected in the final budget.*

- Both programs support ACFs that serve residents who rely on Supplemental Security Income (SSI) and the State Supplement Program (SSP). ACFs are paid only \$45.50 per day to serve an SSI/SSP eligible resident, a woefully inadequate rate due to the outdated state portion of the benefit which hasn't been increased since 2007.