

Assisted Living and ACF Services Need More Support to Ensure Access

Assisted living (AL) and adult care facilities (ACFs) are housing settings that offer meals, housekeeping, and assistance with medications and activities of daily living. These models promote independence and offer opportunities for socialization in a home-like setting. Given the popularity with consumers and the demographic trends, we anticipate the demand for these services is growing. It is alarming, however, that New York has *the lowest AL bed supply in the country*, and supply for those with low incomes is even more limited, according to the [AARP 2023 State Scorecard](#). At the same time, closures are accelerating. 114 ACFs have closed in New York since 2010, according to DOH data (as of November 2025), resulting in a loss of 5,168 beds. 13 ACFs closed in 2025 alone. In the past two years, nine facilities that operated Medicaid Assisted Living Program (ALP) beds have closed, an alarming new trend. The closures are largely due to inadequacy of funding. The State must do more to support and promote these critical services, as outlined below:

Restore the Enhancing the Quality of Adult Living (EQUAL) Program: The Executive Budget proposes to eliminate EQUAL, which supports quality of life initiatives for residents of ACFs that serve a low-income population. ACFs are woefully underpaid for the services they provide. **The Legislature must fully restore EQUAL program funding at \$6.5M.**

Restore the Enriched Housing Subsidy: The Executive Budget proposes to eliminate this subsidy, which pays \$115 per month per Supplemental Security Income (SSI) recipient to not-for-profit enriched housing programs. This is a small but critical lifeline to programs that are committed to serving low-income older adults and chronically underpaid. **The Legislature must fully restore the Enriched Housing Subsidy at \$380,000.**

Increase the State Supplement Program (SSP) Rate for ACF Residents: SSI, together with SSP, pays ACFs \$46.88 per day to provide all regulatorily required services to ACF residents who rely on the SSI/SSP benefit. This is less than half of what it actually costs to provide those services. The SSP rate has not been increased since 2007, and many ACFs serving this population have closed for financial reasons. When people cannot find ACF options in their communities, they often end up in a nursing home, at a significantly higher cost to the State. LeadingAge New York estimates that *for every 45 low-income ACF residents who can remain in their ACF or are diverted from nursing home placement, the State saves more than \$1M in Medicaid spending annually.* **We urge the Legislature to commit to bringing the SSP rate up to current costs and build in an annual cost-of-living adjustment (COLA). As a first step, the Legislature can include [A.4504-A \(Davila\)/S.180-B \(Persaud\)](#) in the final budget, which implements a small increase.**

Update the ALP Medicaid Rate to Reflect Current Costs: The ALP is the only Medicaid-funded AL option in the state and is a cost-effective alternative to nursing home care. While the past two budgets have included helpful investments in the ALP, they did not make up for 15 years of underfunding and sharply rising costs. We have seen an alarming trend of ALP closures over the past two years due to inadequate rates. While we deeply appreciate the Governor's proposal for a \$15M investment, it would essentially maintain funding at last year's levels. To ensure

financial viability, ALPs need adequate and reliable rates year after year. **We urge the Legislature to increase the ALP Medicaid rate by 20% to bring it closer to covering costs. We also urge the Legislature to include language to update the nursing home base year by which the rate is calculated from 1992 to present day to ensure that it reflects current costs moving forward, as outlined in [A.1406 \(Paulin\)/S.3329 \(Cooney\)](#).**

Allow Nurses to Provide Nursing in ACFs: The Enhanced Assisted Living Residence (EALR) is the only ACF/AL setting that permits nurses to provide nursing services in New York. During this workforce shortage, we should be maximizing resources and utilizing nurses working in ACFs to provide periodic services that would result in better health outcomes, prevent hospitalizations, support end-of-life care, and save Medicaid dollars. **We urge the Legislature to implement a no-cost workforce solution by enabling nurses working in ACF/AL settings to provide nursing services, as outlined in [A.525 \(Solages\)/S.3184 \(Rivera\)](#).**

As there is a growing need for services for people with dementia, we can also do more to enable access to specialized services in AL for low-income older adults:

Double Funding for the Special Needs Assisted Living Residence (SNALR) Voucher Program: The SNALR Voucher Program for Persons with Dementia is designed to financially assist individuals with dementia or Alzheimer's disease residing in SNALRs who are at risk of requiring nursing home placement due to dwindling resources. It is designed to intervene before someone becomes Medicaid-eligible, preventing new Medicaid costs to the State. In recent years, the State has had to pause processing of applications because the funding would not support additional vouchers. Meanwhile, we anticipate the number of people with Alzheimer's disease to continue to climb. **We urge the Legislature to double the SNALR Voucher Program funding to \$15M to meet current and future demand.**

Establish a Special Needs Assisted Living Demonstration Program: Currently, there are limited options for Medicaid-eligible consumers in New York who have specialized and intensive care needs related to dementia. For those who can no longer live in their own homes, nursing homes are often the only option. Establishing and funding a demonstration program as outlined in [A.9418 \(Paulin\)/S.8635 \(Fernandez\)](#) to enable ALPs to better serve the dementia population would be a low-cost way to demonstrate its effectiveness in preventing unnecessary nursing home placement. We believe this demonstration will quickly demonstrate its cost-effectiveness and potential to save the State significant Medicaid dollars. The demonstration will also highlight the potential to serve more people with dementia in the least restrictive setting. **We urge the Legislature to establish and fund a demonstration as outlined in [A.9418 \(Paulin\)/S.8635 \(Fernandez\)](#) in the final budget.**

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