



**For Immediate Release:**

May 27, 2026

## **Statement from LeadingAge New York on the Enacted FY26-27 New York State Budget**

*The following statement can be attributed to Sebrina Barrett, President and CEO of LeadingAge New York:*

“LeadingAge New York extends its appreciation to Governor Hochul and the legislature for recognizing the critical importance of non-profit nursing homes and aging services in this year’s state budget. The additional funding — including \$480 million for nursing homes, which is approximately a 6.4% increase in nursing home Medicaid reimbursement, \$20 million for assisted living and the partial restoration of previous nursing home capital funding cuts — represents an important step toward stabilizing a struggling care system that millions of New Yorkers rely on.

“While appreciative, we are compelled to express disappointment as these investments must be viewed in the context of a long-term care system that is in crisis due to decades of underfunding. For more than 20 years, Medicaid reimbursement rates have failed to keep pace with the actual cost of care. From July 2007 to July 2025, nursing home costs increased by 55%, while Medicaid reimbursement rose by less than 15%. Home care and hospice providers are also experiencing Medicaid shortfalls but did not receive additional funding in the final budget. That widening gap has left providers across the state grappling with serious financial strain, persistent workforce shortages and mounting difficulty meeting the needs of older adults and their families.

“The consequences are already being felt statewide. Since 2024, 11 nursing homes have closed, with additional closures still pending, and more than 72,000 nursing home beds are currently in financial distress due to persistent Medicaid funding gaps. Long-term care is not only essential for older adults and individuals with disabilities — it is a cornerstone of New York’s broader health care system, impacting hospital capacity, post-acute care access, and families in every community.

“Every New Yorker deserves to age with dignity, security and a sense of connection — and that future depends on increased, sustained state investment that matches the true needs. We look forward to continuing partnering with state lawmakers toward that goal.”

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### **About LeadingAge New York**

Founded in 1961, LeadingAge New York is the only statewide organization representing the entire continuum of not-for-profit, mission-driven, and public continuing care, including home and community-based services, adult day health care, nursing homes, senior housing, continuing care retirement communities, adult care facilities, assisted living programs, and Managed Long-Term Care plans. LeadingAge New York's 350-plus members serve an estimated 500,000 New Yorkers of all ages annually