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MEETING LONG-TERM CARE NEEDS IS ESSENTIAL FOR NEW YORK'S FAMILIES

Massive Number of Providers in Distress as Older Population Grows, and Local Access Decreases

The needs of older adults and their caregivers must be a priority in the state budget, urged LeadingAge New York CEO Sebrina Barrett, at a joint legislative hearing on health and Medicaid today.

During her testimony she outlined the rapid growth in the population of those over the age of 65 and the need for funding to close the gap between inadequate government reimbursement rates and actual costs for care.

"We are running out of time. Those providers currently offering long-term care are unable to meet demand, due to staffing shortages and financial stresses driven by inadequate reimbursement," Barrett said. "Many not-for-profit providers are struggling to stay afloat. In fact, 32 nursing homes have closed in the last ten years, resulting in the loss of more than 3,500 beds; another 7,200 beds are not available due to staffing shortages. And today, more than 70,000 beds are in jeopardy as they are being run by financially distressed providers."

According to LeadingAge New York, the long-term care sector is attempting to survive on reimbursement rates last set nearly two decades ago. According to the most current data available, 85 percent of not-for-profit nursing homes are experiencing operating losses

"The rate of reimbursement for long-term care has been so low, for so long, that more and more providers are closing their doors and turning away new admissions. As a result, older New Yorkers too often cannot find long-term care options close to their loved ones in their home communities," Barrett continued.

LeadingAge New York is asking members of the legislature to consider:

- A new permanent increase in nursing home rates beyond what equates to a 1.3 percent increase in Governor Hochul's executive budget, by continuing the previously enacted \$285 million and adding \$460 million, to reduce the rate-to-cost gap;
- Restoring a \$41 million capital cut, enacted in 2020 and 2024, to enable providers to offer safer, more homelike facilities and to honor financial commitments incurred in good faith before the state reneged on funding promises;
- Increases in assisted living program, adult day health and home care rates to meet the gap between the costs of providing care and the state's rate of reimbursement;
- Expanding the Medicaid assisted living program this year;
- Allowing "resident assistants" to help older adults remain independent in affordable senior housing. This action will save \$4.5 million annually by avoiding and delaying the need for more expensive levels of care; and
- Authorizing medication aides in nursing homes (as is the case in 39 other states).

Ms. Barrett's [complete written testimony is available here](#).

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For more than 60 years, LeadingAge New York has set an advocacy agenda for not-for-profit, and government sponsored nursing homes, senior housing, adult care facilities, retirement communities, and other settings serving older adults.