

Assisted Living and ACF Services Need More Support to Ensure Access

Assisted living (AL) and adult care facility (ACF) settings provide housing, meals, housekeeping, and assistance with medications and activities of daily living. They promote independence and offer opportunities for socialization in a home-like setting. Demand is growing, yet New York has *the lowest AL bed supply in the country*, and supply for those with low incomes is even more limited ([AARP 2023 State Scorecard](#)). Even more alarming, is the accelerating trend of closures among AL and ACF settings serving low-income New Yorkers. Given insufficient AL capacity and rising nursing home closures, older adults and their families are already struggling to access the care they need. Meanwhile, we anticipate difficult decisions ahead in this year's state budget process, due to reduced federal funding.

Gaps in Services & Challenges

- [New York State has the lowest assisted living supply](#) in the nation with **20 beds per 1,000 population age 75+**. With a growing population of older adults with dementia who require 24/7 care, but who can ambulate and engage in social activities, additional community-based residential capacity is needed.
- **107 ACFs that have closed in New York** since 2010, 8 in 2025 alone, according to [DOH data](#), resulting in 4,275 fewer ACF/AL beds. 7 of these closed facilities operated Medicaid assisted living program (ALP) beds. ALP closures are a new phenomenon, reflecting growing financial distress.
- **Inadequate rates** paid under Supplemental Security Income (SSI) Congregate Care for ACFs and under Medicaid rates for ALPs drive most of the closures.
 - ACFs are paid just **\$46.22 per day** per resident by SSI and the State Supplement Program (SSP) (which has not been increased since 2007) to cover the cost of room, board, personal care, case management, and activities.
 - **Medicaid Assisted Living Programs (ALPs) have not received a standard trend factor increase since 2007**. Recent funding increases have not covered cost increases over the past 18 years.
- **Wait lists for ALP beds and the Special Needs Assisted Living Residence (SNALR) Voucher Program are growing and leading to avoidable nursing home use.** ALP capacity is frozen due to prolonged delays in implementing a new need methodology for ALP beds. Funding for the SNALR Voucher program does not meet demand. For low-income New Yorkers in need of residential long-term care, nursing home care may be the only option. Recruitment and retention of workforce continues to be a challenge, particularly for rural areas.

Strategies

We urge thoughtful and creative approaches to preserve and enhance funding for these services, while saving money by reducing the use of higher levels of care:

- **Ensure the ongoing viability of the ALP, and grow the program in recognition of its potential to save Medicaid dollars.** The ALP is a cost-savings alternative to nursing home care for individuals who need residential care. By offering services in a congregate setting at an all-inclusive rate, ALPs are able to achieve certain efficiencies, especially for individuals who require 24/7 supervision and/or extensive personal care.

The state should also explore how to serve those who have specialized needs with dementia in the ALP program, with adequate funding to provide necessary services and supports.

- **Expanded ALP capacity could save Medicaid dollars.** But, the ALP rate must cover costs, and recent investments in the ALP must be preserved, regardless of the availability of funds through the Managed Care Organization Tax.
- **Ensure ACF/AL options for older adults who rely on SSI and need long-term care services.** The combined **\$46.22 per day** paid to ACFs by SSI/SSP to cover the room, board and required services for a resident is less than half of what it actually costs. The SSP rate has not been increased since 2007, and many ACFs serving this population have closed. Lack of ACF options for low-income older adults is driving avoidable nursing home placement, 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 at least \$1M in Medicaid spending annually*. The SSP rate must be updated to current costs with an annual cost-of-living adjustment moving forward.
- **Expand the SNALR Voucher Program to meet current and future need.** This program supports people with Alzheimer's disease and other dementias to remain in the SNALR that they call home; preventing unnecessary nursing home placement and reliance on Medicaid. 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 will continue to climb. This investment will save Medicaid dollars and prevent unnecessary transitions.
- **Allow Nurses to Provide Nursing in ACF/ALs.** Nurses are not permitted to practice nursing in most ACF/ALs in New York. The Enhanced Assisted Living Residence (EALR) is the only ACF/AL setting where nurses are permitted to provide nursing services. The State should use scarce resources efficiently and effectively by allowing nurses working in ACF/ALs to provide periodic services that would result in better health outcomes, prevent hospitalizations, support end-of-life care, and save Medicaid dollars. *A.525 (Solages)/S.3184 (Rivera)* offers a no-cost workforce solution by enabling nurses working in ACF/AL settings to provide nursing services.
- **Ensure that workforce investments prioritize long term care workforce, including ACF and assisted living settings.** While the state has made investments in workforce and healthcare, this sector is frequently overlooked.

Investing in assisted living saves Medicaid funds and strengthens community-based care. Let's make long-term care a priority-not an afterthought.

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