LeadingAge New York

July 23, 2026

Mr. Amir Bassiri
NYS Medicaid Director
Ms. Valerie Deetz
Deputy Director, Office of Aging & Long-Term Care
NYS Department of Health
One Commerce Plaza
Albany, NY 12210

Re: Impacts of Enrollment Cap on Nursing Home Transition and Diversion Waiver for Providers

Dear Mr. Bassiri and Ms. Deetz,

LeadingAge New York is writing to share its concerns regarding the recent enrollment cap on the Nursing Home Transition and Diversion (NHTD) waiver program, and the impacts on waiver providers and participants. As you know, LeadingAge NY members span the full continuum of long-term care services, from home and community-based services to nursing home care, including waiver services providers.

We understand the rationale for the NHTD enrollment cap established in the 2025-26 state intended to bring the waiver back into a budget neutral status. LeadingAge NY is concerned, however, that implementation of the cap has serious impacts not only on potential participants, but also on waiver service providers. We believe there are strategies that can mitigate some of these negative impacts, while also achieving the required budget neutrality.

Disproportionate Impact on Rural Areas

Rural areas are disproportionately impacted by the cap. With far smaller caseloads overall, programs in rural areas may experience reduced enrollment, as a result of the cap, to a level that cannot sustain the operation of the program. Reduced hours for waiver providers and service coordinators are driving staff to leave the waiver program for other positions as cases and hours decrease. We are hearing that some long-time providers are opting to get out of the wavier business entirely. Ultimately, this current loss of enrollment, and the unpredictability of future enrollment, is fundamentally threatening the viability of NHTD waiver services in more rural communities. This is a terrible loss for NHTD waiver participants and their loved ones who rely on these services. These communities have limited service options, so the loss of these services further exacerbates access issues, pushing people into nursing homes unnecessarily—or out of their communities altogether.

We ask the Department to consider these dynamics on a regional level. The State should analyze the current data and trends occurring – and the impact on rural care networks – before it's too late.

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Regional Aggregate Budgeting is a More Effective and Equitable Strategy

A cost containment strategy won't simply be achieved by an enrollment cap. The costs are not simply about the number of participants, but about managing the aggregate budget and spending per participant. The vision of the waiver at its inception was a flexible one, with the Regional Resource Development Centers (RRDCs) responsible for ensuring the aggregate budget neutrality of the region. As you know, this structure allows some high-cost cases to be balanced out by lower need individuals at any given time. While not simple, the program can operate in a cost-effective manner for the most difficult to serve nursing home eligible people in the community, but it must be actively managed. For this reason, we urge DOH to conduct an analysis of the regions and the cost per recipient and be more targeted in the approach to cost containment, consistent with the framework for the waiver. This approach to cost containment could result in greater access to the program.

Next Steps

We urge the Department to analyze, and share with stakeholders, regional variation in enrollment, utilization and expenditure data over the last 5 - 8 years. This data should be examined in a transparent way so the Department and stakeholders can understand how these dynamics impact providers and participants, especially in areas where access to services and workforce challenges are the greatest.

Like other NHTD stakeholders, LeadingAge NY urges the state to ensure a transparent participant enrollment process when waiver spots do become available. We are encouraged by the recent legislation passed by both houses that provides for a wait list process by region. However, we do have concerns that current enrollment numbers per region may not be equitable.

Lastly, we urge the Department to resume the stakeholder workgroup on the NHTD waiver, so that providers and participants can share their concerns. This effort deserves meaningful engagement, so NHTD waiver services and their service providers and coordinators remain viable for communities. Without providers in their communities, participants will not receive the services and supports needed to live in their communities, near their friends and family.

Thank you for your consideration. We would be happy to discuss these issues further.

Sincerely,

Sebrina Barrett
CEO & President
LeadingAge New York

cc:

Commissioner Dr. James McDonald
Megan Baldwin
Erin Kate Calicchia