**\*\*PLEASE NOTE\*\***

**\*\*THIS IS A DRAFT ONLY. YOU MUST PERSONALIZE AND TAILOR THIS LETTER TO YOU OR YOUR FACILITY BEFORE SENDING – REMEMBER TO DELETE THIS AND THE BELOW TEMPLATE NOTES AND BE SURE TO CAREFULLY REVIEW YOUR FINAL LETTER BEFORE SUBMITTING\*\***

[**gov.cuomo@chamber.state.ny.us**](mailto:gov.cuomo@chamber.state.ny.us)

**Subject:** Please support a Medicaid Rate Increase for the Assisted Living Program in the SFY 20-21 State Budget!

**Date:**

Dear Governor Cuomo:

I am writing to ask you to provide an increase in the Assisted Living Program Medicaid Rate in the State’s 2020-21 Executive Budget. The Assisted Living Program (ALP) is a desirable and cost effective alternative to nursing home placement for the disabled or frail elderly who require increased services but do not need nor desire services in a skilled nursing setting. **[NAME OF CENTER HERE]** is committed to providing high quality care and continually strive to do the best for the people we serve. As an ALP, we efficiently meet the needs of seniors while providing an enhanced quality of life for our residents.

The Assisted Living Program

ALPs were introduced as a level of care in the early 90’s in New York State. This licensed program (as opposed to a facility) was developed with the intent of enabling those individuals living in adult care facilities to continue to live in their adult care community when their needs increase and change. For a resident to qualify for the ALP, a resident’s needs are assessed and the results must demonstrate the prospective resident to be nursing home eligible, but not necessarily requiring the environment of a nursing home. The ALP is a level of care that provides for personal care services, housekeeping, room and board, social and recreational activities, as well as the arranging of additional services to meet the residents’ needs such as physical, occupational and speech therapies, case management, and home health services (e.g., skilled services) for Medicaid-eligible individuals.

The Assisted Living Program Reimbursement Rate

The ALP per diem rate is paid out of New York’s Medicaid Program and was created to reimburse the residents entire scope of service. The ALP rate was established in 1992 and is based on a statewide price adjusted regionally using the RUG II categories.

The prices were based on 1983 costs and have never been rebased to reflect more current costs. In addition, ALPs have not received a trend factor since 2007. As a result, the ALP rates have remained at 2007 levels with the primary two RUG II categories (which apply to 90% of residents) ranging from $51 to $97 per day, depending on the region.

The original ALP payment methodology was based on 50% of the nursing home per diem rate at the time (1992) but due to rebasing, as well as annual case mix and capital adjustments for nursing homes, the ALP rate now makes up only 35% of the current average nursing home Medicaid rate.

Assisted Living Facilities Help Address Public Health Crises

New York State has estimated that one in four state residents will be 60 years and over by 2030, an almost 50% increase in the percent of state residents who are 60 and over in 2000. By 2020, it is estimated that nearly 1.7 million people ages 60 years and over will live with a disability[[1]](#endnote-1). In its 2017 report, Aging with Dignity: A Blueprint for Serving NYC’s Growing Senior Population, the New York City Comptroller estimated more than 1.1 million adults over 65, about 13 percent of the city’s total population, call the five boroughs home, a number projected to rise to over 1.4 million by 2040.[[2]](#footnote-1) Managing geriatric conditions can be challenging for any senior, but some older adults have experienced many years of personal challenges, such as substance use issues and mental illness. Some may experience a late-in-life dilemma that leaves them financially vulnerable due death of family members or an illness, putting them at risk of further social isolation and poverty. Initiatives to get more funding to support seniors, to create and preserve affordable housing, and to maintain and grow supports and services that promote healthy aging at home are crucial, but they are not for everyone, or may only be appropriate for a time in a person’s life.

The New York Times “Neediest Cases” column recently published a piece on this issue, and the work of a nonprofit organization Dorot, whose goal is to alleviate social isolation and provide concrete services to older adults[[3]](#endnote-2). The column shares the story of a retired and disabled 64-year-old New Yorker who recently faced homelessness when substance abuse, early retirement and the loss of her apartment threw Ms. Henderson’s life off track. She was eventually connected with Dorot and moved into transitional housing until she found a new home in an assisted-living facility in Brooklyn. This is just one of the many examples of the positive role the ALP program and Assisted Living facilities play in our communities.

Our Request

The antiquated ALP reimbursement rate needs to be updated to better reflect cost increases and the needs of New Yorkers over the many years since inception. Failure to do so could result in facility closures and corresponding resident shifts to costlier nursing home services, despite nursing skilled level nursing services being unnecessary.

For these reasons, I urge you to support an increase in the Assisted Living Program rate in the 2020-21 Executive Budget.

Sincerely,

**NAME**

**FACILITY**

**ADDRESS**

1. Description of Population Demographics and General Health Status, New York State, 2018 https://health.ny.gov/prevention/prevention\_agenda/2019-2024/docs/sha/general\_description.pdf [↑](#endnote-ref-1)
2. Aging with Dignity: A Blueprint for Serving NYC’s Growing Senior Population, March 21, 2017 https://comptroller.nyc.gov/reports/aging-with-dignity-a-blueprint-for-serving-nycs-growing-senior-population/#Introduction [↑](#footnote-ref-1)
3. The Neediest Cases Fund: She Was on the Verge of Homelessness. With Help, She Found Her Way. https://www.nytimes.com/2019/11/04/neediest-cases/homelessness-substance-abuse-faith.html [↑](#endnote-ref-2)