

The Empire State Association of Assisted Living (ESAAL) represents more than 365 licensed adult care facilities across New York State, serving over 37,000 seniors—many of whom are low-income, frail, or medically complex. These communities provide 24-hour care and supervision in a regulated, community-based setting that is far less costly than nursing homes. Despite their essential role and cost-effectiveness, assisted living and adult care facilities continue to receive inadequate and outdated State support. **We respectfully request your support through the following actions:**

**1. Urgent Assisted Living Program (ALP) Medicaid Rate Reform:** The Medicaid-funded ALP provides 24-hour care and supervision to individuals who are medically eligible for nursing home placement at a fraction of the cost. The program’s reimbursement methodology remains tied to a statutory base year of 1992 – 34 years ago. **The FY 2027 Executive Budget includes no meaningful ALP rate increase**, rebasing, or inflation adjustment, despite rapidly rising labor, food, insurance, and regulatory costs. Adult care and ALP closures are accelerating – almost 5,000 beds have been lost in NY since 2010, 3,000 of those since 2020. Our providers need an overall rate increase of 20% to stabilize facilities until rebasing takes effect, and the ALP statutory base year must be updated from 1992 to 2026 to reflect today’s cost of care. **The Executive Budget includes \$1.5 billion in additional support for nursing homes and hospitals – these funds should also be used for rate increases for ALP providers.** Without action, continued closures will accelerate, forcing low-income seniors into higher-cost nursing homes, increasing Medicaid expenditures and leaving NY ranked last in the nation for access to quality assisted living.

**2. Restore the EQUAL Program and Enriched Housing Subsidy:** The Executive Budget once again proposes to eliminate the **Enhancing the Quality of Adult Living (EQUAL) program** and the **Enriched Housing Subsidy** —both initiatives that serve low-income, frail seniors. EQUAL provides \$6.5 million in annual grants to improve the quality of life for SSI, Medicaid, and safety net residents. The enriched housing subsidy includes \$380,000 in operating assistance to help enhance care delivery for low income seniors. The Legislature has repeatedly recognized these programs’ importance and restored funding. We urge the Legislature to do so again—failure to restore EQUAL and the Enriched Housing Subsidy will have real and immediate consequences for thousands of vulnerable New Yorkers who depend on them to live safely and with dignity.

**3. Special Needs Assisted Living Residence (SNALR) Voucher Program:** This program provides vital financial support to individuals with Alzheimer’s disease and/or dementia by subsidizing the cost of remaining in the care of the facility where they live after they deplete their own resources. The SNALR voucher program helps delay or prevent premature reliance on Medicaid and costly nursing home admissions, and offers a more cost-effective and appropriate care option. Currently funded at \$7.75M, the program is facing growing demand due to the significant need for these services. We respectfully request that funding be increased to \$15M million to expand access and ensure more individual individuals can benefit from this essential program.

**4. Redirect Unspent Funding to Support Residents and Providers:** The Budget continues to line out an appropriation of over \$7M for a caregiver respite care at adult care facilities program that has never been implemented. Assisted living today is tightly regulated and fully accountable, yet providers receive no operating or stabilization support. If the goal is resident safety and better outcomes, the State should redirect and invest these dollars more efficiently by supporting seniors who need it the most – for instance, to support additional SNALR vouchers.

**5. Special Needs ALP Demonstration:** We urge the Legislature to support inclusion in the Budget of legislation (S.8635/A.9418) to create a demonstration program to allow up to three ALPs to care for residents with higher needs, such as Alzheimer’s, dementia or cognitive impairments, with Medicaid rates adjusted to cover the added staffing, training, and safety requirements. Currently, ALPs don’t have the support to provide this level of care and the need for specialized settings to care for individuals with these conditions, including for Medicaid beneficiaries, will continue to grow over time as our population ages - as will the cost of caring for them. The demonstration program will assess the feasibility and potential for cost savings to the State associated with providing specialized services in the ALP.