

# Nursing Home Medicaid Increases: older adults need a lifeline as homes struggle to stay afloat

Nursing home **Medicaid rates are outdated** (based on 2007 costs), **causing homes to close**.



Investing meaningful dollars to  
help shrink the **\$1.6 billion Medicaid gap**  
is critical to keep quality nursing homes afloat.

However, these significant investments won't go as far  
if they're undermined by the continuation of  
**capital cuts & steep staffing penalties** of up to **\$2,000 per day**.

## Operating Medicaid Increases

LeadingAge NY strongly supports and appreciates the dollars that the NY Senate & Assembly propose to invest in nursing home operating rates.

**Investing approx. \$500 M** (all funds) would be meaningful in the operations & survival of our nonprofit and publicly-owned nursing homes.

Please **protect** these proposed investments & ensure they are included in the final budget!



In addition, we remind legislators of costs that dilute investments.



## Statutory Costs Draining Resources

- **15% cuts in capital funding:** which support essential repairs and maintenance that affect resident safety & wellbeing.
- **Staffing penalties are looming:** safe staffing requirements have been in effect since 2022. Despite best efforts to recruit – overspending trying to enhance wages & benefits, or hire contract staff – **more than 60% of homes are unable to comply**. Many of these homes will face penalties.
- **A new threat:** an increase to the **MTA Payroll Tax** that fails to exempt downstate long-term care providers would further deplete resources meant for wages & care.

