

---

## Senior Care Facilities Facing Serious Funding Shortfalls

**By Anne Marchetta**

**Posted Apr. 16, 2016 at 8:50 AM**

As you age and your medical needs intensify, would you prefer to continue to live at home with some help or would you rather go to a nursing home? While nursing homes play a valuable role caring for people too frail to live independently or for patients who need to rehabilitate between hospital and home, most people prefer to live at home for as long as they possibly can.

This community preference has led to a dramatic increase in community-based services, such as the adult day health programs that our organization runs. Seniors arrive at our programs every morning and they get the opportunity to socialize with others, take part in engaging activities, enjoy a nutritious meal, and to see and be evaluated by medical professionals during the day.

Many that we serve have memory loss and for these individuals, we believe that the social activity has a beneficial effect. Some studies even suggest that this type of stimulation can delay the progression of dementia, whereas some speculate that isolation may hasten it.

But despite the vital role that we play in keeping seniors in their communities and enabling their adult children to work and lead their own lives, all is not well in the adult day health provider community.

The rates paid by Massachusetts Medicaid (called MassHealth), which covers seniors and individuals with disabilities who meet the program's income requirements, are stagnant. The daily rate of \$58.83 is almost \$5 per day less than the actual cost of providing that care according to the state's own Center for Health Information and Analysis – and that is using cost data from 2013. When using 2016 data, we believe the gap to be over \$11.

Adult day health providers take Medicaid patients at a loss and if they are fortunate they offset some of those losses by serving individuals with other types of health coverage.

We are nonprofit and service to our community is our mission, but even a nonprofit organization cannot run programs at a loss over the long haul. The reality is that providers will go out of business, reducing the capacity of the remaining programs to care for seniors, and more seniors will be forced into options that are far more costly for the state, including nursing facilities. In fact, 10 programs have already closed in the last three years and 25 more programs report that they are now at imminent risk of closure.

*(over)*

According to a 2015 study by Genworth, a long-term care insurer, the median annual cost to states for adult day health is only \$16,900 per person, less than a quarter of the \$72,270 cost for nursing home care.

It is because of the value that we provide that The Community Family and other providers are taking a stand and demanding fairness. The state Executive Office of Health and Human Services is reviewing the rates and we have already spoken at a public hearing on the subject. We plan to push the Baker administration for Medicaid adult day health rates that recognize the true cost of care, so that we can pay our staff fairly and cover our many expenses.

We hope that members of the community will weigh in with their support as well, by sending a letter to Secretary Marylou Sudders of the Executive Office of Health and Human Services in support of a fair rate for adult day health providers.

Like it or not, we are all getting older. When we reach the age where we can no longer do everything on our own, we want to have as many options as possible. We want to preserve as much of our independence as we can. Without fair funding from Medicaid, we will lose an option that effectively enables many seniors to continue living at home through the delivery of services during the day that give their caregivers both respite and the opportunity to work. Not only will the loss of these services limit choice for seniors and their families, but ultimately they will increase costs to taxpayers.

We ask our community to stand with us today, and to make its support for adult day health known on Beacon Hill.

*Anne M. Marchetta is Executive Director of The Community Family, a non-profit adult day health organization with centers in Medford, Everett and Lowell.*