



Testimony for 2025 Joint Legislative Budget Hearing on Health/Medicaid

Submitted by:

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On behalf of the membership of the New York State Adult Day Services Association (NYSADSA), thank you for the opportunity to provide written testimony on the Health/Medicaid budget for State Fiscal Year (SFY) 2025-26.

NYSADSA writes to bring your attention to a critical issue facing Social Adult Day Care (SADC) providers across New York State. With the implementation of Managed Long Term Care (MLTC) Policy 24.01 effective Jan. 1, 2025, Medicaid participants are no longer able to utilize non-emergency transportation services provided via Medical Answering Services (MAS) to attend their SADC programs. This shift has imposed significant challenges on SADC providers and will lead to devastating consequences for the vulnerable populations these programs serve.

The Importance of SADC Services

SADC provides a supportive community environment where adults with disabilities and elderly individuals can engage in meaningful activities, receive essential care, and build social connections, enhancing their overall quality of life. These elements are recognized as key social determinants of health, as outlined by Healthy People 2030¹, which emphasizes that factors like social connection and access to transportation directly impact health outcomes. Furthermore, a May 2023 report by the U.S. Surgeon General on social isolation highlights the profound negative health effects of loneliness, including increased risk of heart disease, stroke, and dementia, all of which disproportionately affect the populations served by SADCs.

Removal of MAS from SADC Package (MLTC Policy 24.01)

Current transportation rates for SADC, typically ranging from \$10 to \$15 per trip, are inadequate to meet the costs associated with vehicle operation, fuel, maintenance, driver wages, and other related expenses. Consequently, many providers depended on MAS to mitigate these operational burdens. Furthermore, Medicaid transportation options frequently lack sufficient coverage in upstate regions, including rural areas of the Hudson Valley, many suburban communities on Long Island, and various neighborhoods in Brooklyn and Queens. With the implementation of MLTC Policy 24.01 and the subsequent elimination of access to MAS, the viability of SADC transportation services will become increasingly untenable.

Challenges from Stagnant Reimbursement Rates

Compounding this issue is the financial landscape that has developed over the past decade. While MLTC plans benefit from consistent annual rate increases, many SADC providers have seen their rates stagnate for over a decade.

The stagnation of SADC rates has resulted in serious challenges. Providers struggle to hire and retain qualified staff, leading to burnout and high turnover rates. Coupled with substantial increases in costs, such as food, supplies, and other expenses, this situation negatively impacts the quality of care provided to our participants. Without access to MAS, the additional burden of

¹ “Healthy People 2030 | [odphp.health.gov](https://odphp.health.gov/healthypeople).”, <https://odphp.health.gov/healthypeople>.

transportation costs will force many SADC programs to cut services or close their doors altogether.

These changes will affect not only clients who rely on the care we provide, but also their families and the broader community. We face the risk of increased isolation and declining health for those in need of SADC. Moreover, families and caregivers will experience greater burdens, impacting their time, job commitments, and economic stability.

NYSADSA urges the Legislature to advocate for the reinstatement of and access to MAS in SADC programs. Furthermore, it is imperative that the Legislature secure rate increases for SADC to reflect the rising costs of providing care. We want to ensure the sustainability of the essential services our programs provide and protect the well-being of our most vulnerable populations.

Thank you for your attention to this urgent matter. We look forward to your support and commitment to safeguarding the future of SADC in New York State.

Enclosure:

- NYSADSA SADC Transportation Survey Results Summary



SADC Transportation Survey Results Summary

In December 2024, the New York State Adult Day Services Association (NYSADSA) distributed a survey to SADC providers across the state regarding their experiences with transportation services. A total of 57 providers participated in the survey.

1. **Which county or region does your program operate in? Please select all that apply.**
 - New York City – 43 (75%)
 - Long Island – 11 (19%)
 - Central New York – 4 (7%)
 - Hudson Valley – 3 (5%)
 - Finger Lakes Region – 2 (4%)
 - Mohawk Valley – 1 (2%)
 - Southern Tier – 1 (2%)
 - Western New York – 1 (2%)
 - Capital Region – 0 (0%)
 - North Country – 0 (0%)
2. **Does your program provide any transportation services for your participants?**
 - Yes – 51 (89%)
 - No – 6 (11%)
3. **Are you contracted with your MLTC to provide transportation?**
 - Yes – 47 (82%)
 - No – 10 (18%)
4. **What type of transportation is provided? Please select all that apply.**
 - SADC in-house transportation (we manage and operate our own vehicles) – 41 (72%)
 - We contract with a transportation provider (third-party vendor, TLC, outside company) – 29 (51%)
 - Medical Answering Services (MAS) – 14 (25%)
 - Other – 3 (5%) (*responses included Uber and Access-A-Ride/MTA paratransit*)
5. **What is your highest reimbursement rate for transportation (please provide a round-trip figure)?**

Responses mostly fell in the \$20-\$30 range, with \$25 being the most common.
6. **What is your lowest reimbursement rate for transportation (please provide a round-trip figure)?**

Responses mostly fell in the \$10-\$20 range, with \$20 being the most common.

7. How many total round trips are provided by your program on a monthly basis?

Providers offered a wide range of responses, from as low as 0 monthly round trips to as high as 35,000 monthly round trips.

8. On average, how far is the travel distance to a participant's home (in miles)?

Providers offered a wide range of responses, from as close as 0.5 miles to as far as 36 miles.

9. Are current transportation reimbursement rates sustainable for your program?

No – 49 (86%)

Yes – 4 (7%)

Other – 4 (7%)

10. Have you had a daily rate increase from any MLTC since you opened your program?

No – 42 (74%)

Yes – 15 (26%)

11. Have you had a daily rate decrease from any MLTC since you opened your program?

No – 47 (82%)

Yes – 10 (18%)

12. Please describe your experience, including any challenges, with your current transportation setup.

Responses included the following (edited for spelling, grammar, and style):

- “Reimbursement rate is completely insufficient. Every bus costs \$250 per day and carries about 6-8 clients on the bus.”
- “Rates have always been too low. We operate transportation at a loss. Truth be told: we cannot run all our transportation as our members need — we can't afford wheelchair ramps, we can't always hire TLC drivers, we can't afford assistive devices.”
- “Patients are very accustomed to their driver, who is knowledgeable of their needs and physical challenges. Family members of the patients are familiar with the assigned drivers and have a point of contact in case of needs. Drivers will alert the office if the member is falling sick or has signs of needing immediate medical attention. In many cases, for the patients without any family members, the drivers are their contact person in the times of need or trouble. In a few cases, where the driver was unable to reach the patient at the time of the arrival to the patient's home, they did alert the household member which triggered the dispatch of EMS/FD services.”
- “The cost to run two vehicles is very expensive with repairs, insurance, gasoline, and salaries. Although, it is a respite for the caregivers, so that is very impactful.”
- “We have a wide area that we serve. MLTCs seem to not be responsive at first to working on rates.”
- “Transportation costs have gone up well over 500% since 2020. Since we are unable to use MAS, this is not sustainable. My vans would need to be adequately serviced. Insurance companies charge \$50k per vehicle if you want to open a new center. The MLTCs have been spoken to multiple times. Most of them could not care about their members and would rather I not be able to afford transportation so they could cut my contract. If we could bill Medicaid directly for the transportation and leave the MLTC

out of it, this would be very helpful. The MLTCs have not given any type of rate raise in years, though they have had their premiums go up.”

- “We have 14 MLTC contracts. Receiving increases has been next to impossible. Not all MLTCs pay for transportation and have been refusing a rate increase for 13 years. We had an MLTC give us a rate increase in 2021; effective 2/25, rate DECREASED. Transportation rates not covered or not being increased along with SADC rates.”
- “Member demands increase, but the MLTC rate remains the same. Difficulties keeping up with cost for transportation services with vendors and business vehicle maintenances.”
- “Having transportation in-house or a contracted vendor is a third of our operating costs, and member locations are still way out of our vicinity that would delay other members being picked up or being in the vehicle for a much longer time before arriving to the center.”
- “Difficult to find CDL drivers.”
- “Without MAS, 20% of our members will not be able to attend our program. Some of them have been coming for over 10 years.”
- “We serve a community of clients with special needs who often require individualized arrangements due to varying mental and physical disabilities. Our services also span multiple areas, including Brooklyn, Queens, and Manhattan. Given these logistical challenges, it is physically infeasible to allocate a car for a round trip from Brooklyn to pick up one client and then return them home, especially considering the 40-minute traffic delays that can occur traveling across Brooklyn.”
- “Without MAS, my program will be left without transportation starting Jan. 1, 2025. MLTCs are proposing \$20 round-trip or will terminate contract. The financial burden of operating a transportation route will cost more than \$20 round-trip. These rates are not practical, and we need Fee-for-Service rates to survive operating costs.”
- “Average round trip is \$70-\$80; we have been trying to consolidate rides as much as we can to reduce the expenses. It costs us more than \$20,000 per month to simply provide transit. In addition, it’s simply not sustainable to maintain our own vehicles, as the upkeep costs more than third-party contractors. MAS was able to help us out significantly during the time that it was available to provide rides to our SADC, and we were able to use the additional saved transportation costs to improve our services. With the rising costs of transportation coming back and the surging cost of living, we will once again struggle to provide better services.”
- “Transportation reimbursement rates have gone down, and everything else has gone up. We are required to provide additional resources due to HCBS regulations, and we are not getting reimbursed for these additional expenses by the MLTC accordingly.”