



April 3, 2020

The Honorable Nancy Pelosi
Speaker
U.S. House of Representatives
U.S. Capitol Building, H-222
Washington, DC 20515

The Honorable Mitch McConnell
Majority Leader
U.S. Senate
U.S. Capitol Building, S-230
Washington, DC 20510

The Honorable Kevin McCarthy
Republican Leader
U.S. House of Representatives
U.S. Capitol Building, H-204
Washington, DC 20515

The Honorable Charles E. Schumer
Democratic Leader
U.S. Senate
U.S. Capitol Building, S-221
Washington, DC 20510

Re: Asks for Relief for Adult Day Services Providers for COVID-19 Package 4

Dear Speaker Pelosi, Leader McConnell, Leader McCarthy, and Leader Schumer:

LeadingAge and the National Adult Day Services Association (NADSA), on behalf of the more than 5,500 adult day services providers across the country, request that Congress consider appropriating and/or directing funds (\$422.5 million) to support adult day services providers in any future legislation addressing the COVID-19 pandemic.

Federal funding is necessary at this time to ensure that the more than 260,000 Americans who rely on adult day services are able to continue receiving these services once the COVID-19 pandemic ends.

The Role of Adult Day Services

Adult day services (ADS) providers are an integral part of the home and community-based services system and serve more than 260,000 older Americans and Americans with disabilities. A large portion of people receiving ADS experience dementia (31%) and/or live with chronic conditions such as diabetes (31%) and heart disease (27%). And, about 4 in 10 people who receive ADS are over the age of 75 (42%).¹ Adult day services have also been an important source of support for veterans, including about 6,500 veterans receiving ADS funded by the Department of Veterans Affairs. People who attend adult day centers often need a range of services and supports, including meals, social activity, medical/nursing care and therapies. ADS providers are critical toward meeting these needs.

Additionally, ADS offers respite to family members. People who attend adult day services typically do so during normal business hours, allowing their family caregivers to continue to work and engage in the community – all while keeping people receiving ADS in their homes and communities. The vast majority of people receiving ADS live in their own home or with family (77%). Because they are typically less

¹ Centers for Disease Control, National Study of Long-Term Care Providers, https://www.cdc.gov/nchs/data/nsltcp/2016_NSLTCP_ADSC_Weighted_Estimates.pdf

expensive than residential care and in-home services, adult day services are also a particularly valuable option for long-term term services and supports for middle- and lower-income families.

ADS providers not only provide older Americans and Americans with disabilities with key services while keeping them in their homes, but also do so in a cost effective manner. In a 2019 estimate from Genworth,² the national median cost of adult day services is \$1,625 per month³, compared to more than \$4,000 for assisted living and more than \$7,500 for nursing home care. ADS represent a smart investment for aging services, and the loss of these providers could raise costs for consumers, states and the federal government.

Without a robust network of ADS providers, many people who currently receive ADS could be forced into more costly settings, such as nursing homes. A loss of ADS providers could also force family caregivers out of the workforce to provide full-time care.

COVID-19 Poses a Threat to Adult Day Services

The COVID-19 pandemic has caused severe financial difficulty for ADS providers across the country. While other aging services providers, including nursing homes and health agencies, are remaining open and delivering care during this period, ADS providers are facing closure. To limit the spread of the virus, a growing number of states and localities are requiring ADS providers to close and several across the country are doing so voluntarily. For those that remain open, significantly fewer people are showing up to receive services. As a result, we are seeing a collapse in revenue for ADS, including from public coverage (e.g., Medicaid) and from out-of-pocket payment for services.

Because ADS providers are losing revenue, they like other small businesses and entities across the country are in financial jeopardy on a long-term basis. More than half of ADS providers are free-standing organizations and not chain-affiliated (57%).⁴ If an ADS provider closes during the pandemic, there is no guarantee they will have the staff and/or financial resources to re-open afterwards. This could have long-term, negative implications for access to ADS nationwide and could jeopardize the long-term services and supports so many Americans and their families rely upon.

The Future of Adult Day Services Requires Federal Action

We respectfully urge Congress to ensure that any future legislation addressing COVID-19 provides guaranteed federal funds for adult day services providers. Such funding is necessary to ensure that the adult day services network is able to sustain throughout the COVID-19 pandemic and will be there to continue serving older Americans and Americans with disabilities after it ends.

Specifically, we request that \$422.5 million be made available to adult day services providers to cover one month of revenue loss.⁵ Such funding could be newly appropriated, or Congress could direct federal agencies to set funds aside for adult day services from funds appropriated in the CARES Act.

² Genworth, Cost of Care Survey, 2019 <https://www.genworth.com/aging-and-you/finances/cost-of-care.html>

³ The median daily cost of adult day services is \$75. The monthly figure represents 21-22 days of services per month.

⁴ Centers for Disease Control, National Study of Long-Term Care Providers, https://www.cdc.gov/nchs/data/nsltcp/2016_NSLTCP_ADSC_Weighted_Estimates.pdf

⁵ \$422.5 million represents one month of services (\$1,625) based on the Genworth data for 260,000 ADS participants.

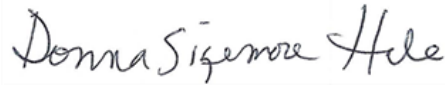
While a handful of states are taking steps to provide partial payments to ADS providers during the COVID-19 pandemic, most are not. Federal action is needed to support these organizations.

Thank you for considering this letter and supporting ADS providers and the people they serve. Please don't hesitate to reach out to us or have your staff reach out to Brendan Flinn (bflinn@leadingage.org) of LeadingAge or Roy Afflerbach (senioradvocacy@theafflerbachgroup.com) of NADSA.

Sincerely,



Katie Smith Sloan
President and Chief Executive Officer
LeadingAge



Donna Sizemore Hale
Executive Director
National Adult Day Services Association