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## The Battle over California's Adult Day Programs

Want to see the future of adult day programs for the frail elderly and adults with disabilities? Just watch what is happening in California, where 26,000 participants and the centers that care for them are struggling to manage state budget cuts and huge uncertainty.

Adult day programs can be a key support for the frail elderly or other adults with disabilities who are trying to live at home. They provide much-needed meals, exercise, companionship, and often an early warning system for health problems. They can also provide critical respite for family caregivers. They may, although the evidence is not clear, make it possible for people to stay at home and, at the same time, avoid unneeded hospitalizations.

But adult day is often funded by state Medicaid programs. And Medicaid, which is under severe financial stress, is looking to squeeze dollars from its burgeoning budgets. As I [wrote](#) last year, California, whose budget problems are worse than most, tried to end its support of adult day for 35,000 seniors and other adults with disabilities in nearly 300 centers. Had the cuts taken effect, most of those centers would have closed. Last year, California spent about \$169 million on adult day through its Medicaid program (called Medi-Cal).

In response, advocacy groups [sued](#) and the state settled. It agreed to continue to provide care for 9,000 of those who most need assistance. Each of the remaining 26,000 participants must now each be evaluated to determine if they meet tight new rules for eligibility. Nice story on this [assessment process](#) on *Kaiser Health News* today.

California officials believe that about half will be declared ineligible for financial support. They say they can save \$28 million this year and \$92 million next year.

It is not clear what the assessments and the inevitable appeals will cost, but it won't be cheap. And the *Kaiser* story suggests that most participants will eventually be found eligible even under the new criteria so it isn't clear how much money the state will save, even in the short run.

In the longer term, it is likely that at least some of those who are kicked out of the adult day programs will no longer be able to live at home, and may end up in nursing homes—at far greater cost to California. Nursing home care costs on average three times as much as an adult day program. But in today's budget environment, few elected officials are thinking about the long run.

The uncertainty has already taken a toll. *The [Los Angeles Times](#)* reports that 20 adult day programs closed last year in anticipation of the budget cuts and others remain in limbo. While some participants pay privately, most receive government assistance. Many centers are run by non-profits that face their own budget challenges.

Sadly, I suspect this story will be repeated elsewhere in the country.