



## CAADS “Raise Our CBAS Rates” Campaign Talking Points

### What is CAADS?

- The California Association for Adult Day Services represents 283 Community Based Adult Services (CBAS) providers that serve more than 35,000 frail, low-income elders in our state

### What are Community Based Adult Services (CBAS) centers?

- Community Based Adult Services (CBAS) provide life-affirming and life-saving services to one of California’s most vulnerable populations: Medi-Cal eligible frail elders, including those living with dementia, people with chronic disabling conditions, and people with disabilities.
- CBAS centers predominantly serve culturally and ethnically diverse populations, providing services in a culturally congruent manner.
- CBAS are licensed health facilities under the state Dept of Public Health.
- Medi-Cal Managed Care Organizations authorize and reimburse for services provided.

### What is our request?

- **Increase the base Medi-Cal published CBAS rate from the current \$76.27 to \$122.42.**
  - This reflects only the increase in inflation for adult day care between July 2009 (when ADHC rates were frozen during the Great Recession) and July 2023.
  - Two Managed Care Plans pay 10% below that: Molina and Blue Shield. They never passed the money on to the providers that they were given by the state when the Legislature removed the 10% rate cut in 2019.
  - The federal Veterans Administration pays between \$120 and \$197 per day for adult day care; transportation is paid at a separate rate.
- **Pass a law mandating that Managed Care Organizations cannot reimburse at a rate less the Medi-Cal published rate.**

### Why does CBAS need a rate increase?

- ADHC/CBAS used to get regular rate increases based on the nursing home rate increase each year. That stopped and the rate was frozen 14 years ago. But all requirements remain and have increased with the shift to Medi-Cal Managed Care plans as the payors today.

- Centers have closed in the past 18 months. We expect many more to close this coming year if help if there is no rate relief. The only way centers have kept doors open is to increase volume but many centers cannot increase the space they have.
- Centers cannot compete in a labor market where everyone in health care is “fishing from the same labor pool.” Rates are too low to pay staff competitive wages.
- Centers are taking a loss on Medi-Cal patients but have no other major payor. Medicare does not include CBAS because it is viewed as Long Term Care which Medicare does not pay for (ie, nursing homes are not covered by Medicare, either).
- This inequity is a problem only the Legislature can solve by raising the minimum CBAS rate, and mandating that Managed Care plans pay no less than and must pay a competitive, sustainable rate to keep access to services intact and grow to meet demand.

### **Why does this matter?**

- Seniors are the fastest growing demographic among unhoused people. One in five participants entered homelessness from an institution.
- The services provided at CBAS centers keep recipients out of institutions. All CBAS participants must meet strict eligibility, including nursing home level of care.
- CBAS is the antidote to social isolation, loneliness, and depression. The Surgeon General and WHO have identified loneliness as a cause of premature death and disease.
- CBAS services at the intersection of some of California’s most vulnerable populations, including racial and ethnic minorities, veterans, and survivors of domestic violence
- CBAS is considered a core service for meeting the goals of the Governor’s Master Plan for Aging and the Dept of Health Care Services CalAIM Initiative to transform Medi-Cal services.

### **For more information:**

- [Overview : Advocacy : California Association for Adult Day Services \(CAADS\)](#)