



The Facts About...

The Olmstead Decision

On June 22, 1999, the U.S. Supreme Court ruled in Olmstead v. L.C. that the unnecessary institutionalization of individuals with disabilities constitutes discrimination under the Americans with Disabilities Act (ADA.) The Olmstead decision found that failure to provide community-based services to persons with disabilities violates the ADA, which mandates that states provide their services, programs and activities “in the most integrated setting appropriate to the needs of qualified individuals with disabilities.”

The case was brought by two Georgia women who had failed to be de-institutionalized despite claims by treatment professionals that the two could be appropriately treated in a community-based setting. The Court ruled in response that states are required to provide community-based services as an alternative to institutional services when:

- (1) placement in such services is determined to be appropriate by the state’s treatment professionals;
- (2) the affected person does not oppose such placement; and
- (3) the placement can be reasonably accommodated given the state’s resources and taking into account the needs of others under the state’s care.

The state is further obligated to make modifications in any current policies, practices or procedures in order to avoid discrimination, unless the state can prove that these modifications would “fundamentally alter the nature of the service program or activity.” The qualifications for ‘fundamental alteration’ are measured in terms of cost of services, resources available to the state, and the how the abilities of the state to meet the needs of others with disabilities are affected.

This landmark decision proved a call to state programs everywhere to develop a system that promotes integration of people with disabilities into the social mainstream with equal opportunities and the chance to make choices. The U.S. Department of Health and Human Services (HHS) issued a report following the ruling designed to guide Medicaid directors in the creation of programs that more adequately serve the desires of disabled persons to live in community-based settings. Another letter from the Health Care Financing Administration (HFCA) also pinpointed the importance of Medicaid funding in meeting the principles outlined in Olmstead, and stressed the states’ need to use these funds to provide services in settings that range from institutions to fully integrated community settings.

**The Empire State Association of Adult Homes
and Assisted Living Facilities**

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In 2002, the New York State Legislature passed legislation that would create the Most Integrated Setting Coordinating Council, which would be responsible for developing and overseeing the implementation of a comprehensive plan to ensure that people of all ages with disabilities receive the services they need in the most integrated settings possible. The bill, A.9913B/S.7342A, was signed by Governor Pataki on September 17, 2002.

Source: Centers for Medicare and Medicaid Services (CMS)



Some Useful Sites About The Olmstead Decision...

- To view the legislation that would create the NYS Most Integrated Setting Coordinating Council:
 - [Assembly Bill A09913](#)
 - [Senate Bill S7342-A \(pdf\)](#)
- To view the January 14, 2000 letter from the U.S. Department of Health and Human Services to state Medicaid Directors regarding the Olmstead decision:
 - <http://www.cms.hhs.gov/states/letters/smd1140.asp>
- To view the July 22, 2002 letter from the NYS Department of Health to the chief executive officers of New York's hospitals regarding discharge planning in relation to the Olmstead decision:
 - [Click here for a pdf version](#)

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