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Topic:

Special Committee on Aging: Assisted Living Roundtable
March 15th, 1 p.m.-4 p.m., Hart 216, Washington D.C.

Assisted Living at the Dawn of America's "Age Wave": What have States and Providers Achieved, and how is the Federal Role Evolving?

Background:

In nearly all states across the country, the last two decades have witnessed the vigorous development of a sizeable assisted living sector, which now provides housing and services to an estimated one million older adults. The Senate Special Committee on Aging has a continuing interest in examining the state of assisted living, first holding hearings in 1999 and later calling for the appointment of a stakeholder-driven "Assisted Living Workgroup" in 2001. In April 2003, at a hearing convened by the Aging Committee, the Workgroup issued a report featuring several dozen recommendations for states to consider in the development of appropriate standards for the organization and oversight of this vital sector.

Seven years later, the Special Committee on Aging is hosting an Assisted Living Roundtable on March 15, 2011, to examine the current state of public financing of assisted living services, together with public financing of housing that includes assisted living services. The discussion and analysis of eighteen selected participants is expected to inform what the expansion of assisted living portends in an era when 78 million baby boomers will be retiring.

Issue:

The principal issues that will be examined and analyzed by Roundtable participants are:

1. Quality and oversight of assisted living, including consumer disclosure;
2. Affordability and reimbursement policies, including public financing through housing tax credits and subsidies, and private payment supplementation;
3. Access and discharge issues.

Participants:

Moderator:

Susan Dentzer, Editor-in-Chief, Health Affairs

States:

[Christy Allen](#), Assistant Commissioner, Bureau of Health Licensure and Regulation, Tennessee Department of Health

[Krista Hughes](#), Director, Division of Aging and Adult Services, Arkansas Department of Health and Human Services

[Julie Strauss](#), Office of Licensing and Quality of Care, Seniors and People with Disabilities Division, Oregon Department of Human Services

[Irene Collins](#), Commissioner, Alabama Department of Senior Services

[Kevin Coughlin](#), Director, Wisconsin Bureau of Assisted Living

Federal:

[Barbara Edwards](#), Director, Disabled and Elderly Health Programs Group, CMS

[Henry Claypool](#), Director, Office of Disability, HHS

[Michael Vaughn](#), Acting Director, Asset Management and Lender Relations, Office of Residential Care Facilities, Office of Healthcare Programs, HUD

Industry:

[Brenda Bacon](#), President and CEO, Brandywine Senior Living

[Patricia Will](#), CEO, Belmont Village Senior Living

[Howard Groff](#), President, Tealwood Care Centers

Advocates:

[Kevin Coughlin](#), Director, Wisconsin Bureau of Assisted Living

[Eric Carlson](#), Directing Attorney, National Senior Citizen's Law Center

[Josh Allen](#), President, American Assisted Living Nurses Association

Experts:

[Larry Polivka](#), Executive Director, Claude Pepper Center

[Martha Roherty](#), Executive Director, National Association of States United for Aging and Disabilities (NASUAD)

[Robert Jenkins](#), Director – The Green House Project, NCB Capital Impact

[Charley Reed](#), Member, Board of Directors, AARP

[Barbara Lyons](#), Senior Vice President – Kaiser Family Foundation, Director – Kaiser Commission on Medicaid and the Uninsured

Summary:

Three hours of spirited debate surrounding the issues of quality, affordability and access. Overall the discussion supported assisted living as an important and viable choice in long term care. The states participating varied regarding Medicaid in assisted living from Alabama that has no Medicaid waiver for assisted living to Oregon which utilizes the Medicaid waiver for full entitlement. Wisconsin, Tennessee and Arkansas fell somewhere in between these two extremes. There was positive discussion about trying to get more collaboration between HUD and HHS to connect housing and services for persons with disabilities and older adults. The possibility of a more streamlined process and more tax credits and subsidies for the housing component can ease the pressure on Medicaid. There was consensus that there should be a “floor” of services available for assisted living for a Medicaid eligible resident in assisted living and there was much debate over whether there should be a “ceiling” or not. Data was shared about the increasing

number of people utilizing assisted living including the increase in Medicaid covering assisted living costs. Estimates show this will only be increasing as the baby boom generation ages. The most spirited debate surrounded the discharge of residents who spend down and become Medicaid eligible. The advocacy representatives strongly urged legislation that would require an assisted living community to take someone who spends down and they have a contract for Medicaid. On the industry side of the debate there is concern that the AL communities need to have a proper case mix of “private pay” vs. “Medicaid” to sustain adequate operations because the Medicaid rates are not adequate. In response to some of the high profile discharges that occurred with Assisted Living Concepts, Inc. some states have passed laws. New Jersey requires AL Communities to admit Medicaid waiver residents of at least 10% of their capacity. Oregon requires an AL Community that has a Medicaid contract to allow any person who spends down to stay in the facility. This topic also brought up a discussion about admission disclosure statements. There seemed to be general consensus that having a robust standard disclosure statement that addresses costs, services, discharge, staff and physical environment would help improve consumer knowledge of the vast differences in assisted living. Another hot debate surrounded “negotiated risk agreements” although the advocate involved took the discussion to a place that was not relevant. Unfortunately in the end it was a lot of discussion about a topic that is not that important or relevant at this time. There seemed to be no indication that the federal government should have an expanded role in the area of regulation and oversight.

The moderator summarized the following conversations that may go forward:

- Sources of financing for assisted living capital that can be obtained and how to better implement the process. This can open the door to more “affordable assisted living” that can help the Medicaid program.
- Admission disclosure statements which also needs to address discharge issues
- What should be the floor of services available for a Medicaid eligible person within assisted living and the potential for discussion of a ceiling
- Possibly look at states that have managed long term care like Arizona and Wisconsin

U.S. Senate Special Committee on Aging website – View the webcast and all documents submitted will be posted:

http://aging.senate.gov/hearing_detail.cfm?id=331935&