

ASSISTED LIVING

Issue

- The need to retain a state-based regulatory system for assisted living.
- The lack of adequate public funding for assisted living and all long term care settings.
- The lack of adequate numbers of caregivers, including licensed nurses, certified nursing assistants and non-certified caregivers.
- The inability to access funds from the Department of Veterans Affairs to care for veterans in existing assisted living facilities.

NCAL Proposal

The National Center for Assisted Living (NCAL) is the assisted living voice of the American Health Care Association (AHCA), the nation's largest organization representing the providers of long term care. NCAL's broad objectives focus on ensuring quality care and access to assisted living. NCAL believes the elderly and people with disabilities must have access to all long term care services and the resources to pay for those services.

- NCAL believes that states are in the best position to regulate the evolving assisted living profession. States can utilize the report produced by the Senate-mandated Assisted Living Workgroup (ALW) - a group comprised of 50 consumer and provider organizations. The report contains 110 recommendations focused on providing quality assisted living.
- NCAL believes that the public funding (Medicaid) of long term care is inadequate to ensure quality care and adequate consumer choice and access.
- NCAL supports S.2072 by Senator Craig, which provides for a 50% tax credit for qualified expenses for elder care in various settings such as adult daycare, home care, respite care and assisted living care services. NCAL believes this bill should be expanded to include all long term care settings.
- There must be a multi-pronged approach to address the caregiver shortage.
 - ✓ NCAL proposes enactment of a labor and staffing initiative that improves the long term care profession's ability to recruit, train, and retain high quality caregivers.
 - ✓ NCAL proposes that Congress pass comprehensive immigration reform to help provide an adequate supply of caregivers that are needed to ensure workforce stability.
 - ✓ NCAL proposes that Congress create income tax incentives for front line long term care workers.
- NCAL supports creation of a national criminal background check system to screen prospective employees in a timely manner and protect vulnerable residents against harm and abuse. This system should be used by all providers of long term care and funded by the federal government.
- NCAL supports the use of existing assisted living facilities to provide care for our veterans.

Background

Regulation of Assisted Living

Assisted living has developed and grown as a long term care option because of its emphasis on choice, dignity, privacy and independence. While there are variations in how states regulate assisted living, the greater freedom that states have to design their own systems makes for more responsive and proactive oversight. The Assistant Secretary for Policy and Evaluation (ASPE) in the U.S. Department of Health and Human Services released a report in early 2004 titled "Using Medicaid to Cover Services for Elderly Persons in Residential Care Settings: State Policy Maker and Stakeholder Views in Six States." Nearly every respondent (including state staff and policy makers, residential care providers, representatives of provider and consumer organizations, and academic experts and policy analysts) who was interviewed in the six states studied by ASPE believed that licensing and regulation of assisted living were state functions and there should be no national regulations for assisted living.

Public Funding of Long Term Care

Medicaid is the primary payer source for long term care services in America. Although it is a relatively new payer source (through Medicaid waivers) for assisted living services, trends indicate that it is steadily growing. With the *Olmstead* ruling, there will be increased emphasis at the state level to allow individuals to choose their place of residence, with a clear direction to the states to provide care in the least restrictive environment. This option may not always be the most cost-effective in terms of provision of care, and Medicaid dollars will be in even greater demand.

Research finds that long term care insurance holds the greatest potential for expanding consumer choice and access to quality long term care in the setting of their choice. While legislative proposals for an "above-the-line" deduction for long term care insurance premiums offers the best means of increasing long term care insurance market penetration, a targeted, refundable tax credit holds the greatest potential for lessening a growing dependence on Medicaid for long term care services.

Caregiver Shortage

In all health care settings today, labor shortages are problematic. A great deal of attention has focused on the shortage of registered nurses in this country. There is also a severe shortage of licensed practical nurses and frontline caregivers, such as certified nurse aides (CNAs), resident assistants, and personal care aides. According to a recent GAO report, there will be an additional 800,000 nurse aides needed in assisted living and nursing facilities within the next seven years.

Criminal Background Checks

A majority of states have enacted various background check requirements for employees who work with the vulnerable, elderly and disabled populations. These systems are not interconnected. Criminals can leave one state and easily gain employment in another. Creation of a national criminal background check system would alleviate this problem and work to protect residents against potential harm and abuse.

Veterans Affairs

There has been a small pilot-project underway in the Pacific Northwest utilizing Department of Veterans Affairs funds for veterans living and receiving care in existing assisted living facilities. However, in general veterans who wish to use their long term care benefits provided by the VA are not able to use them in existing assisted living facilities.

Status

- NCAL is working with other national organizations to create the Center for Excellence in Assisted Living (CEAL). CEAL will be a national clearing house for information, research and effective practices related to assisted living. CEAL will be a resource for states, providers and consumers to develop and assess quality assisted living.
- NCAL is educating members of Congress and the general public on the current under-funding crisis.

- NCAL is in ongoing discussions and lobbying efforts to urge the enactment of immigration legislation to address the shortage of skilled and unskilled caregivers.
- NCAL supports S. 2072, and will work with Senator Craig to pass the best possible version of this legislation.
- A report examining the VA pilot project is expected to be released in spring or early summer 2004.

Action

- Members of Congress and the U.S. Senate should support legislation improving quality of care for America's seniors through adequate funding of all long term care.
- NCAL supports legislation creating recruitment/retention/training grants, tax incentives and immigration reform for long term care workers to address the causes of the labor crisis affecting the delivery of long term care in this country.
- NCAL will continue to support the enactment of tax incentives to promote increased access to and individual reliance on long term care insurance to finance their future care needs.
- NCAL supports enactment of legislation that establishes a federally funded, national criminal background check system that allows efficient and timely screening of prospective employees in all settings.
- NCAL will work to remove any barriers to the flow of Veterans Administration funds to assisted living.

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