

PRIORITY BILLS OF THE OLDER IOWANS LEGISLATURE FOR THE 2012 IOWA GENERAL ASSEMBLY

PARITY REIMBURSEMENT FOR HOME AND COMMUNITY-BASED SERVICES IN IOWA

This bill requests that the reimbursement rate be recalculated annually for providers of services under a medical assistance home and community based services waiver. The annual inflation factor applied is to be determined based on the skilled nursing facility market basket services of the United States Department of Health and Human Services. Parity reimbursement will save the state money by assuring adequate HCBS providers are available to enable frail elderly to safely remain in their homes instead of having to enter more expensive nursing home facilities. The taxpayers will save \$3.657 million annually if just one person per county is enabled to remain at home instead of going to a nursing home.

FUNDING FOR THE IOWA DEPARTMENT ON AGING AND THE IOWA AREA AGENCIES ON AGING

The Iowa Department on Aging and the Iowa Area Agencies on Aging provide services important to the wellbeing of seniors throughout the state. Together they served more than 70,600 seniors in FY 2010. These services include case management, chore services, material aid, emergency response, evidence-based health promotion programs, transportation, home delivered meals, personal care and adult day care.

This bill requests funding for these agencies be restored to FY 2010 levels and additional funding be provided to cover reorganization costs associated with HF 45. Inadequate funding will result in an increase in the unmet needs of seniors.

STRENGTHEN ASSISTED LIVING FACILITIES IN IOWA

Because Iowa has a growing elderly population and assisted living is a growing industry in Iowa, this bill requests changes be made in the Administrative Code and the Iowa Code to insure quality care and that administration and staff of assisted living facilities have the training and/or experience necessary to ensure understanding of the needs of the elderly.

EXPANDING THE LONG-TERM OMBUDSMAN PROGRAM IN IOWA

OIL believes the long-term care ombudsman program has proven to be an effective way of addressing the needs of residents by working with administrators and staff of licensed facilities to improve the quality of care. This bill requests that a Volunteer Ombudsman Program be established and that an additional local ombudsman be hired each year until the current staff of eight ombudsmen is increased to 15.

TOP PRIORITY BILL OF THE OLDER IOWANS LEGISLATURE FOR
THE 2012 IOWA GENERAL ASSEMBLY

**PARITY REIMBURSEMENT FOR HOME AND
COMMUNITY-BASED SERVICES IN IOWA**

A BILL FOR

An act relating to reimbursement under the medical assistance home and community based services waiver for the elderly.

BE IT ENACTED BY THE OLDER IOWANS LEGISLATURE

Section 1. NEW SECTION.249a.30b HOME AND COMMUNITY BASED SERVICES WAIVER=ELDERLY=REIMBURSEMENT.

The reimbursement for a provider of services under a medical assistance program home and community-based services waiver for the elderly shall be recalculated annually on July. The annual inflation factor applied shall be determined based on the total skilled nursing facility market basket index utilized by the centers for Medicare and Medicaid services of the United States Department of Health and Human Services.

EXPLANATION

This bill requires the reimbursement for providers of services under a medical assistance home and community based services waiver for the elderly to be recalculated annually on July 1. The annual inflation factor applied is to be determined based on the skilled nursing facility market basket services of the United States Department of Health and Human Services.

EFFECTIVE DATE: This Bill shall be effective July 1, 2012.

FINANCIAL IMPACT: The annual recalculation will be funded through the general health and welfare services appropriation and will be possible through the savings of utilizing home and community based services.

INFORMATION FOR THE OIL TOP PRIORITY BILL – PARITY REIMBURSEMENT

AARP research indicates that all persons wish to continue to live in their own homes as long as possible. For this to occur it is imperative that there be Home and Community Based Services (HCBS). However, because of the low reimbursement rate, new providers are not entering the field and old providers are discontinuing Medicaid services because they are losing money.

The attached parity bill will help to reverse this trend. It will also **save money**, since the cost of HCBS is far less than institutional care.

According to the most recent Medicaid expenditure data, Home and Community Based Services Elderly Waiver show a cost per month of **\$606.52** per resident versus Nursing Facility care at a cost of **\$3,654.18**.

The Thomson Rueters state profile tool report for IDA said that using CMSD, MDS 2.0 Active Resident information for second Quarter of 2008 and census bureau (population estimated)..

- 1) Approximately **9,700** individuals would not be in a nursing facility if Iowa's utilization was the same as the national average.
- 2) Approximately **5,800** individuals would not be in a nursing facility if Iowa's utilization was the average of the six neighboring states.

The reality of determining an accurate number, based safety, actual ADL's assessment and availability of services would have a major impact on determining a true number that might be able to be served through available/enhanced Home and Community Based Service options.

Using the above figures you can note below the potential savings.

$9,700 \times 3,654.18 = 35,445,546 \times 12 \text{ months} = 425,346,552$ Cost in nursing facilities
 $9,700 \times 606.52 = 5,883,244 \times 12 \text{ months} = 70,598,928$ Cost Elderly Waiver

\$354,747,624 Potential Annual

Savings

$5,800 \times 3,654.18 = 21,194,244 \times 12 \text{ months} = 254,330,928$ Cost in nursing facilities
 $5,800 \times 606.52 = 3,517,816 \times 12 \text{ months} = 43,213,792$ Cost Elderly Waiver

\$212,117,136 Potential Annual

Savings

The cost saving is \$3,047.66 per month (\$3,654.18 minus \$606.52), for each person who is provided HCBS that enables them to stay in their home rather than being institutionalized.

That is a cost saving per year of \$36,571.92. ($\$3,047.66 \times 12$).

IF only 100 persons in the coming year were able to avoid institutionalization (that is about one person per county) **the savings would be \$3,657,000.** And, each year this number would grow.

This is a win-win situation. It helps to enable persons to stay in their homes and it saves money.

PRIORITY BILL OF THE OLDER IOWANS LEGISLATURE FOR THE
2012 IOWA GENERAL ASSEMBLY

**FUNDING FOR THE IOWA DEPARTMENT ON AGING
AND THE IOWA AREA AGENCIES ON AGING**

A BILL FOR

An act related to funding for the Iowa Department on Aging and the Iowa Area Agencies on Aging in Iowa to provide critical support and advocacy for at risk and frail elders in Iowa.

Whereas, the Iowa Department on Aging in partnership with the Iowa Area Agencies on Aging served 70,663 seniors in FY 10, and

Whereas, state funding helped to fund services such as: case management, chore services, material aid, emergency response, evidence-based health promotion programs, transportation, home delivered meals, personal care, and adult day care that helped older adults prevent institutionalization, and

Whereas, the older adult population in Iowa continues to grow faster than any other age group in Iowa,

Therefore,

BE IT ENACTED BY THE OLDER IOWANS LEGISLATURE

The Assembly of the State of Iowa shall initiate an appropriation for the purpose of funding the Iowa Department on Aging and the Area Agencies on Aging in Iowa.

EXPLANATION

The Iowa Department on Aging and the Iowa Area Agencies on Aging provide advocacy and cost effective services that support the independence and dignity of older adults in Iowa. The partnership between the Iowa

Department on Aging and the Area Agencies on Aging in Iowa enables a range of home and community based services for older adults to be available. State funding has been reduced and current unmet needs and critical services for frail and at risk seniors remain unfunded or underfunded. State resources to support home and community based services is essential to reduce and slow the growth of long term care expenditures and meet the mandate of the Olmstead Decision. The appropriation would restore funding to the Iowa Department on Aging and the Iowa Area Agencies on Aging to FY11 levels. The appropriation would begin to address the unmet needs of seniors identified in the Iowa Department on Aging Unmet Needs Report compiled from data submitted by the Case Management Program for Frail Elders. Iowa state administrative rules are being developed for two new services that will be able to be provided under the Iowa Department on Aging Elderly Services Fund (Elder Abuse Intervention and Protection), but no additional funds have been allocated to provide these services. The appropriation would support the Iowa Department on Aging and the Iowa Area Agencies on Aging's ability to fund and expand these two services. The appropriation would support the development of a state wide system of Aging and Disability Resource Centers (ADRC). Finally, this appropriation includes funding to support the reduction of the number of AAA in Iowa per HF 45.

EFFECTIVE DATE: This bill shall be effective July 1, 2012

FINANCIAL IMPACT: Total \$19,640,000

The following outlines expenditures in each category.

Iowa Department on Aging and Area Agencies on Aging funding for direct home and community based services.	\$11,850,000
Statewide Aging and Disability Resource Center system	\$2,500,000
Elder Abuse Intervention and Protection	\$2,600,000
Reduction of Area Agencies on Aging	\$ 390,000
Unmet service needs	\$2,300,000

TOTAL

\$19,640,000

PRIORITY BILL OF THE OLDER IOWANS LEGISLATURE FOR THE
2012 IOWA GENERAL ASSEMBLY

STRENGTHEN ASSISTED LIVING FACILITIES IN IOWA

A BILL FOR

An act for the General Assembly to make changes in the Iowa Administrative Code and the Iowa Code to help strength assisted living facilities.

Whereas, Iowa has a growing elderly population, and

Whereas, Assisted Living is a growing industry in Iowa, and

Whereas, it is necessary that administration and staff of assisted living facilities have training and/or experience necessary to ensure understanding of the needs of the elderly, and

Whereas, changes in the Administrative Code and the Iowa Code would help to insure quality care, and

Whereas, when residents of Assisted Living Facilities age there are safety and abuse concerns.

Therefore

BE IT ENACTED BY THE OLDER IOWANS LEGISLATURE

1. That the General Assembly shall pass legislation that strengthens the assisted living facilities by making the following changes in 481. Chapter 69 – Assisted Living Programs of the Iowa Administrative Code.

A. 481 - 69.22(1) *Evaluation prior to occupancy.* A program shall evaluate each prospective tenant's functional, cognitive and mental health status prior to the tenant's signing the occupancy agreement

and taking occupancy of a dwelling unit in order to determine the tenant's eligibility for the program, including whether the services needed are available. Each program shall use one or two of the standard assessment tools selected by the department.

B. 69.26(4) The service plan shall be individualized and shall indicate, at a minimum:

- a.* The tenant's identified needs and preferences for assistance;
- b.* Any services and care to be provided pursuant to the occupancy agreement;
- c.* The service provider(s), if other than the program, including but not limited to providers of hospice care, home health care, occupational therapy, and physical therapy;
- d.* For tenants who are unable to plan their own activities, including tenants with dementia, daily planned and spontaneous activities based on the tenant's abilities, personal interests and individual assessment; and
- e.* Preferences, if any, of the tenant or the tenant's legal representative for nursing facility care, if the need for nursing facility care presents itself during the assisted living program occupancy
- f.* The level of staff needed to provide the care outlined in the care plan.

C. 69.28(1) The program shall ensure that the nutritional needs of each tenant is met as reflected in the tenants service plan. The program shall provide, at a minimum one hot meal a day to all tenants and up to three meals a day for tenants who require this service.

D. 69.29(5) All programs employing a new program manager after January 1, 2013, shall require the manager to have at a minimum a combination of 3 years of study or experience related to older adults and within six months of hire to complete an assisted living management class whose curriculum includes at least six hours of training specifically related to Iowa rules and laws on assisted living programs. Managers who have completed a similar training prior to January 1, 2013, shall not be required to complete additional training to meet this requirement.

2. That the General Assembly shall pass legislation that strengthens the assisted living facilities by making the following changes in Section 231C of the Iowa Code.

A. Section 231C.1, subsection 2, paragraph b, Code 1 2011, is amended to read as follows: *b.* To establish standards for assisted living programs that allow flexibility in design which promotes a social model of service delivery by focusing on independence, individual needs and desires, and consumer-driven quality of service, and that provide consumer protections to ensure program transparency, oversight, and accountability.

B. Sec. 2. Section 231C.1, subsection 3, Code 2011, is amended to read as follows: 3. It is the intent of the general assembly that the department promote a social model for assisted living programs , provide consistent standards and oversight to ensure protection of

consumers, and utilize a consultative process to assist with compliance by assisted living programs.

C. Sec. 3. Section 231C.2, subsection 2, Code 2011, is amended to read as follows:

172. *a. "Assisted living"* means the provision of a social model of housing with services to three or more tenants in which: (1) The services offered include but are not limited to, at a minimum, health-related care, or personal care, or both, and may include assistance with instrumental activities of daily living to three or more tenants. (2) The housing is provided in a physical structure which offers a homelike environment that balances individual privacy with the benefits of social interaction. (3) The social model provides an environment that supports each tenant in maximizing the tenant's highest practicable level of well-being through individualized, stimulating, and purposeful activities; connections to and interaction with the outside community; and other interventions that assist a tenant in maintaining optimal independence while delaying further decline from any existing medical, cognitive, or functional condition.

b. "Assisted living" also includes encouragement of family involvement, tenant self-direction, and tenant participation in decisions that emphasize choice, dignity, privacy, individuality, shared risk, and independence, commensurate with the tenant's health, cognitive, mental health and functional status.

c. "Assisted living" includes access to twenty-four hours per day awake staff to meet a tenant's scheduled and unscheduled or unpredictable needs, commensurate with the tenant's health, cognitive, mental health and functional status, in a manner that promotes maximum dignity and independence and provides supervision, safety, and security.

D. 231c5. Written occupancy agreement: The occupancy agreement shall also include the circumstances under which fees, charges, or rates are subject to change, and the process by which such changes are made including but not limited to provision of timely notice.

The occupancy agreement shall specifically state the type and level of services the program can provide and the specific health, cognitive, mental health or functional conditions that, by law, prohibit initial occupancy or may necessitate subsequent transfer or involuntary transfer.

EXPLANATION

This bill seeks to make changes in the Iowa Code and the Iowa Administrative Code to help ensure that the residents in the assisted living facilities of Iowa receive quality care.

EFFECTIVE DATE: July 1, 2012

FINANCIAL IMPACT: None

PRIORITY BILL OF THE OLDER IOWANS LEGISLATURE FOR THE
2012 IOWA GENERAL ASSEMBLY

**EXPANDING THE LONG-TERM OMBUDSMAN
PROGRAM IN IOWA**

A BILL FOR

An act to expand the long-term care ombudsman program in Iowa and to insure adequate staffing in Iowa's long-term care facilities.

Whereas, one of the responsibilities of the State is to insure quality care of residents of Iowa's licensed facilities, and

Whereas, the long-term care ombudsman program has proven to be an effective way of addressing the needs of residents and working with the administrators and staff of licensed facilities to improve the quality of care, and

Whereas, the Resident Advocate Committee has not been funded in recent years, and

Whereas, the state has the authority to establish a Volunteer Long-Term Care Ombudsman program, and is only one of four that has not established a Volunteer Long-Term Care Ombudsman program, and

Whereas, the recommendation that there be one long-term care ombudsman for each 2,000 beds would mean that the state should have 26 local ombudsman instead of the current eight, and

Whereas, staffing, adequate in terms of numbers and training, is the major component of quality care.

Therefore,

BE IT ENACTED BY THE OLDER IOWANS LEGISLATURE

That the Iowa General Assembly:

1. Develop a Volunteer Long-Term care Ombudsman Program with all the duties and authority allowed by federal law, including, but not limited to assisting local ombudsmen with preliminary investigations and follow-up, and providing routine monitoring of facilities to help meet the mandate in the Older Americans Act. Volunteer Ombudsmen would offer an intimate knowledge of a facility (nursing home, assisted living, residential care or elder group homes), would decrease response time, and would be able to provide additional follow-up after concerns have been resolved to ensure resident satisfaction.
2. Increase the number of local long-term care ombudsmen from eight to fifteen. Adding one a year. While the long-term care ombudsmen have not had to refuse service to anyone, monitoring, education and community education have been sidetracked.
3. Establish a volunteer committee of interested citizens, providers, and the State Long-Term Care Ombudsman to work with the Departments of Inspections and Appeals and DHS to study and recommend to the departments the best ways of interpreting the phrase “sufficient staff” that is used in the state rules. Most experts in the field identify “staffing” as a key factor in client satisfaction and in the quality of care. The utilization of the care plans for the various clients, along with best practices, can serve as a basis for developing a definition and method of measuring “sufficient staff”. This committee could review the national research on this topic and current practices in Iowa and make recommendations for code/rule changes.

EXPLANATION

This bill seeks to address ways of improving the quality of care in long-term care facilities through the establishment of a Volunteer Long-Term Care Ombudsman Program, increasing the number of local long-term care ombudsmen, developing a way of defining and establishing measures of what is meant by sufficient staff.

EFFECTIVE DATE: July 1, 2012

FISCAL NOTE:

Volunteer Long-Term Care Ombudsman Program: **\$100,000**

Increase the number of ombudsmen: **\$100,000**

Cost per ombudsman \$100,000. Start with eight and add one a year until the state has fifteen.

Volunteer Committee: **\$0**

There is a County Task Force on Aging that has begun this exploration. This bill merely recognizes their efforts and assures them that the various departments will be open to working with them and considering their recommendations.