



**RECOMMENDATIONS TO THE
GEORGIA HOUSE
STUDY COMMITTEE ON
INNOVATIVE FINANCIAL OPTIONS
FOR SENIOR HOUSING**

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Introduction

LeadingAge Georgia, Inc. appreciates the opportunity to submit these recommendations to the Georgia House Study Committees on Innovative Financial Options for Senior Living. Leading Age commends the members of the Study Committee for thinking creatively.

Recommendations

1. *Amend the Georgia statute on “Regulation and Licensing of Assisted Living Communities” (GA Code Ann. 31-12.2), subsection (i), to allow the expenditure of Medicaid funds in assisted living communities for home and community-based services (HCBS), i.e. for purposes other than room and board.*

The passage of legislation in 2011 creating another level of residential care, assisted living community (ALC), was the culmination of years of advocacy by the senior community. It implemented a recommendation that emanated from the predecessor of the Department of Community Health noting that Georgians needed another option between personal care homes in Georgia and skilled nursing facilities (i.e. “nursing homes”). The rationale was both to provide another level of support to seniors and others who needed more than personal care home services but less than those offered 24 hours per day by nursing homes, and to be cost effective, since such care would be less expensive than skilled nursing.

The benefits and cost effectiveness of home and community-based services have long been accepted. Unfortunately the Georgia assisted living statute stops short of allowing Medicaid funds in ALCs, thus limiting ALCs to serve residents who have sufficient income to be “private pay.” Amending the Georgia law to allow Medicaid funds to be used for HCBS in assisted living communities would rectify this problem.

2. *As a companion to the above recommendation, amend the definition of an “assisted living community” [found in GA Code Ann. 31-7-12.2(b)(3)] to eliminate the requirement that an ALC have a minimum of 25 beds.*

The 25 bed standard appears to be based upon an implicit, state policy that home and community based services are not appropriate in residences that have more than 25 beds, thus making such residences “institutional.” However, levels of residential care should be based upon services provided, not an arbitrary bed limit.

3. *Review and refine the levels of residential care in Georgia and consider an approach like that of Florida which has a standard license and two “sub-levels” of care in assisted living.*

In Florida besides the standard “assisted living facility license there are three “specialty” licenses: Extended congregate care (ECC); Limited nursing services (LNS); and Limited Mental Health. The first two ECC and LNS are in descending order of care, and the third,

limited mental health is actually not specifically focused on seniors. While these levels and their nomenclature may not be the precise ones most appropriate for Georgia, the flexibility of further residential options is worthy of consideration in order to meet the varying degrees of acuity of the residents in the most cost effective manner.

4. *Pursue legislation to allow use of the term “assisted living” to describe and market services in personal care homes as well as in assisted living communities.*

The 2011 passage of the ALC law was intended to further allow people more options to age in place. However, the Department of Community Health promulgated rules based upon an obscure section of the statute saying that “assisted living” or any derivative can only be used by residences licensed as “assisted living communities.”

Since the term “assisted living” is used by consumers when seeking residential options in licensed residential settings which do not provide skilled nursing, this restriction is both a disservice to consumers and at odds with the use of the term “assisted living” in almost all other states where it describes services such as 24 hour oversight and assistance with activities of daily living (ADLs), e.g. eating, bathing, toileting.

Besides confusing the consumer, the restricted use of the term “assisted living” results in about 90% of the market (personal care homes) being precluded from using the marketing term that it has used for years. Making this change would also dovetail with the consideration of other levels of residential housing.

5. *Recommend that the state apply for a Medicaid waiver to augment HCBS services in residential and other settings to seniors who meet income qualifications for Medicaid now available under CCSP and SOURCE, but whose condition is less acute than that of persons in need of skilled nursing care.*

Georgia’s current HCBS waivers are physical limitation waivers (i.e. the recipient must medically assessed to qualify functionally for nursing home care to receive waiver services in the community). However, these criteria often preclude less acute seniors and persons with disabilities or illnesses such as dementia, from receiving services.

Therefore, LeadingAge applauds Rep. Jesse Petrea’s creative proposal to provide Medicaid funds for waived memory care units. However, Leading Age would ask that the waiver not be limited to funding residential services. Other programs such as adult day (health) centers also provide services which enable persons, including those with early dementia, to remain in the community and avoid more expensive institutionalization.

Summary

Again, LeadingAge Georgia appreciates the opportunity to provide input to the House Study Committees on Innovative Financial Options for Senior Living, and we believe our recommendations will both provide further residential options for seniors and be cost effective for the state of Georgia.