

Approved: 3-26-97
Date

MINUTES OF THE SENATE COMMITTEE ON PUBLIC HEALTH AND WELFARE.

The meeting was called to order by Chair Sandy Praeger at 10:00 a.m. on March 24, 1997 in Room 526-S of the Capitol.

All members were present except:

Committee staff present:

Norman Furse, Revisor of Statutes
Jo Ann Bunten, Committee Secretary

Conferees appearing before the committee:

John Federico, The Sterling House Corporation

Others attending: See attached list

Continued Hearing on HB 2185 - Adult care home administrators continuing education sponsors

John Federico, representing The Sterling House Corporation, testified in opposition to HB 2185 stating that the House amendments to the bill would jeopardize the growth of the assisted living industry. He outlined several of the changes they oppose such as the educational requirements for operators of assisted living facilities and decertifying nursing home beds. (Attachment 1)

Discussion and Recommendations on HB 2185

Joe Kroll, Director of Adult and Child Care, Kansas Department of Health and Environment, was asked by the Chair to update the Committee on the adoption of rules and regulations that were recently implemented for 1995 SB 8 that established assisted living and residential health care facilities under the Adult Care Home statute. Mr. Kroll noted that the regulations were based around the concept of a negotiated service agreement, and KDHE wanted to protect the concept of the consumer or the resident being able to "age-in-place" and negotiate and select the services that would be provided by the assisted living facility. He also confirmed there has been a 250% conversion growth since the effective date of SB 8. SRS also has identified approximately 1300 nursing home residents across the state that may not need to be in the care of a nursing home facility. Mr. Kroll noted that KDHE, SRS and Aging received opposition from the nursing home industry to waive those residents from the full nursing home facility requirements. The residents would then be eligible for reimbursement under the Life Program and not have to leave the facility. Mr. Kroll also pointed out that the physical environment, the philosophy and the service delivery systems have to be in place in order to allow the case management system to work.

John Grace, Kansas Association of Homes and Services for the Aging, also commented that the bill is designed to give residents in rural areas an opportunity to have assisted living or residential health care in a partial wing of a facility, and the facility would have to meet the regulations that are put forth and monitored by the department. He noted that SRS has identified Medicaid eligible people who do not need full nursing home care, and SRS will continue to put pressure on nursing facilities to move people out or not admit people in nursing homes unless they are in need of heavy care.

During Committee discussion, it was pointed out that there may be a problem and not enough people in the rural areas to create a market demand for two different types of care in one nursing facility as would be required in the bill. It was also suggested the issue be studied during the interim.

The Chair appointed a subcommittee consisting of Senator Hardenburger, Chair, and Senator Becker and Senator Lee to study and make recommendations to the Committee on HB 2185.

Adjournment

The meeting was adjourned at 11:00 a.m.

The next meeting is scheduled for March 25, 1997.

SENATE PUBLIC HEALTH AND WELFARE COMMITTEE
GUEST LIST

DATE: 3-24-97

NAME	REPRESENTING
Sandra Strand	Ks Advocates for Better Care
John Federico	Pete McGill & Assoc
Amy Campbell	R. Rice Law Office
John Braun	KAKSA
OTZhu	"
Jack Keene	KAMF

**TESTIMONY IN OPPOSITION TO
HB 2185**

**OFFERED
BY**

JOHN FEDERICO

**OF
PETE MCGILL & ASSOCIATES**

ON BEHALF OF

**THE STERLING HOUSE CORPORATION
PUBLIC HEALTH & WELFARE COMMITTEE**

MARCH 18, 1997

We stand before you today to oppose several of the proposed changes offered in HB 2185. We do so because we feel they will jeopardize the growth of the assisted living industry, an industry that has proven, in a very short period of time, to be an extremely popular living option for our senior citizen population.

Educational/Experience Mandates For Operators of Assisted Living Facilities

One concern we have is with the educational/industry experience requirements for "Operators" of assisted living facilities. We are strongly opposed to this proposal because we feel it is unnecessary, overly burdensome and will ultimately result in increased costs to seniors. The end result could be that as costs increase, this long term care option will be placed out of the financial reach of more and more frail elderly Kansans and/or cause them to prematurely spend down their assets.

There is no evidence that educational requirements, in any subjects, result in better care for consumers. There are systems already in place to train operators and were developed with the specific focus and philosophy of the assisted living industry in mind. Educating operators in the concepts which make assisted living unique will be of much greater benefit to consumers than will be requiring that operators obtain an associate degree with a liberal arts curriculum.

Furthermore, this requirement will significantly decrease the pool of qualified applicants to fill positions across the state. It will be especially difficult to attract qualified applicants to the smaller, rural markets.

Decertifying Nursing Home Beds

The intent of SB 8 with regards to the assisted living concept was to establish a unique, recognizable, and more affordable long-term care alternative for the frail elderly of Kansas.

The changes that will allow nursing homes to alternately license beds between "skilled" and "residential" will dilute the identifiability of this industry product and create confusion for the consumer in markets that currently have assisted living or residential health care facilities.

The population restrictions offered by KAHSA is a step in the right direction. It will assist those rural communities that cannot support numerous adult care home options, and seeks to protect those communities that can support multiple

adult care home options. But we feel the current population restrictions offered do not go far enough. In short if the intent of this provision is to create an alternative long-term care setting for citizens of rural communities in which free-standing assisted living facilities would not be supported, it should be further restricted to those markets.

Conclusion

To reiterate, Sterling House is principally concerned with protecting the integrity of the assisted living industry in Kansas. It is a concept we are committed to and will continue to **support** good public policy to improve this adult housing option and will continue to **oppose** any legislation that seeks to restrict the growth of a popular and necessary facet of long-term care.