

MINUTES OF THE HOUSE HEALTH AND HUMAN SERVICES COMMITTEE.

The meeting was called to order by Chairperson Jim Morrison at 1:32 p.m. on January 28, 2003, in Room 243-N of the Capitol.

All members were present except Representatives Landwehr, Neighbor, and Holland.

Committee staff present:

Bill Wolff, Legislative Research Department
Renaë Jefferies, Revisor of Statutes' Office
Gary Deeter, Committee Secretary

Conferees appearing before the committee:

Marla Lopeman, Vice-President of Sales and Marketing, Alterra Health Care
Beth Bandy, Senior Director for Operations in Kansas, Alterra Health Care

Others attending: See Guest List.

The Chair welcomed Marla Lopeman, Vice President of Sales and Marketing for Alterra Health Care, who presented information about Alterra's assisted living services and reviewed legislative interaction with assisted living facilities across the nation. (Attachment 1) She explained that assisted living offers a supportive intermediate setting with individualized, self-directed care, "aging with choice." She said Alterra, with 380 residences in the United States and 28 in Kansas, is a national provider of assisted living services and the nation's largest operator of free-standing residences for Alzheimer's patients. She stated that Alterra initiated services in Kansas with Sterling House in Augusta in 1991, and that Kansas began to address the needs of the frail elderly with **SB 8** in 1995.

Ms. Lopeman listed the challenges of assisted living, which include upgrading staff, liability issues, and staying affordable. She noted that 52.2% of individuals with forms of dementia reside in assisted living facilities, and that the average age of those entering such facilities is increasing. She said that assisted living facilities qualify for HCBS (Home and Community-based Services) funds, whereas nursing homes do not. Noting that most states present a hostile regulatory environment for assisted living providers, she praised Kansas and Texas as the most collaborative in developing standards for inspections. She commended Joe Kroll (Director, Bureau of Health Facilities, Kansas Department of Health and Environment) for establishing a participatory committee to develop effective standards and enforcement procedures, saying that the committee presently has a working draft of the survey process and a deficiency list, with an enforcement document and a news-release procedure in process.

Answering questions, Ms. Lopeman said the average stay in an assisted-living facility is 24-26 months. She said Alterra is funded 98% from private monies; Alterra is presently publicly owned, but following bankruptcy reorganization, it may become a private company. She agreed that PPS (Prospective Payment Services) has contributed to Alterra's offering for sale about 100 facilities where it cannot afford to compete. She said Alterra has an informal dispute-resolution procedure which works well in Kansas. Regarding inspections, she said a survey different from a nursing home inspection/survey is being tested,

CONTINUATION SHEET

MINUTES OF THE HOUSE HEALTH AND HUMAN SERVICES COMMITTEE at on January 28, 2003, in Room 243-N of the Capitol.

and that timing for releasing information to the media is being formulated.

The minutes for January 21 and January 22 were approved by an appropriate motion and second.

The Chair reviewed member assignments to various bills:*

- Radiologic Technologist licensure: Representatives Long and Svaty;
- Dental Hygienists working off-site: Representatives Showalter and Schwab;
- Temporary license for dentists and hygienists for charity work: Representatives Patterson and Hill;
- Licensure for Physical Therapists: Representatives Kirk, DeCastro, Sharp;
- Licensure for Pharmacy Technicians: none yet;
- A Behavioral Sciences Regulatory Board bill on Confidentiality: none;
- A BSRB bill regarding licensure mobility: none;
- Broaden qualifications for Health Director, KDHE: Representatives Kirk and Neighbor;
- Increase social-worker representation on the BSRB: Representatives Kirk and Miller;
- Prohibit adult-care inspection reports from being used in lawsuits: Representatives Kirk and Goico;
- Creation of a Kansas Health Commission: Representatives Bethell and Reitz;
- A House Concurrent Resolution recognizing school nurses as First Responders: Representatives DeCastro, Showalter, and Holland.

* The first name is the lead legislator.

The Chair urged members to become experts on their issue in order to conduct a hearing on the bill at the appointed time. He announced the URL for the television coverage: <mms://legmedia.state.ks.us:1089>.

The meeting was adjourned at 2:42 p.m. The next meeting is scheduled for January 29, 2003.

HOUSE HEALTH AND HUMAN SERVICES COMMITTEE
GUEST LIST

DATE: JANUARY 28 2003

NAME	REPRESENTING
Ron Appletoft	
John Koee	KOHK
Tanya Dorf	SRS

Assisted Living

Some people are able to live at home all their lives. Others may need more help with their daily living. What if your needs are somewhere in between but it's no longer safe or practical to live at home?

Attachment 1
HHS 1-28-03

Assisted Living

1-2

Assisted living may be the answer because, like your needs, there's no hard and fast definition for it. Except to say, it's whatever you need it to be. And it can change as your needs change.

What is Assisted Living?

- ✦ ALFA defines...a special combination of housing, supportive services, personalized assistance and healthcare designated to respond to the individual of those who require help with activities of daily living (ADL) and instrumental activities of daily living (IADL). Supportive services are available, 24 hours a day, to meet scheduled and unscheduled needs, in a way that promotes maximum dignity and independence for each resident and involves the resident's family, neighbors and friends...."

Services Provided

1-4

- Assisted Living offers residents a supportive, residential setting and assistance with ADLs, IADLs as well as other services. Assisted Living services provided to these residents are designated to respond to their unique, individual needs and to improve their quality of life. Individualized assistance is available 24 hours a day, to address scheduled as well as unscheduled needs.

Kansas in the Beginning

- Senate Bill No. 8 (1995)

Alterra

Aging With Choice

- We are one of the nation's leading providers of assisted living residences for the physically frail elderly and the nation's largest operator of freestanding residences for individuals with Alzheimer's disease or other forms of memory loss.

Alterra

Aging With Choice

- Our Mission is to set the standard for maximizing the quality of life and dignity of older adults.
- We define quality of life as promoting and supporting aging with choice, personal empowerment and innovative options for our residents.

Assisted Living

8-1

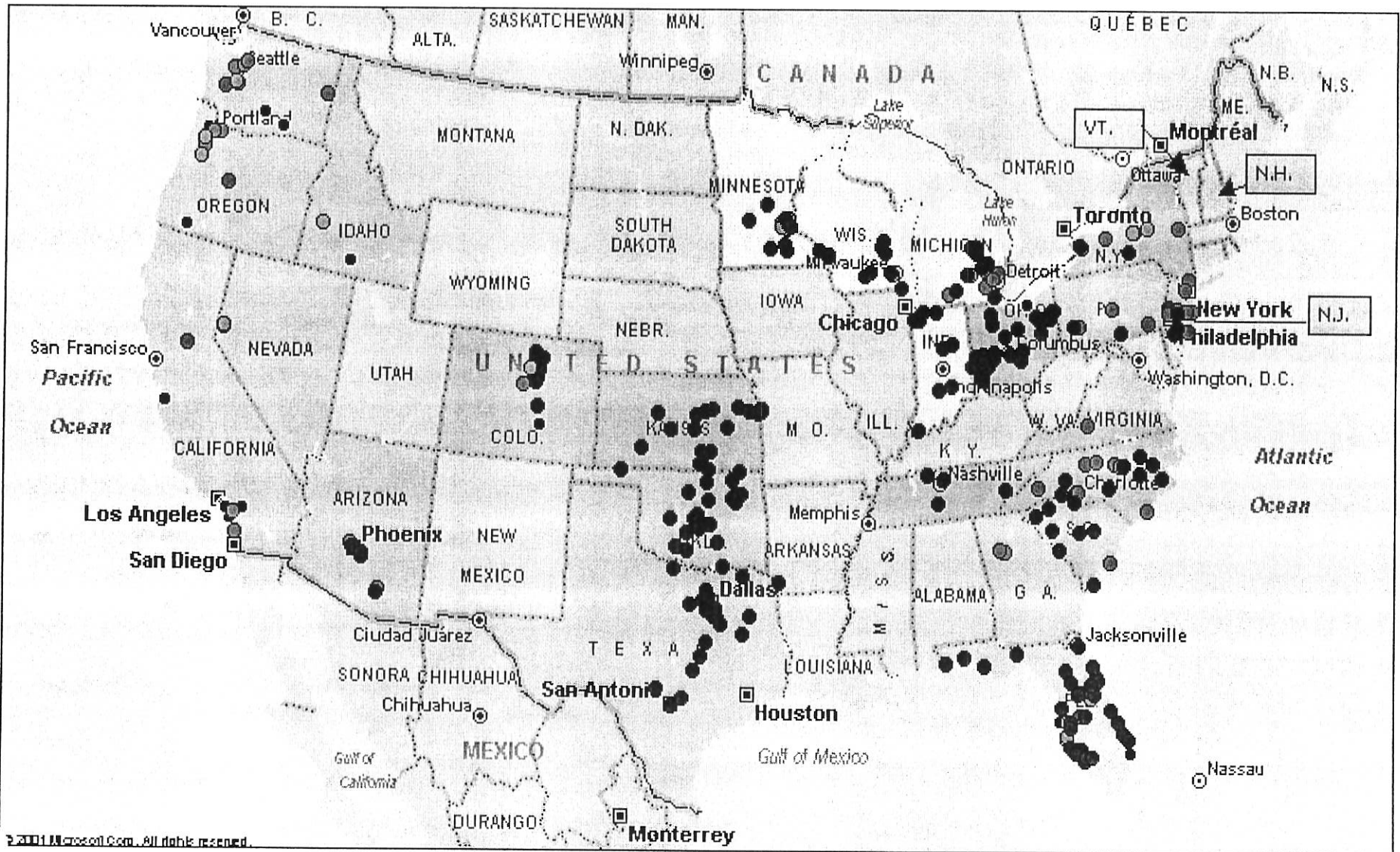
Our Philosophy

- Alterra assisted living is more about living than assistance.
- The emphasis is on independence.
- Letting customers do what they can and helping with what they can't.
- When needs change, level of assistance follows suit.

Alterra Residences as of 1/23/03

Alterra
WORLDWIDE RESIDENCES

1-9



□ Pushpins

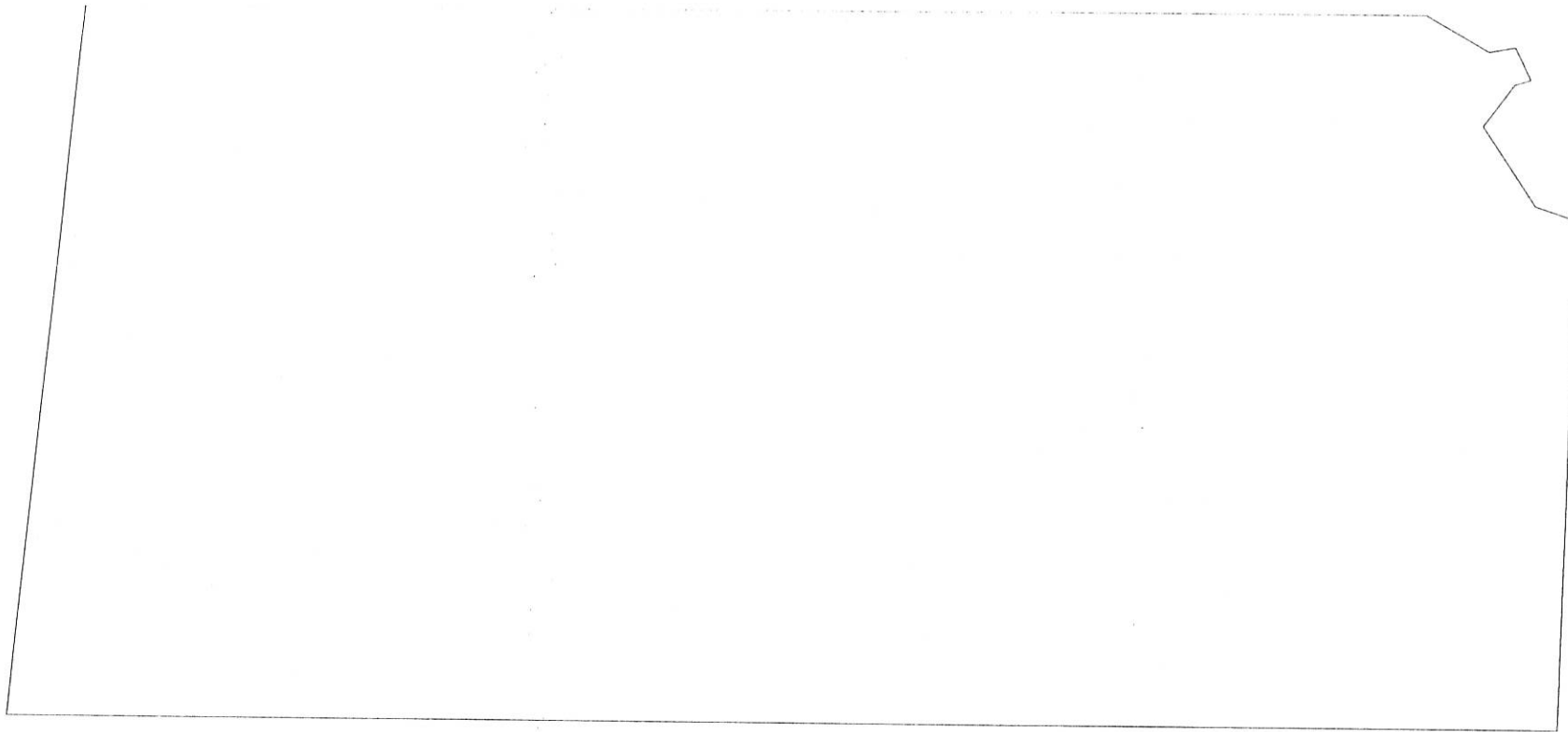
- Clare Bridge Cottages
- Sterling Houses
- Wynwood
- Clare Bridges Villas

**Total Alterra bed capacity =
18,128**

**Total Alterra residences
across the nation = 380**

Altterra Kansas

1-11



Clare Bridge Cottages - 1 Sterling Houses - 24
Clare Bridges - 3 Total Ks Residences - 28

First Sterling House built in Augusta in 1991

Alterra Products

1-12

■ **Assisted Living**

- Sterling House

■ **Memory Care**

- Clare Bridge
- Clare Bridge Cottage

Sterling House

- Designed for those who need regular assistance with activities of daily living.
- Home-like setting with common areas for small groups to enjoy social time together.
- Beautiful walkways, patios and gardens.

Sterling House

1-14

- **Individualized personal care as needed.**
 - Bathing and dressing.
 - Housekeeping chores.
 - Meal preparation.
 - Medication management.

Sterling House

51-1

■ Supportive Services

- Private suite in home-like setting.
- Assistance with personal care and hygiene.
- Emergency response system.
- 24 hour staff.
- Licensed nurse on call 24 hours.
- 3 Nutritious meals a day.
- Snacks and beverages available at all times.
- Laundry service.
- Housekeeping.
- Medication management.
- On-going monitoring of health care needs.
- Life enrichment activities and outings.

Clare Bridge/Clare Bridge Cottage

- Purposely built to meet the unique needs of Alzheimer and dementia patients.
- A reassuring place, designed, decorated and scaled like a family home with both private or semi-private rooms.
- Floor plans offer cues that help residents navigate independently.
- Living rooms and dining rooms are small and intimate, so residents feel less confused as they dine and socialize with neighbors.
- Pleasant surroundings yet safety and security are always a priority.

Clare Bridge/Clare Bridge Cottage

1-17

■ Assistance

- A resident's desire to wander is fostered by environments that are secure and predictable.
- If they carry things from their rooms, our staff simply returns them later.
- Our goal is for each resident to have the right amount of personal care, support, structure, enrichment and choice, all balanced to help them feel as independent and fulfilled as possible.

Assisted Living Industry Today

Three greatest challenges the assisted living industry will face in 2003

- 1 Taking care of caregivers.
- 2 Focusing our resident care and quality.
- 3 Providing customer value.

Assisted Living

Challenges Facing Providers

Assisted Living in Kansas & the U.S.

1-24

In the Past

- Providers were few
- Employee retention was high/turnover low
- Consumer was uneducated about assisted living
- Low acuity residents
- Staffed with CMA and CNA
- Survey not specifically trained for assisted living
- Primarily private pay residents

■ “Aging in Place” of A.L. Residents

- **Increasing Acuity of Resident Population staying home longer**
- **Pressure to allow aging in place by a consumer base that has embraced the concept**
- **Now consumer base has less funds available**

■ Philosophical Debate

- Allowing an individual, regardless of age, to make choices about their living environment and healthcare services may encompass a certain degree of risk. Does encroachment of this right impact personal dignity?

Staying Affordable

■ Increasing Costs

- High acuity residents
- Labor
 - Wages →→→→→
 - Benefits →→→→→
 - Training →→→→→
- Insurance
- Utilities
- Food Costs
- Litigation In the Past

■ Tightened Labor Market

- Higher Wages
- Higher Turnover
- Increased Labor expense
 - Turnover costs 4 times the monthly salary of the lost employee
- Increased costs for Consumers

■ Increased Competition

- More Providers = More Consumer Choice
- Competitive Pricing and Services
- Well educated consumer

■ Consumer Income and Ability to Pay

- **Growing Demand for HCBS**
- **Reimbursement Rate Structure**
 - not keeping up with expense cost to providers
- **Dwindling Retirement funds**

■ Increased Cost to Consumer

- **Results in reduction in the number of consumers that can afford private pay**

Increased Number of Consumers who will depend on state funding to meet their needs.

- **+** Residents are Aging in Place with Choice, Higher Acuity - 52.2% of all AL residents have some level of dementia or Alzheimer's.

- Increased need for LPN and RN.

- Increased staff to resident ratio due to higher acuity residents.
 Example: 1-7 instead of 1-10

- 12 Alterra properties provide services for HCBS residents.

Kansas' Challenges 2001-2002

- Need for Outcome Based Survey Process that is specific to assisted living.

- Difficult to apply broad based legislation to residents.
 - Because of individuality of services provided to resident as well as the environment in which they choose to have services provided in it is difficult to apply broad based legislation to residents.

- Interpretation of Regulations
 - **Need for consistency in the application of Regulations and Citations.**

- Informal Dispute Resolution Process
 - **Process Mechanics**
 - **Media Notification**

- Survey Enforcement Grid not specific to Assisted Living Industry.

- Need for more state support of industry.
 - **Number of surveyors**
 - **Assisted living specific training for surveyors**
 - **Proactive outcome based partnering.**

Assisted Living in Kansas 2003

- How does Kansas Assisted Living Regulatory environment stand up when compared to other states?
 - Comparison NJ, NY, CO, TX, CA, and NC.

Licensed Only Adult Care Home Discussion Committee Convenes 9/26/2001

■ Committee Members:

- **Joseph Kroll, Director, Bureau of Health Facilities, KDHE**
- **Gary Ingenthron, Director MH/RF program, KDHE**
- **Kay Lydick, Administrator, Lifecare Center**
- **Gwen Lohmeyer, Operator, Hilltop**
- **Rosalie Meybrunn, Operator, Good Shepherd Villages**
- **Gary Aul, Operator, Assisted Lifestyles**
- **Andrea Liles, KCAL**
- **Debra Zehr, KAHSA Rosemary Gonser, Peabody Community Living Center**
- **George Gatchett, St. John's Rest Home Corporation**
- **Shirley Allenbrand, Sweet Life at Shawnee**
- **Marla Lopeman, National Vice President of Sales & Marketing, Alterra Healthcare**

Committee Mission Statement

“We can be instrumental in moving the survey process to a proactive one that maximizes the best practices in Kansas, supports quality care, minimizes the intrusiveness of the survey and presents a real picture of assisted living in Kansas.”

Committee Purpose

- - Initiate change proposals within the following areas:
 - **the survey process**
 - **deficiency writing**
 - **plan of correction**
 - **enforcement**
 - **news releases**

■ Goals

- **Increase communication avenues between survey agency staff, providers, advocates and consumers.**
- **Adjust the survey process.**
- **Support the provider community as experts.**
- **Define regulation requirements clearly and concisely for providers, advocates and consumers.**
- **Reduce survey time.**
- **Avoid misleading advocates and consumers.**
- **Share best practices.**
- **Ensure quality service deliver and regulatory compliance.**
- **Avoid the expansion of government controls.**

People Working With People Result in Good Things

■ Committee Change Proposals

- Survey Process

- **Working draft for changes completed and shortened.**
- **Facility involvement.**
- **Completed one trial at Alterra Sterling House of Topeka.**
- **Second trial scheduled.**

- Deficiency Writing

- **Working draft for changes completed.**
- **Surveyors have gone to checklist and problem statement format.**
- **Forms do not have to be computer generated.**
- **Timesaving for KDHE and facility staff**

Committee Change Proposals - continued

- Plan of Correction
 - **Discontinued**
- Enforcement
 - **Working draft for changes in process.**
 - **Move from 12 step grid to two level imminent risk of harm and actual harm foundation.**
- New Releases
 - **Discussion between facilities and KDHE public information has occurred and is ongoing.**

Alterra's Innovative Advances to Deliver a Better Product

- **2 Health Care Specialists, RN, hired for the state to oversee all aspects of health care regulations and policy/procedure compliance in each residence.**

- **40-hour orientation program in place. ✓**

- **Partner training and learning centers. ✓**

- **Monthly safety committee meetings.**

- ✓ **Required prior to employee beginning working in residence**

- **In-services on all Functional Capacity Screens/Negotiated Service Agreements.**
- **Increased acuity levels requires increased staffing ratios. Professional nursing hours added as acuity increases.**
- **Pharmacy drug regimen reviews quarterly.**
- **Increased assessment for self-medicating residents.**
- **Registered Dietitian Consultant reviews quarterly.**
- **Budgeted staff time for Life Enrichment activities in each residence.**

- **Incident investigation reports. Reportable event chain of command includes proper reporting procedures.**

- **A chart audit and employee file review (Standards Expectations Walkthrough)**
 - **Alterra company policy is completion quarterly.**

- **3-10 hours of additional RN oversight.**

- **Pathways**
 - **A professional achievement and recognition program for resident assistants.**

- **Falls Management Program Spring 2001.**

ACKNOWLEDGEMENT

✦ Some of the data presented is taken directly from the ALFA/Price Waterhouse Coopers - ALFA Overview Copyright 2000

Assisted Living Federation of America

Solving the Front Line Crisis in Long Term Care - Dr. Karl Pillemar