

MINUTES

LONG-TERM CARE SERVICES TASK FORCE

August 25-26, 2003
Room 514-S—Statehouse

Members Present

Representative Bob Bethell, Chairman
Senator Larry Salmans, Vice Chairman
Senator Janis Lee
Senator Susan Wagle
Representative Patricia Barbieri-Lightner
Representative Nancy Kirk
Representative Jim Morrison

Non-Legislative Members Present

Mark Bailey
Linda Lubensky
Charles Moore
Evie Curtis
Margaret Zillinger
Greg Reser for Janis DeBoer
Dr. Carol Moore
Margo Lytton on August 26th for Ms. Zillinger
Bill McDaniel for Janis DeBoer

Staff

Audrey Nogle, Kansas Legislative Research Department (August 25 only)
Kathie Sparks, Kansas Legislative Research Department
Lisa Montgomery, Revisor of Statutes Office
Judy Swanson, Committee Secretary

Conferees

Valerie L. McGhee, MPA, Administrator, The Healthcare Center at Larksfield Place
Ann Abel, Coalition for the Advancement of Careers in Health Care (CACHC)
Sandy Praeger, Commissioner, Kansas Insurance Department
Terri Roberts, Kansas State Nurses Association
Mary Blubaugh, MSN, RN, Executive Administrator of Kansas State Board of Nursing

Pamela Johnson-Betts, Secretary of the Department of Aging
Don Nauss, Director of Nursing/Assistant Administrator, Lakeview Village, Lenexa
Shawn Sullivan, Director, Lyons Good Samaritan Center, Lyons
Lillian Claassen, Vice President of Health Services, Schowalter Villa, Hesston
Linda Farrar, Director, Valley View Professional Care Center, Junction City
Jalane White, Administrator, Pleasant View Home, Inc., Inman
Wendy Read, Administrator/Owner, Rossville Valley Manor, Rossville
Kim Halbert, Administrator, Sandstone Heights Nursing Home, Little River
Judith Wineland, Administrator, Mennonite Friendship Manor, South Hutchinson
David Cleveland, Manager of Business Finance & Workforce Development,
Department of Commerce
Nialson Lee, Administrator for Health Care Policy/Medical Policy, Department of
Social and Rehabilitative Services
Bill McDaniel, Director of Nursing Facilities and Care Programs, Department on Aging
Debra Zehr, Vice-President, Kansas Association of Homes and Services for the Aging
Connie Hubbell, Senior Vice President of Community Relations, Kansas Foundation
for Medical Care

August 25 Morning Session

Representative Bob Bethell, Chairman, called the meeting to order at 10:15 a.m., and welcomed everyone to the meeting.

Valerie L. McGhee, MPA, Administrator, The Healthcare Center at Larksfield Place, was introduced as the first conferee (Attachment 1.) Ms. McGhee introduced John Wells, CEO of Larksfield Place, who was also in attendance. Larksfield Place is a nonprofit retirement community in Wichita and has an eleven-year working relationship with Wichita Area Technical College (WATC). Some of the reasons that the partnership with WATC has been so successful is that residents are seen as unique individuals, students are encouraged and paid while working at the home which has resulted in a lower turnover rate when coupled with senior staff mentoring.

Currently, Larksfield Place is proposing a joint project with WATC that includes a classroom training facility at Larksfield Place, and expansion of its capacity as a clinical site for certified nurse assistants CNAs. WATC will provide equipment, curriculum and instructors. Larksfield Place and WATC will jointly establish a program steering committee.

Within seven years, according to Ms. McGhee, the long term care industry nationwide will need about 800,000 additional direct care workers, which is an increase of approximately 45percent. The LP and WATC project will: create new opportunities for 200 additional CNAs per year and 20 licensed practical nurses (LPNs) per year, provide additional mentoring for LPN students, conduct joint research activities, and establish a best practices training center that can be replicable to other facilities.

Ms. McGhee responded to Committee members' questions concerning LPs success by treating their para professionals, regardless of position, with dignity and respect. In addition, it was pointed out that there is a physical test that CNAs must pass before licensure as their injury rate is higher than most professions. In-service training is done often and lifts can be purchased, but the equipment cost is often prohibitive. In response to Ms. Curtis, Ms. McGhee said that the reason

more facilities do not partner with schools is because it is too expensive. The cost of their partnership with WATC is about \$196,000.

Ann Abel, Coalition for the Advancement of Careers in Health Care (CACHC), testified about the shortage of workers in the long term care medical field (Attachment 2.) She said membership in CACHC is voluntary. Ms. Abel stated that the critical nursing shortage warrants immediate attention. The projected increase in the supply of nurses into the workforce through the year 2202 is 6 percent, whereas the projected increase in demand for nurses for the same time period is 40 percent. The repercussions of the nursing shortage are pervasive and self-perpetuating, and affect individuals, organizations, and the community-at-large. It promotes decreased retention, impacts patient care and inhibits economic development.

The CACHC, which is a member of the Kansas Nursing Workforce Partnership, hosted the Health Care Summit 2003 and is actively addressing the educational capacity issue. Currently, education programs are unable to grow due to the lack of faculty, facilities, and clinical sites. In response to Representative Morrison, Ms. Abel said that faculty members have to have a Master's Degree to teach the registered nurse programs.

Sandy Praeger, Commissioner, Commissioner of Insurance, was welcomed by Chairman Bethell. She testified that as Americans live longer, the challenge of providing care will become more difficult (Attachment 3.) Long-term care services are becoming increasingly expensive for individuals and state governments. Medicaid is now the primary payer of long-term care services, and consumes about two-thirds of a typical state's Medicaid budget. Long-term care partnerships are currently offered in four states, but the Federal Tax Act of 1993 prevents other states from launching favorable partnership programs. She said at least 19 states are prepared to enact partnership programs if the federal law is changed.

Compared to the national average, Kansas has a greater percentage of its population age 65 to 85 years and over. In 2000, the percentage of Kansans age 65 and over in nursing homes was 5.57 percent. If this were reduced to the national average of 4.5 percent, in 2025 there would be approximately 6,700 fewer people in nursing homes, and the first year cost savings would be \$68 million. Medicare is the largest funding source for end-of-life care. Eighty percent of the elderly who die in this country each year are covered by Medicare. The hospice six-month eligibility rule, which was started in the 1960s, is extremely outdated due to better health care. It was originally designed for acute care, however, the majority of hospice programs now address chronic care.

Committee discussion followed with Commissioner Praeger. For people under the age of 60, nursing home health insurance premiums could cost between \$2,000 and \$3,000 annually depending on age of the individual and the type of coverage purchased. The Commissioner said association medical plans proposed by the federal government in legislation before Congress lack consumer protection and adequate capital requirement.

Chairman Bethell said that the Kansas House of Representatives had sent a letter to the Federal government saying, "Do not enact National Association Insurance." Commissioner Praeger said that Kansas Health Partners Benefit Association now has health insurance available for small businesses. It is designed for businesses which are finding their insurance to be unaffordable. Information concerning this program is attached to Commissioner Praeger's testimony.

The Commissioner said she works closely with the Department of Aging and that a booklet on long-term supplemental insurance is being updated. In addition, the Department publishes a complaint ratio report on insurance companies every year.

The Committee recessed at 12:00 noon for lunch.

Afternoon Session

Terri Roberts, Kansas State Nurses Association, testified concerning nursing recruitment efforts in Kansas to address the shortage of trained personnel ([Attachment 4.](#)) While all states are experiencing a nursing shortage, Kansas' current vacancy rate in hospitals is 11.3 percent for RNs. There have been two nationwide media campaign efforts in various states of implementation for nurse recruitment. The Nurse Educators in Kansas have also been working toward strategies that ease the transition for LPNs seeking to become RNs and Associate Degree Nurses seeking Bachelor's degrees. The Board of Regents through a program promoted by the U.S. Department of Education is making available to primary and secondary schools curriculums that will support the "Health Career Paths Model."

In 1990 the Legislature started a nursing student scholarship program. For the 2003-2004 academic year 110 scholarships were funded, with 76 persons on the waiting list. *The Nursing Education Loan Repayment Act*, a Federal program which provides repayment of student loans for RN's was increased last year to about \$15 million. Unfortunately, debt is a primary factor in granting these awards, and with the "reasonable" cost of nursing education in Kansas, it is difficult to compete with the eastern portion of the United States where applicant's debt load is greater than 30 percent of their annual RN salary. No Kansas applicants received an award in 2002, and 2003 awards have not yet been made. Ms. Roberts said the working group meets quarterly to talk about policy initiatives, and a copy of the 2002 Policy initiatives are attached to her testimony.

In response to a question, Ms. Roberts explained that sign-on bonuses are not necessarily positive for the nursing profession. In fact, the bonuses may reward the employees who shift jobs.

For every 20 students you increase into a nursing program, one full time/part time teacher needs to be added. In response to Ms. Lubensky, Ms. Roberts said that the mass exodus from long-term care professionals is a worldwide problem, not only in the United States.

Mary Blubaugh, MSN, RN, Executive Administrator of Kansas State Board of Nursing, testified about the nursing shortage in Kansas ([Attachment 5.](#)) She testified that most schools are not at capacity for nursing admissions as far as the Board of Nursing is concerned, but they are at the individual school's limits. In addition, Ms. Blubaugh reported that there is no isolated factor causing the nursing shortage according to a survey. Some of the recommendations to improve the number of nurses are: to increase recruitment efforts, improve the image of a nurse's role in health care, increase the number of faculty, increase scholarships, improve working conditions, and improve influence compensation.

Ms. Blubaugh said that in Kansas a nurse graduates as a generalist. Long-term care is a part of all nurse training programs. They asked for \$100,000 from the Legislature for nurse education recruitment in 2004. It was not funded because they have money left in their fee fund account. Chairman Bethell said that the Committee may want to look at recommending this funding as a Committee recommendation. It was noted that the Board of Nursing Annual Report is available on their website.

Pamela Johnson-Betts, Secretary of the Department of Aging, testified ([Attachment 6.](#)) She explained the PEAK Nursing Home Program (Promoting Excellence Alternatives in Kansas) and named this year's PEAK Nursing Home Awards. They are the Kansas Veterans Home-Winfield, Lakeview Village Health Center-Lenexa, Lyons Good Samaritan Center-Lyons, Pleasant View Home-Inman, Rossville Valley Manor-Rossville, Sandstone Heights Nursing Home-Little River, Schowalter

Villa-Hesston, Valley View Professional Care Center-Junction City, Wichita County Health Center-Leoti, and Windsor Place-Coffeyville. She commended every home listed on their excellence.

Ms. Johnson-Betts said research shows that one of the most successful methods of improving quality of care and quality of life in nursing homes is by “culture change.” This method embraces the philosophy that residents should still have the right to make life decisions such as what to eat and when to bathe. Kansas State University is currently developing education modules to assist nursing homes in constructing culture change processes. Culture change includes resident control, staff empowerment, home environment, and community involvement.

Don Nauss, Director of Nursing/Assistant Administrator, Lakeview Village, Lenexa, shared with the Committee what Lakeview Village has implemented that resulted in the PEAK award (Attachment 7.) He shared resident stories as a way to help the Committee understand the nature of his facility. He said his facility does not have specific aides for each care giving task. It is a joint effort among all employees. He said that he takes care of his employees just like they take care of their residents. The employees are treated with consistency, professionalism, and respect. This same treatment is reflected on the residents by the employees.

Shawn Sullivan, Director, Lyons Good Samaritan Center, Lyons, told why his facility received the PEAK award (Attachment 8.) Mr. Sullivan said their objectives were to establish a home environment, create choice and control for residents, and create ownership and shift decision-making to front-line staff. They have created neighborhoods for their residents. The outcomes of their culture change were: turnover decreased by 30 percent, decrease in staff call-ins, higher level of employee involvement, decrease in resident and family complaints, better community perception, and their percentile rank for quality indicators decreased 10 percent.

Lillian Claassen, Vice President of Health Services, Schowalter Villa, Hesston, reviewed their facility’s success with culture change (Attachment 9.) She said she uses the “Chester model” for staffing. Staff empowerment is a key component of culture change. They provide numerous in-services education opportunities about culture change. She gives awards to her staff for the extra work they do to provide something special for a resident. They are opening a child care center next door, and the employees are excited about that addition. A small amount of money is budgeted monthly for each community so they can choose to arrange for extra projects, parties, or activities.

Linda Farrar, Director, Valley View Professional Care Center, Junction City, shared her center’s success with the Committee (Attachment 10.) Ms. Farrar said they have been in the beginning stages of planning, designing, and budgeting for culture change for the past 18 months. The removal of the central nurses’ station and filling that area with a fish pond and fountain was an excellent step. There is no longer a place for the staff to “gather,” and they spend their time in their neighborhood with their residents and other members of their team. Their ultimate goal is that each worker in the neighborhood is cross-trained for each role.

Jalane White, Administrator, Pleasant View Home, Inc., Inman, gave an overview of why they were a PEAK award winner. She said she is the largest employer in Inman. The Pleasant View Home has two Alzheimer units (neighborhoods) with a total of 46 residents and the facility is at 95 percent capacity. Special staff training for their employees is one of the major factors in their success story.

Wendy Read, Administrator/Owner, Rossville Valley Manor, Rossville, told what her facility did to be recognized as a PEAK award winner. Ms. Read stated that there is nothing easy or quick about culture change. They are making changes in manageable steps. She uses the neighborhood concept, and her residents are much happier which is how she measures success. Rossville Valley

Manor has a "Make a Wish" program which she feels is excellent. Chairman Bethell complimented Ms. Read on her enthusiasm.

Kim Halbert, Administrator, Sandstone Heights Nursing Home, Little River, said one of the changes she made was to go from a sterile white facility to colorful units. She said residents must be involved in changes that are made. She is also the largest employer in her community. The high school has CNA and CMA programs available. She said she uses no agency staffing.

Chairman Bethell thanked all the conferees for sharing their success stories, and commended them on their fine work.

The Committee adjourned at 5:10 p.m.

August 26 Morning Session

Chairman Bethell called the meeting to order at 9:00 a.m. to continue discussion about long-term care in Kansas.

Judith Wineland, Administrator, Mennonite Friendship Manor, South Hutchinson, testified about what her facility was doing in regards to culture change ([Attachment 11](#).) She uses the Eden Alternative Program. Her work team goals are to develop communication systems, encourage more staff participation in decision, and to develop approaches to better meet individual resident needs. They have an aide-to-aide program called "Manor Care Attendance" (MCA). Through this program they can hire people with no previous training, commit that person to work as a team member, develop a program for that person, and scholarship successful MCAs to CNA training. The facility has found many benefits from this program including staff attitude improvement, better recruitment, good students and learners, positive resident and family response, money savings, and better patient care.

Ms. Wineland said the MCA program is very successful at their facility. They are also very comfortable with pets in their facility. Having the same staff every day makes nursing homes a home environment. Getting information on applicants from the KBI is not much of a problem. She stated that surveyors now understand her pet policy. She said it is difficult to convince others that pets are a plus and can be handled appropriately.

It was noted that client-directed activities should be included in the Committee report. Also, encouraging more facilities to implement culture change should be one of the things addressed in the Committee report. It was noted that the Kansas Department of Health and Environment has a video tape on this issue.

Dr. Moore said that Mennonite Manor is an older facility, but by working on attitudes not just physical layouts, improvement can be achieved. The program offered at Mennonite Manor was difficult to get through inspections at first, however, that is not the case today. Dr. Moore testified that entangling legislation is one of the things that hinders progressive culture changes.

Bill McDaniel, Department of Aging, said his department was looking at incentive payments for facilities if they enact culture change.

David Cleveland, Manager of Business Finance and Workforce Development, Kansas Department of Commerce, explained the KIT/KIR program purpose and eligibility requirements (Attachment 12.) The KIT program is a job creation tool designed to help companies offset the cost of training workers for new jobs. The KIR program is a job retention tool that assists employees of restructuring industries who are likely to be displaced because of obsolete or inadequate job skills. Mr. Cleveland said that it would be extremely difficult for these two programs to help address the labor shortage crisis for the long-term care industry because the facilities do not qualify as a Kansas Basic Industry. They cannot help companies train new employees for existing positions. If they were to allow non-basic firms to compete with basic industry firms on an equal basis for shrinking dollars (without additional, targeted funding) the results would significantly undermine the state's economic development efforts.

In response to questions from Committee members, Mr. Cleveland said that the definition of "basic industry" could be changed by statute. It was noted that the Committee may want to look at changing that definition.

Nialson Lee, Administrator for Health Care Policy/Medical Policy, Department of Social and Rehabilitation Services, shared information concerning telemedicine in Kansas (Attachment 13). Telemedicine is broadly defined as "the practice of health care delivery, diagnosis, consultation, treatment, transfer of medical data and education using . . . audio, visual, and data communications." Advantages include improvement of access to both routine and specialized health care, reduced transportation costs, better communication among providers, and increased efficiency. The disadvantages include potential increase in overall cost, greater liability, and potential for provider abuse of the system.

Medicaid-funded telemedicine must be efficient, economical, and of good quality. Coverage of telemedicine may supplement, but not completely substitute for face-to-face services. Senator Salmans said telemedicine is being used in some schools. He suggested Senator Lee might want to look at this program for some areas in her district. Ms. Lubensky said home care is interested in telemedicine.

Bill McDaniel, Director of Nursing Facilities and Care Programs, Deptment on Aging, testified on the use of the CMP (Civil Monetary Penalties) Fund (Attachment 14.) The moneys must be used for payment for the cost of relocating residents to other facilities, state costs related to the operation of a facility pending correction of deficiencies or closure, and reimbursement of residents for personal funds or property lost at a facility as a result of actions by the facility or by individuals used by the facility to provide services to the residents. The largest request for use of CMP funds was approved in 2002, and the funds are being used for a contract with Kansas University Medical Center to evaluate the consistency of the nursing home survey process.

Senator Salmans said he thought the fines should be used toward diminishing the deficiencies. Dr. Moore said that it is sometimes physicians versus surveyors, and this is a problem when it comes to diagnosis. Mr. Moore said that surveyors are reluctant to question doctors. Chairman Bethell stated that the CMP fund is regulated by federal rules and cannot be used for general fund uses. He recommended the agency look into other states who are using the CMP funds for culture change, and the process employed to begin using these funds in that manner and report back to the Committee.

Debra Zehr, Vice-President, Kansas Association of Homes and Services for the Aging, testified about a concept of long-term care providers joining together for liability insurance (Attachment 15.) Beginning about five years ago, liability claims and settlements began to skyrocket in Texas and Florida. This caused the insurance market across the country to drastically "harden." Ms. Zehr requested that the Committee consider introduction of new legislation, The Kansas Adult

Care Home Group-Funded Pool Act, patterned after the Kansas Municipal Group Funded Pool Act. The legislation would authorize five or more adult care homes to enter into agreements to pool their liabilities for Kansas fire, inland, marine and allied lines, casualty, surety and fidelity lines, workers' compensation and employer's liability.

In response to Senator Lee, Ms. Zehr said she has discussed this proposal with the Kansas Insurance Department. Rep. Kirk said there is a bill on liability-only insurance in the House Appropriations Committee, and she hopes it goes back to the Insurance Committee this year.

Lisa Montgomery, Office of the Revisor of Statutes, provided copies of the bill, HB 2415, to Committee members (Attachment 16.) Representative Kirk said that there are too many nursing facilities in Kansas that are running "bare," and they are predominately the small rural independently-owned facilities .

The Committee recessed for lunch.

August 26 Afternoon Session

Connie Hubbell, Senior Vice President Community Relations, Kansas Foundation for Medical Care, Inc. (KFMC), testified that her organization's goal was to facilitate the improvement of health care in Kansas (Attachment 17.) Kansas is 30th in the nation for medicare recipients as far as quality, and she finds this unacceptable. KFMC has several contracts with SRS. Nursing homes and home health agencies are now coming into focus for KFMC. Ms. Hubbell has a video on choosing nursing homes which is nine minutes in length for people to borrow, and she feels it is an excellent video. Four KFMC staff members work in the home health care area. They are doing a project with 14 Southeast Kansas counties to improve health care. The agency does peer review on physicians and if a patient thinks they are being discharged from the hospital too soon, the agency will review that claim within 48 hours. Very few of the cases they review are turned over to the Board of Healing Arts as they are able to resolve the issues. They are considering establishing a birth defect registry in Kansas. They have 90 employees, including three physicians. Ms. Hubbell made available a folder of information from KFMC. In response to Dr. Moore, she said that they are not involved in a large number of complaints. She works with approximately 100 nursing homes.

Chairman Bethell questioned if this Task Force could join with KFMC in overlooking quality medical care, and he said he is glad KFMC is involved in culture change. The sharing of information from health care providers is very good in Kansas.

The Committee recommended that comparing information within Region 7 should be done.

Senator Lee moved to approve the Minutes of the July 30 meeting as presented. Senator Salmans seconded the motion. Motion carried.

The following topics will be discussed at the next meeting:

- State recovery issue;
- Insurance issues;
- SRS grant for workers recruitment;
- Cottage rest facilities;

- HB 2415 – testimony from Insurance Department;
- President’s Task Force on Health Care Reform;
- Bill McDaniel, Department on Aging, to report on other state’s use of culture change;
- Culture change done by Pioneer Network (tape available from Dr. Moore); and
- Brian Vasquez to testify concerning state recovery.

The meeting adjourned at 2:45 p.m.

Prepared by Mike Heim

Approved by Committee on:

September 29, 2003

(date)