

# **The Future of Assisted Living in the Era of Healthcare Reform**

## **SUMMARY REPORT**



*The Center for Excellence in Assisted Living  
2014 Invitational Symposium*

*October 9-10, 2014 in Washington, D.C.*

*A Summary of The Center for Assisted Living's 2014 Symposium:*  
**The Future of Assisted Living in the Era of Healthcare Reform**  
*October 9-10, 2014 in Washington, D.C.*

## **The Center for Excellence in Assisted Living**

The Center for Excellence in Assisted Living (CEAL) is a unique collaborative of 11 diverse national organizations that have worked together since 2004 to promote excellence in assisted living. A primary objective of CEAL is to provide a forum for diverse assisted living stakeholders to discuss all aspects of assisted living quality, including assisted living's evolving role in long-term care and, where possible, present a unified voice on current assisted living issues.

## **Background**

Assisted living is a success story. Conceived in the early 1980s by forward-thinking advocates, academics, and entrepreneurs, assisted living was created to provide a residential, person-centered alternative to the only long-term care model available to frail seniors at the time: the medically focused institutional nursing home. It did this through a radical reconceptualization of what long-term care could and should be, creating an entirely new model.

That new model has been a great success for older people, with more than one million people residing in assisted living today. It also has been a business success. In 2008, an economic impact study on assisted living reported that the industry has grown into a major national business, with annual gross revenue of more than \$30 billion and employing more than 420,000 personnel.<sup>1</sup> This success is a remarkable testament to assisted living's consumer appeal since, unlike nursing homes, most residents are private pay with multiple long-term care options.

Current economic conditions, consumers' continued desire to age-in-place, technology, and evolving long-term care options are changing who is served by assisted living. Assisted living is experiencing increasing levels of frailty among its residents across providers and states, requiring greater care services and placing new demands on staff, systems, and the environment. Add to these changes the impact of the Affordable Care Act on the health and long-term care system, together with the new expectations of the baby boom generation, and it is clearly time to step back and evaluate assisted living's role as a leader in non-institutional long-term care.

## Overview

CEAL's symposium, "*The Future of Assisted Living in the Era of Healthcare Reform*," was held in Washington, D.C. on October 9-10, 2014. The symposium was structured to maximize collaboration between stakeholders through targeted presentations, panel discussions, and workgroups, and was specifically designed to produce recommendations regarding priority areas for CEAL over the next three to five years.

During the symposium, assisted living stakeholders<sup>1</sup> reviewed the history and mission of assisted living, discussed the current challenges facing the industry within the evolving healthcare environment, and identified issues that must be addressed for assisted living to remain a viable and high impact person-directed option within the long-term care field.

## Focus Areas for the Future of Assisted Living

Stakeholders identified four areas where they believe the assisted living industry and advocates need to focus for assisted living to continue its pioneering role in delivering state-of-the-art, person directed long-term care:

- Recruitment, development, and retention of quality personnel
- Best practice data collection and sharing
- Public policy and regulations
- Affordability

Each of these four key areas presents a unique set of challenges and opportunities for CEAL's contribution. The following is a summary of the stakeholder discussions occurring during the symposium and related research. These areas will form the core of CEAL's strategic planning and initiatives over the next five years.

### *1. Recruitment, Development, and Retention of Quality Personnel*

**The Challenge:** Stakeholders overwhelmingly identified skilled caregivers with a strong commitment to older people and their autonomy as key to the continued success of assisted living's core mission. Stakeholders noted that while basic caregiving duties can easily be taught, it is harder to instill (and promote through flexible operations) a culture of caregiving that supports older people's individuality and personal preferences. Symposium stakeholders observed the following challenges in the areas of recruitment, training, and retention that must be addressed in assisted living for it to continue to meet its mission:

- Workforce turnover is a growing concern – particularly for nurses – with burnout due to long hours and high job stress related to the increasing acuity of assisted living residents, resulting in an increased demand for higher wages

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<sup>1</sup> Appendix A: Assisted Living Stakeholders in Attendance at the 2014 CEAL Symposium

- An ongoing challenge to recruit and retain compassionate people who also have the qualifications to work in assisted living
- Overcoming any signs of “ageism” among personnel
- Increasing cultural diversity among both assisted living personnel and residents, requiring additional training at all levels of the organization
- A lack of tools to document, measure, and demonstrate competencies, including consistent credentialing standards

Stakeholders’ observations are supported by recent research conducted by the National Center for Assisted Living.<sup>2</sup> The study notes that the assisted living workforce is a “vital part of providing quality, person-centered care to assisted living residents,” and observes that the findings from the survey “indicate that many assisted living job positions experience a high level of turnover, including direct resident care positions.” The survey found that certified nurse assistant turnover was, on average, 33%, and non-certified resident caregivers’ turnover rate was 27%.

**The Opportunity for CEAL:** Symposium participants recommended that effective training and toolkits should be identified or developed for all levels of assisted living staff, as well as protocols to assure that competencies are consistently maintained. Participants noted a need for a strong focus on training in all areas, including:

- Person-centered care and environments
- Person-centered dementia care
- Personnel rights and responsibilities
- Safe workplace practices
- Reducing turnover rates

Participants emphasized that training strategies should address developing assisted living care trends, personnel shortages, increasing diversity among personnel and care recipients, staff engagement and retention, and wellness. Stakeholders were confident that assisted living outcomes can be continuously improved by creating tools to document, measure, and demonstrate competencies, including credentialing standards, and increased opportunities for personal and professional development.

## ***2. Best Practice Data Collection and Sharing***

**The Challenge:** Symposium participants returned repeatedly to the challenge that the limited availability of data on care outcomes in assisted living presents to innovation, quality improvement, and integration with healthcare reform efforts. Participants noted that if assisted living is not able to track and share meaningful data with health care systems, assisted living is in jeopardy of being sidelined. Stakeholders noted that assisted living consumers (residents and their children) are increasingly demanding quality measures as they evaluate options. Acute care systems are doing the same as they work to form alliances with providers who can help them to improve outcomes and revenues through data driven care coordination and monitoring.

Data challenges noted by participants include:

- A lack of consensus on what and how to measure outcomes in assisted living
- The absence of adequate financial and other incentives to encourage investment in this technology
- Critical gaps in connectivity and interoperability among existing technologies and information systems.

Participants recognized that many assisted living provider organizations have acknowledged the need for improvements in their IT and data capabilities, already investing resources in these areas. However, most participants also noted that this is not occurring broadly among assisted living providers, referencing a “head in the sand” attitude.

**The Opportunity for CEAL:** Participants suggested starting by identifying all critical areas for measurement. After there is consensus on what to measure, participants believed that many existing quality measures could be used or adapted for assisted living and, where an appropriate measure does not exist, it is in the interest of assisted living stakeholders to work together with each other and related efforts to develop meaningful measures.

In addition to identifying measures and data collection efforts on health and capacity maintenance, participants emphasized the critical importance of collecting data on individual preferences, goals, and psychosocial needs in order to fairly value and compare assisted living’s contributions in long-term care. Finally, better data systems will allow assisted living providers and their associations to better communicate and share data with consumers, their families, and care partners.

To address the data issues in assisted living, symposium participants recommended developing a data workgroup to understand how data currently is collected and determine what best practices are needed, including:

- Identifying valid measures
- Creating and validating important measures where none exist
- Developing best practices in data collection, including risks and rewards, mentoring, and evidence-based studies
- Developing specifications for data collection systems
- Developing collaborations with data collection sources
- Coordinating with the developers of INTERACT<sup>3</sup>

### ***3. Public Policy and Regulations***

**The Challenge:** Symposium participants noted increasing consumer demand for remaining in assisted living while receiving higher levels of services from the provider or third parties to achieve true aging in place. Participants discussed the challenges that

accommodating these increasing acuity levels caused for operations within assisted living's person-directed residential model and regulatory framework. Recent studies confirm participants' view, indicating that both the prevalence of chronic health conditions and the use of medical services in assisted living, including the emergency room and inpatient hospital admissions, are similar to what is seen in nursing homes.<sup>4</sup>

The stakeholders' discussion included significant concern that as assisted living communities approach and surpass levels of care historically provided by nursing homes, additional regulations will be imposed in a manner that does not support assisted living's core values of autonomy, individuality, and affordability. Others noted that if regulatory systems are not updated to allow and appropriately monitor increased levels of care, assisted living's evolving role in post-acute care will be significantly limited, thus impairing its growth as an alternative to nursing home care.

**The Opportunity for CEAL:** Symposium participants believed that consumers should have a variety of federally funded post-acute and long-term care options, including assisted living. To accomplish this, participants agreed that assisted living regulations will need to evolve along with the model. There was consensus that assisted living should continue to be regulated at the state level to maximize opportunities for innovation, learning from diverse approaches, and the ability to respond to local cultures and resources. They also agreed that all regulatory systems and additions should reflect the core practices in assisted living that have driven consumer demand, including:

- Person-centered care
- Aging-in-place
- Residential character

Participants agreed that regulations should always be evidence-based, feature a survey process that is educational and collaborative more than punitive, have a comfortable level of regulator/provider collaboration, and reflect best practices in assisted living, including credentialing for key personnel and continued innovation.

#### *4. Affordability*

**The Challenge:** Symposium participants expressed great concern that assisted living is not affordable for many older Americans and likely to be even less accessible in future years, given continued shortfalls in state funding in all areas of long term care, and particularly home and community-based services. . Participants noted that Medicaid funding for assisted living is not even available in many states and where it is available, residents face long waiting lists and little or no assistance for room and board..

Participants expressed a strong desire to see assisted living put on the same reimbursement footing as nursing homes, including mandatory coverage, inclusion of room and board costs, and payment commensurate with service costs.

**The Opportunity For CEAL:** Symposium participants recommended that to make assisted living more accessible to the growing numbers of potential consumers, it should be on a comparable Medicare/Medicaid footing with nursing homes. They also suggested developing more affordable private pay models and options for middle class individuals. Medicaid entitlement and reimbursement creates opportunity through Accountable Care Organizations (ACOs) and Managed Care Organizations (MCOs), but gaps still remain where assisted living can create innovative models to fill the need for affordable senior living (e.g., assisted living without walls).

To address rising costs and increasing demand, affordable assisted living models should be developed beyond the use of government funding, through strategic partnerships with key stakeholders that could accommodate needs across the socioeconomic spectrum. Finally, consumer education is needed to increase the realization that Medicare does not cover non-skilled, long-term care provided in any setting.

## **Conclusion**

Over more than 30 years, assisted living has grown remarkably, from its initial introduction as a radical new model of senior care, to its current state of business success, and one of the most appealing long-term care options to consumers. Despite increased regulatory, resident acuity, and economic pressures, assisted living has stayed true to its mission of creating consumer choices that meet the needs of individuals from a variety of care and income levels. Recently, technological advances, expectations of the Baby Boom generation, and the impact of the Affordable Care Act have created opportunities for assisted living to evaluate its models and evolve to meet the needs of the next generation.

CEAL will use the challenges and opportunities presented by the 2014 Assisted Living Symposium to inform its work over the next five years, as a convener of thought leaders and stakeholders, with the goal of providing a unified voice on priority issues in support of excellence in assisted living.

## **Appendix A: Assisted Living Stakeholders in Attendance at the CEAL 2014 Invitational Symposium**

### **Keynote Speaker:**

David Grabowski, PhD, Professor of Health Care Policy, Harvard Medical School

### **Panelists:**

Kevin O’Neil, MD, Medical Director, Brookdale Senior Living

Loretta Kaes, RN, Director of Clinical Services, Health Care Association of New Jersey

Don Redfoot, Senior Strategic Policy Advisor, AARP

Ralph Lollar, Director, Division of Long-term Services and Supports, Elderly Health Programs Group, Center for Medicaid & Chip Services, U.S. Department of Health and Human Services

Ellen Lukens, Vice President, Avalere Health

Robert Kramer, Chief Executive Officer, National Investment Center for Seniors Housing & Care (NIC)

Moderator: Josh Allen, American Assisted Living Nurses Association, CEAL Board Member

### **Participants:**

Jedd Axford, Direct Supply

Rachelle Bernstecker, American Seniors Housing Association, CEAL Board Member

Maribeth Bersani, Assisted Living Federation of America, CEAL Board Member

Denise Boudreau-Scott, American College of Healthcare Administrators

Thomas Clark, Commission for Certification in Geriatric Pharmacy

Nina Cohn, Sunrise Senior Living

Cyndy Cordell, Alzheimer’s Association, CEAL Board Member

Amy Cotton, EMHS Integrated Healthcare System

Nancy Cullen, Alzheimer’s Association

Sheri Easton-Garrett, Brookdale Senior Living

Janet Forlini, Independent Long-Term Care Consultant

Pat Giorgio, Evergreen Estates

Daniel Haimowitz, MD, American Medical Directors Association

Robert Jenkins, National Cooperative Bank, CEAL Board Member

Oliver Kim, Senate Special Committee on Aging

David Kylo, National Center for Assisted Living

Christopher Laxton, MD, American Medical Directors Association

Cathy Lieblich, Pioneer Network, CEAL Board Member

Randy Lindner, National Association of Long-Term Care Administrator Boards

Lee Page, Paralyzed Veterans of America, CEAL Board Member

Jackie Pinkowitz, CCAL – Advancing Person Centered Living

Emily Rosenoff, Office of the Assistant Secretary for Planning and Evaluation, U.S. Department of Health and Human Services

Louise Ryan, Administration on Aging, Administration for Community Living, U.S. Department of Health and Human Services



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Lindsay Schwartz, National Center for Assisted Living, CEAL Board Member  
Richard Stefanacci, DO, Institute for Geriatric Studies, University of the Sciences,  
Philadelphia, PA.  
Vivian Tellis-Nayak, My InnerView  
Mary Tellis-Nayak, My InnerView  
Sheryl Zimmerman, MSW, PhD, University of North Carolina  
Gina Zimmerman, The Joint Commission

## Appendix B: CEAL Symposium Agenda



### 2014 CEAL Roundtable

#### The Future of Assisted Living: Consumer Preferences and the Era of Healthcare Reform

#### Day One October 9, 2014

9:00 – 9:30	INTRODUCTION <u>Presenter:</u> Robert Jenkins, CEAL Board Chair Welcome and Overview of Roundtable Goals
9:30 – 11:00	KEYNOTE ADDRESS: <i>The Future of Long-Term Care in the Era of Health Care Reform</i> <u>Speaker:</u> David Grabowski, PhD, Professor of Health Care Policy, Harvard Medical School
11:00 – 11:15	BREAK – Regroup to assigned tables
11:15 – 12:45	MODERATED PANEL with Q&A: Kevin O’Neil, MD, Chief Medical Officer, Brookdale Loretta Kaes, RN, Director of Clinical Services, HCANJ Ralph Lollar, Director, CMCS Ellen Lukens, Vice President, Avalere Health Don Redfoot, Senior Strategic Policy Advisor, AARP Robert Kramer, President and CEO, NIC <u>Moderator:</u> Josh Allen, CEAL Board Member
12:45 – 1:45	LUNCH (will be provided)
1:45 – 3:45	SMALL GROUP DISCUSSIONS: Subject Areas - <ul style="list-style-type: none"><li>• Table 1: Acute/Chronic Care</li><li>• Table 2: Technology</li><li>• Table 3: Regulations/Public Policy</li><li>• Table 4: Affordability</li><li>• Table 5: Workforce Capacity</li></ul>
3:45 – 4:00	BREAK
4:00 – 4:45	OPEN GROUP DISCUSSION <u>Moderator:</u> Maribeth Bersani, CEAL Vice Chair <i>What were the “Aha” moments of the day?</i>
4:45 – 5:00	PREVIEW OF DAY TWO AND DISMISS FOR THE EVENING <u>Presenter:</u> Robert Jenkins, CEAL Board Chair

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**Day Two  
October 10, 2014**

9:00 – 9:15	WELCOME BACK AND CHARGE FOR THE DAY (Open Seating) <u>Presenter:</u> Robert Jenkins, CEAL Board Chair
9:15 – 10:30	REPORT AND DISCUSS EMERGING COMMONALITIES FROM DAY ONE <u>Presenters:</u> Lindsay Schwartz, CEAL Secretary and Cathy Lieblich, CEAL Board Member
10:30 – 10:45	BREAK
10:45 – 12:15	OPEN GROUP DISCUSSION <u>Moderator:</u> Cyndy Cordell, CEAL Treasurer and Steve Maag, CEAL Board Member <i>Where does AL need to go? How do we get there?</i>
12:15 – 12:30	BREAK & BOX LUNCH PICK-UP
12:30 – 2:00	DEVELOP RECOMMENDATIONS AND NEXT STEPS (Working Lunch) <u>Moderator:</u> Robert Jenkins, CEAL Board Chair
2:00 – 2:30	SUMMARY, THANKS, AND DISMISS <u>Presenter:</u> Robert Jenkins, CEAL Board Chair

## **Endnotes**

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<sup>1</sup> Moore, Jim. “Deep Economic Impact.” Assisted Living Executive Blog 2008.

<sup>2</sup> Key Findings from the NCAL 2013 Assisted Living Staff Vacancy, Retention, and Turnover Survey, National Center for Assisted Living, February 2015.

<sup>3</sup> INTERACT is designed to improve the early identification, assessment, documentation, and communication about changes in the status of residents. It includes clinical and educational tools and strategies for use in every day practice in long-term care settings, including assisted living. The goal of INTERACT is to improve care and reduce the frequency of potentially avoidable transfers to the acute hospital setting. Such transfers can result in numerous complications of hospitalization, and unnecessary healthcare expenditures.