

Maintaining a Strong Long-Term Care System in RI

By Kevin McKay and James P. Nyberg

The Rhode Island Global Consumer Choice Compact, or Global Medicaid Waiver, has recently gone into effect in Rhode Island in an effort to rebalance the long-term care system and promote home and community-based services. While this is a remarkable step forward for seniors, allowing them to remain in their homes and retain their independence longer, the proposed supplemental budget is two steps back for the elderly population, threatening their access to nursing home care if it is needed.

Any cut in state funding is magnified by the loss of federal matching revenue. As a result, nursing homes have already been targeted for more than \$11 million in Medicaid cuts since July. If adopted, the supplemental budget bill will bring the total funding cuts to \$24 million in one fiscal year, threatening the viability of many nursing homes here in Rhode Island. It's a step that we, as a community, can not afford, especially when Rhode Island has one of the oldest populations in the nation.

Nursing positions, dietary staff, professional development programs, and services such as transportation and activities for residents have been eliminated from many of our member nursing homes in recent months. Operating budgets have been cut to bare bones levels, any additional cuts will mean further layoffs, threatening nursing homes' ability to deliver quality care and, in some cases, even their existence.

For an industry that has become a model for other states, cuts in care are very disturbing. Rhode Island nursing homes are among the top in the nation as evidenced by quality of care inspections and resident satisfaction reports. That goal has been achieved through a dynamic process of continuing education, adapting to changing resident needs and embracing industry innovations.

The intent of the Global Medicaid Waiver was to provide supplemental services to enable individuals to remain in their own homes longer. That means when people opt for nursing homes going forward, it's because they are *very* sick or *very* frail. As the care system adapts to this new model, it's clear that nursing homes will need more medical staff to deal with its more acutely ill population, not less. Rather than cutting state aid, the state should be enhancing its support for the nursing homes that will remain.

With a struggling economy, how can we address the budget shortfalls and need to care for our most frail seniors? The proposed economic stimulus in Congress presents an opportunity to address reimbursement to nursing homes and allow the state to develop a long-term solution to stabilize the long-term care system. The economic stimulus anticipates more Medicaid funding than was included in

the supplemental budget. We propose using this funding to offset the additional cuts, namely the five percent daily rate cut, the reduction in labor reimbursement, and the delay in cost of living adjustment. This will also have an economic benefit by helping avoid further layoffs, which is important given Rhode Island's high unemployment rate.

As an organization, we are not crying wolf. In fact, RIAFSA has supported the rebalancing of the long term care system to ensure a constellation of care with strong providers at each point, including testifying in support of the Global Medicaid Waiver that was proposed by the Department of Human Services and adopted by the General Assembly. Our members have pledged to work with policymakers to find cost savings and address any inconsistencies such as the current system that provides compensation for some unused nursing home beds. We are committed to the development of a more sustainable, acuity-based system that provides the proper incentives for nursing homes in today's changing care continuum. We recognize the need to adapt to meet the changing needs of our elders and the community but we also recognize there will be a need for nursing homes long into the future.

As a community we can not negate the progress made by the recent adoption of the Global Medicaid Waiver by cutting reimbursements to nursing homes. We must ensure that there are safe and medically appropriate places where our most frail and at-risk individuals can receive compassionate care in their time of need, now and in the future.

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