

Long-Term Care Coordinating Council Assisted Living Workgroup

ASSISTED LIVING: SUPPLY AND DEMAND TRENDS

December 6, 2018

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INTRODUCTION/BACKGROUND

Assisted living facilities offer supportive residential living for individuals who are no longer able to live safely independently. These facilities offer assistance with basic daily living tasks, provide around-the-clock supervision, and support medication adherence. While most people with disabilities can live safely in the community, many persons with higher level of functional impairment require this higher level of care, including those with dementia, intellectual disabilities, and other behavioral health needs. Unlike skilled nursing facilities or other medical care paid for by Medi-Cal or Medicare, assisted living care is predominantly a private-pay service, and the cost of assisted living is often prohibitively expensive: the average rate for the least expensive facilities in San Francisco is approximately \$4,300 per month.

In San Francisco, the decreasing availability and increasing cost of assisted living present real and significant barriers for individual consumers, as well as the service systems tasked with supporting older and disabled residents to live safely in the community. At the request of Mayor London Breed and Supervisor Norman Yee, the Long-Term Care Coordinating Council (LTCCC) has convened a workgroup to study the need for assisted living, identify challenges that impact the ability of small facilities to stay open, and develop actionable recommendations to support the supply of assisted living beds in San Francisco.

The **Assisted Living Workgroup** was convened in August 2018 and meets monthly in a full group with interim meetings by research groups focused on issues related to supply and demand, as well as strategies to support assisted living capacity in San Francisco. This work is focused on facilities licensed as Residential Care Facilities for the Elderly (RCFE) that support seniors age 60 and older and Adult Residential Facilities (ARF) serving adults between ages 18 and 59. Both types of facilities will collectively be referred to as Assisted Living Facilities (ALF) in this report.

This report contains information regarding the current supply of and demand for assisted living beds in San Francisco. Future reports will focus on the ALF operator perspective (supported by a facility survey) and provide recommendations for the City to support the ALF supply.

Key findings

- Small facilities are decreasing at a fast rate, reducing placement options for low-income and hard-to-place consumers. These smaller ALFs historically have charged lower rates and been more willing to accept subsidized clients and those with behavioral challenges. The scale of this change is masked by growth in larger facilities. For example, since 2012, San Francisco has seen a five percent decline in RCFE beds. However, in the same time period, the supply of RCFE beds in small board and care homes (six beds or fewer) has decreased by 41%.
- Through programs within the Department of Public Health and Department of Aging and Adult Services, the City is currently subsidizing approximately 16% of San Francisco ALF beds.
- ALF operating costs far exceed the \$1,039 state-set rate for Supplemental Security Income (SSI) residents living in ALF, requiring a meaningful additional subsidy to secure placement.
- Demand for ALF placement is hard to capture but community and system indicators suggest there is an inadequate supply – particularly of affordable options for low and moderate income individuals.

CURRENT SYSTEM SUPPLY

This section describes the current supply of ALF facilities and beds in San Francisco and also provides an overview of how system supply has changed since 2012 to provide context for today’s state. This information is delineated by licensure category to highlight meaningful variation in capacity trends. Please note that this analysis does not include the City’s Continuing Care Retirement Communities (CCRC), a service model outside of the project scope.¹

Currently in San Francisco, there are 101 facilities and 2,518 total beds in RCFE and ARF located in San Francisco. The majority of facilities and beds are licensed as RCFE. More detail is provided by licensure category in the subsequent sections.

Assisted Living Facilities and Beds by Type in San Francisco, 2018

Type	Facilities	Beds
Residential Care Facilities for the Elderly (RCFE)*	59	2,040
Adult Residential Facilities (ARF)	42	478
Total	101	2,518

Source: CA Department of Social Services, August 2018

*Excluding RCFE beds located within Continuing Care Retirement Communities (facilities with an initial entry charge in addition to high monthly rates), there are 102 facilities and 2,518 beds

A key finding in this area is that supply has declined for both RCFE and ARF, notable both in terms of total numbers and types of facility. In both categories, the decline has been in smaller facilities. This is important, because these smaller facilities have traditionally been more accessible to lower-income residents (including those supported by DPH and DAAS). In total, San Francisco has 43 fewer ALFs in operation than in 2012. This has resulted in a decrease of 243 ALF beds (a nine percent decline).

Also notable is the difference in the types or size of facilities available by licensure. **While RCFE come in a variety of sizes, ARF are much more likely to be small facilities.** Half of the City’s ARF beds are located in facilities with 15 or fewer residents. Almost two-thirds of ARF facilities fall into the smallest facility category, often called “board and care homes,” with six or fewer beds. As the name describes, these are typically residential homes that have been opened up for boarders who require assistance around the home; residents typically share a bedroom with another resident and historically have lived under the same roof as the ALF administrator. Given the dramatic loss in small facilities in recent years, the City’s ARF supply may be particularly at risk.

¹ CCRC facilities provide a continuum of aging care needs – from independent living to assisted living to skilled nursing care – to support residents as their needs increase. CCRCs are targeted to higher-income individuals; in addition to high monthly rates, CCRCs require an initial entry charge or “buy in” fee. Because of the significant differences in the CCRC model and relative inaccessibility of its ALF beds to the general public, these four facilities (which contain 984 ALF-licensed beds) are excluded here.

RESIDENTIAL CARE FACILITIES FOR THE ELDERLY

CURRENT CAPACITY

San Francisco currently has 59 RCFE facilities that provide 2,040 beds. While small “board and care homes” (six beds or fewer) constitute one-third of total RCFEs, their small size means that they account for only six percent of total beds. The majority of RCFE beds (69%) are located in large facilities with 50 or more residents.

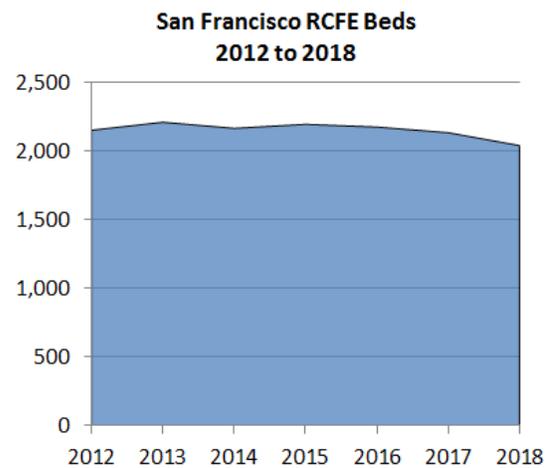
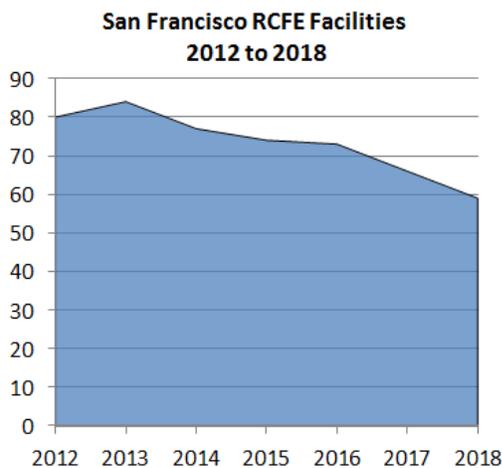
Licensed RCFE Facilities in San Francisco by Bed Size, 2018

Bed Capacity	# of Licensed Facilities	% of Licensed Facilities*	# of Beds	% of Total Beds*
1 to 6	20	34%	118	6%
7 to 15	19	32%	233	11%
16 to 49	8	14%	279	14%
50 to 99	6	10%	423	21%
100+	6	10%	987	48%
Total	59	100%	2,040	100%

Source: CA Department of Social Services, August 2018

HISTORIC TRENDS

Over the last several years, the number of RCFE facilities has declined significantly. Today, San Francisco has 21 RCFE facilities than 2012 – a 26% decline. However, because most of these closures were small facilities, the overall change in number of RCFE beds is small across this time period: a 5% decrease (112 beds).



Source: CA Department of Social Services, August 2018

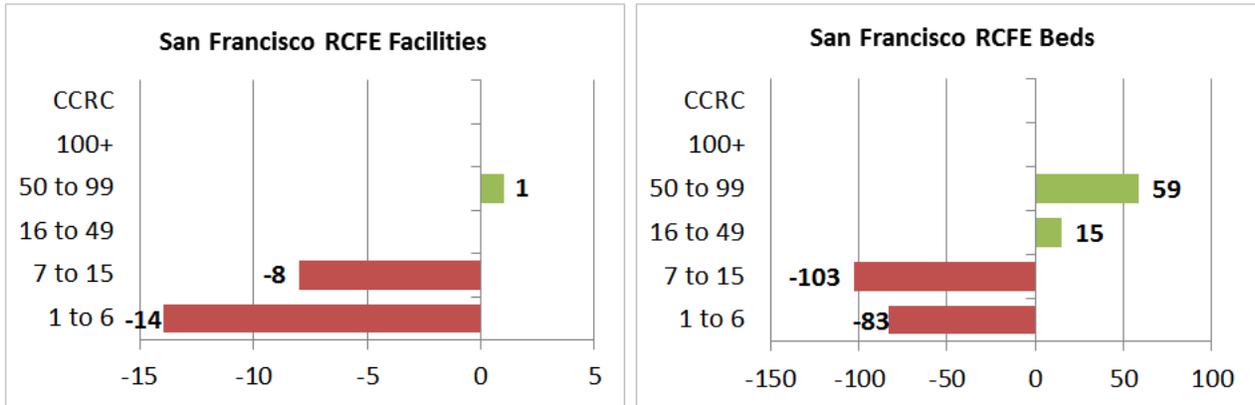
RCFE Facilities and Beds in San Francisco, 2012-2018

RCFE Supply	2012	2013	2014	2015	2016	2017	2018
# of Licensed Facilities	80	84	77	74	73	66	59
# of Beds	2,152	2,210	2,166	2,195	2,175	2,134	2,040

Source: CA Department of Social Services, August 2018

These changes have primarily occurred in smaller facilities. As shown below, the scale of this loss is masked by the growth in larger facilities. As shown below, between 2012 and 2018, San Francisco experienced a net loss of 186 RCFE beds in smaller facilities with fewer than 16 beds. However, growth in larger facilities added 74 beds during this period, obscuring the loss in small-facility capacity.

**Net Change in San Francisco RCFE Supply by Facility Size
2012 to 2018**



Source: CA Department of Social Services, August 2018

RCFE Facilities and Beds in San Francisco by Facility Size, 2012-2018

RCFE Facility Category	Facilities			Beds		
	2012	2018	Net Change	2012	2018	Net Change
1 to 6	34	20	-14	201	118	-83
7 to 15	27	19	-8	336	233	-103
16 to 49	8	8	0	264	279	15*
50 to 99	5	6	1	364	423	59
100+	6	6	0	987	987	0
CCRC	4	4	0	984	984	0
Total	80	59	-21	2,152	2,040	-112

Source: CA Department of Social Services, August 2018

*While the total number of 16 to 49 bed facilities remains the same, facility closures and new openings have resulted in a net gain of 15 beds.

ADULT RESIDENTIAL FACILITIES

CURRENT CAPACITY

There are currently 42 licensed ARFs in San Francisco that provide 478 beds.² These facilities tend to be small in size: the majority of ARFs (64%) are board and care homes with six or fewer beds. Half of ARF beds are located within facilities with 16 or fewer beds. There is only one ARF with 50 or more beds (compared to 12 RCFEs).

Licensed ARF Facilities in San Francisco by Bed Size, 2018

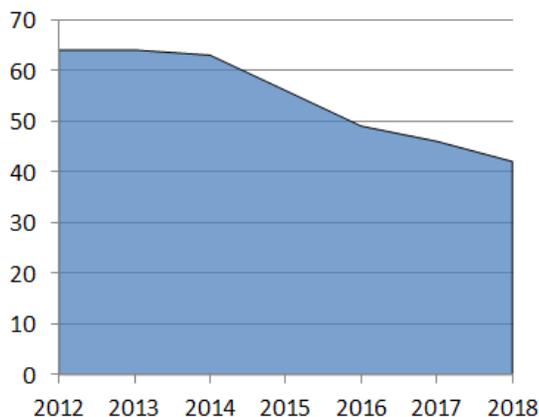
Bed Capacity	# of Licensed Facilities	% of Licensed Facilities	# of Beds	% of Total Beds
1 to 6	27	64%	158	33%
7 to 15	7	17%	80	17%
16 to 49	7	17%	185	39%
50 to 99	1	2%	55	12%
Total	42	100%	478	100%

Source: CA Department of Social Services, August 2018

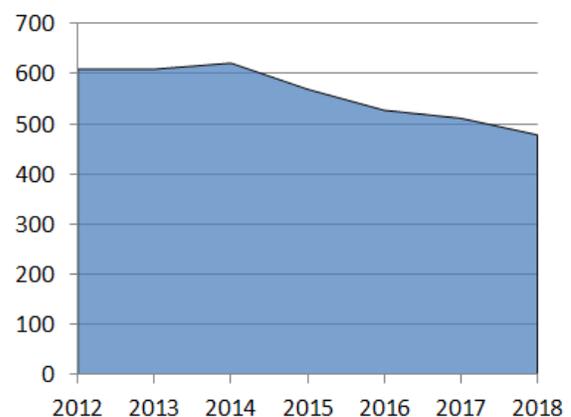
HISTORIC TRENDS

The supply of ARF facilities and beds has declined precipitously in recent years. Since 2012, there has been a 34% decline in the number of ARF facilities and 22% decline in the number of ARF beds in San Francisco. In total, San Francisco has 131 fewer ARF beds than in 2012.

**San Francisco ARF Facilities
2012 to 2018**



**San Francisco ARF Beds
2012 to 2018**

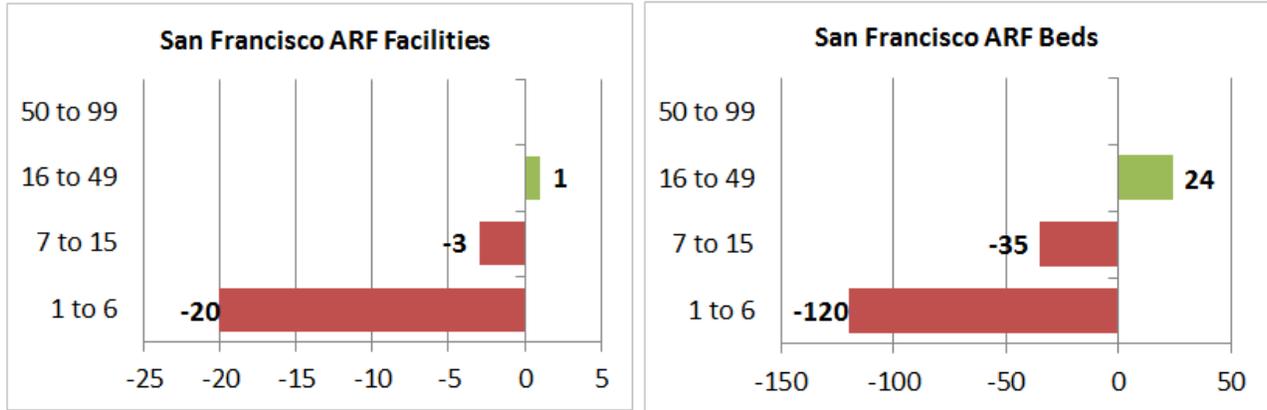


Source: CA Department of Social Services, August 2018

² This project (and the facility information within this report) is focused on Adult Residential Facilities. It does not include specialty programs: Adult Day Program, Residential Facility-Chronically Ill, and Social Rehabilitation Facility.

Viewed by facility size, there are 155 fewer beds in small facilities than in 2012: a 40% decrease. In numbers, this loss is offset by 24 additional beds in moderate-size facilities. In practicality, this decline represents a significant loss in the smaller ALFs that provide a more home-like setting and have traditionally charged lower rates.

**Net Change in San Francisco ARF Supply by Facility Size
2012 to 2018**



Source: CA Department of Social Services, August 2018

ARF Facilities and Beds in San Francisco by Facility Size, 2012-2018

ARF Facility Category	Facilities			Beds		
	2012	2018	Net Change	2012	2018	Net Change
1 to 6	47	27	-20	278	158	-120
7 to 15	10	7	-3	115	80	-35
16 to 49	6	7	1	161	185	24
50 to 99	1	1	0	55	55	0
Total	64	42	-22	609	478	-131

Source: CA Department of Social Services, August 2018

SUBSIDIZED BEDS

This section summarizes the most common sources of financial support for assisted living that are made available to low-income individuals who cannot afford to privately pay for an ALF bed and those enrolled in special programs. Most of these subsidies are managed locally. These include:

- 586 locally-funded and managed subsidies:³
 - 561 subsidies managed by Department of Public Health (DPH) for persons with behavioral health needs;
 - 25 subsidies managed by Department of Aging and Adult Services (DAAS) for persons at high risk of skilled nursing placement; and
- 16 subsidies provided through the Medi-Cal Assisted Living Waiver program operated by the California Department of Health Care Services (DHCS);
- 237 consumers supported through other programs, including:
 - 120 placements managed by the Golden Gate Regional Center (GGRC); and
 - 117 clients in the Program for the All-Inclusive Care for the Elderly (PACE) program.

In total, at least 839 San Francisco seniors and adults with disabilities are currently supported with the financial cost of ALF placement. **The 620 clients placed locally in San Francisco account for 25% of ALF beds, highlighting the importance of this resource and also its unaffordability to many people who require this level of support.**

Through DPH and DAAS programs, the City supports 586 placements at an overall cost of approximately \$11.2 million per year.⁴ Of these placements, 367 are in San Francisco facilities, meaning that 15% of San Francisco's ALF beds are supported with a city-funded subsidy. This trend is particularly pronounced among ARF beds: DPH's 199 ARF placements in San Francisco account for 42% of ARF beds.

The nature of subsidy supply varies by program. DPH, DAAS, and ALW subsidy programs are capped by available funding budgeted for ALF placement. When a client transitions off of a subsidy, a new consumer can be placed. The ALW program has a set number of slots, while city-funded subsidy programs are impacted by placement cost. If subsidy costs increase (e.g., due to rate increase or higher level of care needs), the number of subsidies DPH and DAAS programs can support decreases. Conversely, the number supported by GGRC and those whose care cost is paid by PACE is based on the needs of clients enrolled in their programs. Thus, the number of supported ALF placements may fluctuate over time if additional or fewer clients need ALF placement.

WAITLIST: In addition to these current subsidized placements, program data suggests at least an additional 103 individuals have been identified as in expressed need for a subsidized placement (through DPH, DAAS, and the Medi-Cal ALW program).

³ Local subsidy data is point in time; numbers will fluctuate based on changes in client needs.

⁴ Funding estimate based on subsidy rate alone and does not include administrative or related costs (e.g., case management).

CITY-MANAGED SUBSIDIES

DEPARTMENT OF PUBLIC HEALTH

DPH provides assisted living subsidies for persons with serious mental illness and San Francisco Health Network members with multiple complex characteristics (e.g., mental health, substance use, medically compromised) with the goal of supporting stability in the most appropriate and least restrictive setting. In total, 561 clients are subsidized for their ALF placements. DPH spends approximately \$10.2 million on these placements; daily subsidy rates are based on the level of care needed.⁵ Most clients receive SSI, and the DPH subsidy is layered on top of the \$1,039 monthly rate. For clients with higher income, DPH funds the cost difference to its negotiated rate.

DPH Placements in ARF/RCFE – All Counties

Level of Care	ARF	RCFE	Total	Daily Subsidy Rate	Monthly Subsidy Rate
Basic	191	68	259	\$22	\$660
Specialty	77	139	216	\$65*	\$1,950*
Enhanced	12	74	86	\$105	\$3,150
Total	280	281	561	.	

Source: DPH Transitions, August 2018 *San Francisco rate (out of county rate varies)

Notably, about 39% of DPH-supported ALF placements are in facilities outside of San Francisco. The tables on the following page provide a breakdown of in and out of county placements by level of care. Out of county placement may occur due to clinical determination (e.g., stability is better supported in a new environment away from factors that encourage destructive behaviors). However, this also indicates a level of demand for higher levels of care that is not met by the current system in San Francisco.

⁵ DPH Level of Care Definitions

- **Basic:** Provides only minimum standard services as laid out in the Title 22 ALF regulations
 - *Examples:* Transport assistance to 1-2 medical appointments per month, basic recreational activities (TV, board games, unstructured access to outdoor space, smoking area)
- **Specialty:** Provides above standard services as laid out in the Title 22 ALF regulations
 - *Examples:* Transport assistance to 3-4 medical appointments per month; accepts clients with moderate behavioral management issues, minimal-to-moderate redirection, medical conditions that require more time to provide med monitor/oversight (e.g., needs clear direction/cuing for blood glucose check/insulin self-administration), verbally abusive or generally loud clients, clients with hygiene issues; and/or hoarding/clutterers who are not resistant to direction.
- **Enhanced:** Provides additional staffing, supervision, and other services to address clients with functional impairment that requires enhanced behavioral supports, which are beyond the above categories and are laid out in the Title 22 ALF regulations.
 - *Examples:* Delayed egress/secure homes, provide unlimited transport assistance, have LVN/RN on staff so can assist with medication administration, most frequently insulin, willing to take O2 concentrators, accept high behavioral clients, such as mod-high redirection/frequent engagements, consistent verbal or threatening behaviors, hospice clients, offer rehab and pre-voc programming on site, offer substance use disorder treatment onsite, high hygiene issues.

DPH Placements in ARF/RCFE – San Francisco

Level of Care	ARF	RCFE	Total	Daily Subsidy Rate	Monthly Subsidy Rate
Basic	191	68	259	\$22	\$660
Specialty	8	29	37	\$65	\$1,950
Enhanced	0	49	49	\$105	\$3,150
Total	199	146	345	.	

Source: DPH Transitions, August 2018

DPH Placements in ARF/RCFE – Out of County

Level of Care	ARF	RCFE	Total	Daily Subsidy Rate	Monthly Subsidy Rate
Specialty	69	110	179	\$40 to \$70/day	\$1,774
Enhanced	12	25	37	\$91 to \$191/day	\$3,556
Total	81	135	216	.	.

Source: DPH Transitions, August 2018

WAITLIST: In addition to these current placements, **DPH has 32 clients in need of ALF placement and 10 empty beds.** This is the result of a mismatch between client needs and the available level of care in facilities with vacancies.

DEPARTMENT OF AGING AND ADULT SERVICES: COMMUNITY LIVING FUND

Through the Community Living Fund (CLF) program, DAAS supports people at risk of institutionalization (e.g., skilled nursing) to live in the community. In a given month, CLF funds ALF placement for approximately 25-30 clients. Historically, these subsidies have primarily been used to support individuals to transition out of Laguna Honda Hospital and Rehabilitation Center; in recent years, CLF has expanded its work to support transitions out of private skilled nursing facilities. The program focuses on placements in San Francisco.⁶ Each month, CLF spends approximately \$75,000 on ALF placements; in total, the program spent \$926,000 on assisted living in FY 2017-18.

In June 2018, there were **25 clients receiving a monthly subsidy for ALF placement** through CLF. Clients receiving a subsidy are permitted to retain \$134 per month (in keeping with the Supplemental Security Income personal needs allowance rate) and contribute the rest of their income to the monthly rate; CLF then patches the difference between the client's contribution and the ALF rate. The average client contribution is \$1,312, slightly higher than the SSI rate. The table below provides detail about the average subsidy amount funded through CLF for 22 clients placed in San Francisco.

Community Living Fund San Francisco ALF Placements

Subsidy Rate	Average	Minimum	Maximum
Daily	\$98	\$25	\$195
Monthly	\$2,943	\$737	\$5,854

Source: Community Living Fund, June 2018

⁶ Three current clients are placed out of county but were grandfathered in.

WAITLIST: In addition to these 25 individuals currently supported with an ALF subsidy, CLF has **identified 25 consumers who need ALF placement but for whom the program lacks resources to fund a subsidy.** This includes 10 current CLF clients who are living in the community with support from social services but need a higher level of care and 15 individuals who have applied for CLF support and require 24-hour care.

MEDI-CAL ASSISTED LIVING WAIVER PROGRAM

The Assisted Living Waiver (ALW) is a Medi-Cal Home and Community-Based Services waiver program that supports individuals who require skilled nursing level of care to delay placement and instead live in an assisted living or public subsidized housing setting with appropriate supports. This allows Medi-Cal funding to be used to pay for ALF placement for a limited number of individuals.

Currently, there are 16 San Francisco residents living in ALW-subsidized beds. The original ALW parameters designated 23 ALW slots for San Francisco. Because the ALW placement model utilizes a regional approach, the remaining seven slots will be filled on a rolling basis as slots become available, and San Francisco residents reach the top of the pooled ALW waiting list.

Assisted Living Waiver Program: San Francisco Residents

	#
Current ALW-subsidized placements	16
Total San Francisco ALW slots	23
Waitlist for ALW-subsidized placement	46

Source: CA Department of Healthcare Services, October 2018

WAITLIST: Per the California Department of Healthcare Services, there are **46 San Francisco residents on the ALW wait list** as of October 2018.

OTHER PROGRAMS

GOLDEN GATE REGIONAL CENTER

The Golden Gate Regional Center (GGRC) is a state-funded non-profit organization that serves individuals with intellectual disabilities. Per state regulations, GGRC must vendorize or rent out an entire ARF to place clients under age 60 in assisted living. For senior clients age 60 and older, GGRC can vendorize a single bed. Facilities must meet specific criteria and requirements to provide residential care to people with developmental disabilities.

As the Regional Center for San Francisco, Marin, and San Mateo counties, GGRC places clients in all of these counties. GGRC reports that they no longer vendorize new facilities in San Francisco due to cost and availability issues. In total, GGRC has approximately 120 San Francisco clients placed in ALF.

PROGRAM FOR THE ALL INCLUSIVE CARE FOR THE ELDERLY (PACE)

The Program for the All Inclusive Care for the Elderly (PACE) is a healthcare program for Medicare and Medicaid clients. In San Francisco, On Lok Lifeways operates a PACE program, serving individuals aged 55 and older. As a capitated managed care benefit model, On Lok Lifeways provides a comprehensive medical and social service delivery system and is responsible for meeting all of its clients' care needs. PACE clients who require ALF placement typically pay a portion of the monthly rate for room and board; On Lok Lifeways may cover the care-associated costs based on the individual's care plan needs.

Currently, there are about 117 PACE clients residing in RCFE.

ALF COSTS AND RATES

As private businesses, ALF costs and rates are typically considered confidential proprietary information, and this information is not made publicly available. Based on available research literature and reports on assisted living, the ALF Workgroup has attempted to approximate costs and identify a “break even” rate level. This analysis is detailed below. Additionally, DAAS program data provides a small sample of rates currently charged for CLF clients living in San Francisco ALFs.

This work will be supplemented by a survey of San Francisco ALF operators that will be administered in early November. Findings from this survey will be highlighted in a subsequent Assisted Living Workgroup report.

ESTIMATES

According to a 2018 report by the California Behavioral Health Planning Council,⁷ a 13-bed medium urban county facility’s total operating expenses were \$415,724 a year.⁷ Notably, this report did not include San Francisco; the focus of the study was primarily for small, rural counties and medium urban counties. Expenses in San Francisco would likely be higher due to increased costs (e.g., property taxes, land value, minimum wage).

Despite this limitation, the study provides a starting point to consider ALF costs and rates. Based on this estimate, an operator would need to charge \$2,665 per month to break even with full occupancy. Building in a 10% vacancy rate, an ALF would need to charge \$3,018 simply to make ends meet. In San Francisco, the rate would likely be higher.

Example: ARF Monthly Break-Even Rate for a Medium-Sized Urban County

Occupancy Rate	100%	90%	80%
Bed days per year	4,745	4,271	3,796
Daily rate	\$88	\$97	\$110
Monthly rate to break even	\$2,716	\$3,018	\$3,395

Source: California Behavioral Health Planning Council, 2018

Notably, **this breakeven point is well above the state-set Supplemental Security Income (SSI) rate for individuals in assisted living.** Under the Non-Medical Out of Home Care payment standard, SSI recipients receive an enhanced benefit totaling \$1,173 and are permitted to retain \$134, leaving \$1,059 available for ALF operators. Given the costs to operate an ALF, it would not be feasible for a facility to accept this rate for all residents or even a significant portion. Moreover, for each resident that a facility accepts at a lower monthly rate, the cost difference must be made up in the rates charged to other residents.

⁷ California Behavioral Health Planning Council. (2018). “Adult Residential Facilities: Highlighting the Critical Need for Adult Residential Facilities for Adults with Serious Mental Illness in California.”

SNAPSHOT: DAAS COMMUNITY LIVING FUND

As described earlier in this report, the DAAS-funded CLF program provides monthly subsidies to a small number of intensive case management clients who require ALF placement to avoid institutionalization in a skilled nursing facility. This program data provides a small sample of RCFE rates charged for 22 CLF clients placed in San Francisco.

On average, the monthly rate for CLF clients is \$4,382. Rates tend to be lower in smaller facilities. The maximum rate for a current CLF client is \$6,856; higher cost is based on increased level of care for clients with more complex needs. The table below provides further detail.⁸

Community Living Fund San Francisco RCFE Placements: Full Monthly Rate by Facility Size

Facility Size	# Clients	Average	Minimum	Maximum
1 to 6	1	\$2,073	\$2,073	\$2,073
7 to 15	0	.	.	.
16 to 49	3	\$3,597	\$2,790	\$4,000
50 to 99	9	\$4,943	\$2,735	\$6,856
100+	9	\$4,339	\$4,339	\$4,339
Total	22	\$4,382	\$2,073	\$6,856

Source: Community Living Fund, June 2018

⁸ CLF subsidizes the difference between a client's ability to pay and negotiated facility rate. As detailed in the "Subsidized Beds" section of this report, the average CLF subsidy is \$2,943.

CONSUMERS AND DEMAND FOR ASSISTED LIVING

An individual's need for assisted living level of care can develop under a variety of circumstances. The Assisted Living Workgroup has explored many potential data sources in its attempt to identify and quantify demand for ALF placement. Unfortunately, this effort is hindered by a lack of available data. When a service or support (like assisted living) is not an option, systems are typically not set up to document that need. Consequently, few programs and organizations track information about individuals who would benefit from ALF placement but for whom it is not an option (i.e., due to cost). Additionally, the information available through the state regulatory entity in charge of ALF licensing and reporting is limited.

However, even without clear cut data on consumer demand, the limited available data combined with key informant interviews provide a sense that there is significant unmet need for assisted living placement. This manifests in a number of trends, including: increasing rates of self-neglect among consumers attempting to live independently longer than is safely feasible; waitlists for ALF subsidies; out of county placements; and delays in client movement between levels of care.⁹

To support understanding and discussion of demand, this section provides descriptions of common circumstances under which need for ALF develops and manifests. These circumstances can overlap. These include:

- Living in the community but experiencing increasing needs that make independent living no longer a safe option;
- Currently institutionalized or at risk of institutionalization in a skilled nursing facility; and
- Experiencing behavioral health challenges and unable to meet basic needs, either in the community or on the street.

LIVING IN THE COMMUNITY

A key source of demand for assisted living comes from individuals living in the community. These are older adults and people with disabilities who have lived relatively independently for many years but due to increasing functional support needs require a higher level of support than their current circumstances are able to provide.

As the lead City department providing social services to older adults and people with disabilities, DAAS is uniquely positioned to identify individuals living in the community with escalating needs. In particular, the **concurrent utilization of the Adult Protective Services (APS) and In-Home Supportive Services (IHSS)** programs is a potential identifier for this target population:

⁹ Consumers unable to afford ALF placement may remain in hospital and psychiatric beds when their needs could be met in an ALF, impacting the availability of these critical services for others, or be released to emergency shelters, a setting inappropriate for their needs.

- APS is the state mandated program tasked with investigation of reports of self-neglect and abuse of older adults and people with disabilities. Many of the consumers APS serves live alone and suffer from mental confusion and progressive degenerative diseases that cause dementia, placing them at risk of falls, exploitation from others, and even eviction due to unpaid bills or hoarding and cluttering behavior.
- IHSS is the primary public assistance program for many older people and adults with disabilities that supports independent living in the community. This is a Medi-Cal benefit that provides non-medical help at home with basic daily tasks, like dressing, bathing, meal preparation, and cleaning.

When these IHSS recipients are referred to APS, it is an indication that the constituent's needs are not being adequately met in the community. This is particularly true of IHSS clients receiving the maximum number of care hours (283 hours per month or a little less than ten hours per day). Analysis of FY 2015-16 program data found that 66 IHSS clients receiving near the maximum hours were referred to APS. Of these, 26 were recidivist APS clients – individuals struggling to maintain stability in the community who were re-reported to APS within a year of a prior case due to safety concerns.

More broadly, APS caseloads are on the rise and self-neglect – the inability to meet one's needs – is a prevalent issue. In FY 2017-18, APS received over 7,700 reports of abuse, and almost half included reports of self-neglect. In recent years, APS has developed innovative strategies to address the complexity and depth of need among San Francisco's most vulnerable adults, including the formation of a specialized High-Risk Self-Neglect Unit (HRSN) that provides a more intensive level of support to its clients. For example, 124 clients served by this new unit last year were at risk of eviction or loss of housing. The HRSN approach is showing signs of success, including a lower rate of recidivism. However, even with this specialized attention, approximately nine percent of HRSN clients are re-referred to APS, suggesting that a higher level of care is needed to maintain stability. Individuals who are not being successfully served through IHSS and/or APS may be at risk of becoming homeless without the care and support that they need and that an ALF can provide.

LIVING IN (OR AT RISK OF ENTERING) MEDICAL INSTITUTIONS

Assisted living is also a viable option for many individuals who are hospitalized or living in a skilled nursing facility – with round-the-clock supervision, medication management, and support traveling to medical appointments, their primary needs can be satisfactorily met in the more independent, community-like setting of an ALF.

The two primary programs that support individuals with **skilled nursing level of care** to pay for ALF placement are:

- The **CLF program** funded by DAAS is focused on supporting individuals with care needs at the skilled nursing level to live instead in the community. As noted earlier in this report, this program supports 25 to 30 individuals with an ALF subsidy each month. As of June 2018, there were 25 clients receiving an ALF subsidy (the level varies based on available funds and expressed needs). The program has identified an additional 25 clients who are waitlisted for ALF placement – they need this higher level of support but the program does not have financial resources to subsidize their placement at this time.

- Similarly, the **ALW program** allows Medi-Cal funding to be used for individuals who require skilled nursing level of care to delay placement and instead reside in ALF. Currently, San Francisco has 16 residents subsidized through this program; up to seven additional clients will be served once they rise to the top of the regional waitlist. As of October 2018, there are 46 individuals on the waitlist for this program.

Hospitalized individuals unable to privately pay for assisted living or ineligible for a subsidy may end up stuck at the hospital without a clear discharge solution. Recent surveys of local hospitals found that significant numbers of patients awaiting placement needed custodial care and that many of these patients could be accommodated in a community-based setting with appropriate long-term care supports, such as assisted living. More specifically, 50% of 117 patients waiting for post-acute care placement were identified as requiring custodial care and 24% could be accommodated in a lower level of care in the community. Many of these patients had behavioral health characteristics, including substance use, severe mental illness, and/or dementia.

San Francisco Hospital Survey: Post-Acute Care Placement Wait Times

	April 2017 Survey	October 2017 Survey
Total number of patients waiting for placement	117	85
Number of patients waiting for placement by time frame	3-10 days = 42 11-39 days = 38 40 or more days = 36	1-10 days = 30 11-39 days = 29 40-99 days = 14 100 or more days = 12

Source: Post-Acute Care Collaborative, “Addressing San Francisco’s Vulnerable Post-Acute Care Patients” (2017)

As part of the Post-Acute Care Collaborative project, over 20 stakeholders representing acute care hospitals, skilled nursing facilities, city departments, health plans, and community-based services providers were interviewed regarding post-acute care placement, focusing specifically on the needs of high-risk post-acute care populations. Common themes and key findings included:

- Informants cited changes in RCFEs affecting ALF availability for post-acute care patients. Both small and large RCFEs are managing more residents with chronic health and ADL needs than in the past.
- Supported living settings offer a least restrictive environment for patients with ADL or behavioral health needs, who could be in a community setting with help. Several national trends highlight the viability of supported living as an appropriate alternative to skilled nursing level of care for some individuals with non-skilled care needs.

BEHAVIORAL HEALTH CHALLENGES

People unable to manage behavioral health challenges may need assisted living to maintain stability. This includes individuals with mental illness, cognitive impairment (e.g., dementia), substance use, and other conditions that impact their ability to meet basic daily needs. Without this, they may repeatedly

end up in emergency services, living on the streets without additional support, or become vulnerable to exploitation.

Persons with serious mental illness and those with multiple complex characteristics, such as mental health, substance use, and/or medically compromised, may be supported to obtain ALF placement through the **DPH Transitions placement** program. As discussed earlier in this report, DPH currently provides 561 individuals with an ALF subsidy. Many of these clients are conserved through the DAAS **Office of the Public Conservator**, which facilitates treatment and recovery for persons gravely disabled due to mental illness. Of the 560 individuals currently conserved, 120 (21%) are placed in ALFs. Most (76 clients) are placed out of county due to unavailability of appropriate beds locally.

Persons unable to care for their own needs due to **cognitive impairment** are supported by the DAAS **Office of the Public Guardian**. Most of these clients have dementia, and their health will continue to decline over time. Of the 306 individuals under a guardianship, 94 (31%) reside in an ALF. About half of these clients are placed within San Francisco (48). Many of these clients are also supported with a DPH subsidy.

People experiencing behavioral health challenges may end up homeless due to inability to manage finances, pay bills on time, or meet their basic needs. Currently, homeless service systems do not directly track the need for assisted living. However, the recently-implemented One System may provide opportunities in the future to analyze consumer information and potentially discern levels of need among this population.

CONCLUSION

Assisted living is a vital resource for many seniors and people with disabilities who are no longer able to live safely independently. These facilities are a key piece of the City's service system, supporting individuals living in the community to transition up to a more protective level of care when needed and also providing a more independent and community-like setting for consumers able to transition down from a more restrictive institutional setting. Maintaining an adequate ALF supply in San Francisco supports the movement of individuals through medical and mental health systems, ensuring that the right level of care is available and accessible when it is needed.

Of particular concern is the precipitous decline in smaller facilities, which tend to provide a more home-like setting and historically have been a key resource for low-income individuals in need of ALF placement. Operating costs have increased, making the SSI rate for the lowest-income individuals not a viable payment for ALF operators. As the Assisted Living Workgroup continues its work, the needs and opportunities to support these operators must be a focus in order to support the availability of ALFs for San Francisco residents.