

# **Assisted Living Workgroup Findings & Recommendations**



**PRESENTATION TO THE  
LONG-TERM CARE COORDINATING  
COUNCIL**

**JANUARY 10, 2018**

# Agenda



**Project Summary**

**Process Overview**

**Key Findings**

**Recommendations**

# Key Terms



**ALF:** Assisted Living Facilities, used to refer to both:

- **ARF:** Adult Residential Facilities
- **RCFE:** Residential Care Facilities for the Elderly

**ALW:** State-managed Medicaid Assisted Living Waiver

**City Departments:**

- **DAAS:** Department of Aging and Adult Services
- **DPH:** Department of Public Health

# Project Summary



- Project was prompted by a concern that people in need of assisted living are unable to procure it for a variety of reasons, particularly low-income individuals.
- Assisted Living Workgroup has identified that smaller and more affordable ALFs are disappearing, making it difficult for low-income persons to secure ALF placement and presenting a potentially critical barrier for the City's support network and system of care.
- The Workgroup recommends the City support the continued existence of small facilities, while also developing alternative models and sources of support to ensure this resource remains available.

# Process Overview



## Members

- ALF operators and 6Beds, Inc
- City departments (DAAS, HSA, Controller, OEWD)
- Staff representation Mayor Breed and Supervisor Yee
- Service providers that work with older adults and people with disabilities
- LTC Ombudsman
- Medical and healthcare professionals

## Met August through December 2018

- Conducted key informant interviews, administered an ALF operator survey, analyzed subsidy data, and developed a cost estimate and key informant interviews
- Work done within 3 research subgroups:
  - Demand
  - Supply
  - Strategies

# Process Overview



## **Developing recommendations:**

- Based on findings from Supply and Demand research groups, 16 potential strategies were identified

## **Prioritizing recommendations:**

- From that list, the team prioritized recommendations based on the following criteria:
  - Cost
  - Impact
  - Timeframe
  - Feasibility

# Key Findings



- Small and affordable facilities are disappearing at a fast rate and are unlikely to come back.
- Cost is – and will continue to be – a significant barrier.
- The City is a key funder of ALF placement
- There is unmet need for low-income ALF placements in San Francisco

# Small and affordable facilities are disappearing at a fast rate and are unlikely to come back



- Decline in assisted living supply has occurred across both RCFE and ARF, primarily in small board and care homes. ARF are particularly at risk.
- Cost estimates suggest it is not financially feasible for a facility to accept the SSI rate and that it is unlikely that new board and care homes will open in San Francisco.
- Shifting family dynamics and broader economic trends exacerbate these cost issues, particularly related to workforce.



# Cost is – and will continue to be – a significant barrier



- Cost estimates suggest that the monthly break-even bed rate is two to four times more than a low-income SSI recipient would be able to pay.
- It is unlikely that new ALFs will cater to low-income consumers.
- Low-income individuals will need a meaningful additional subsidy to secure ALF placement.

# The City is a Key Funder of Assisted Living



- Over 800 low-income individuals and clients enrolled in special programs are supported to secure ALF placement through City and other public programs.
- 25% of ALF beds in San Francisco are subsidized by the City program or through another program. In particular, 42% of ARF beds are subsidized by DPH.
- The best opportunity to improve access to assisted living is through an expanded Medicaid waiver and additional local subsidies.

# There is Unmet Need for Affordable Assisted Living



- An individual's need for assisted living level of care can develop under a variety of circumstances:
  - Living in the community with increasing personal care needs
  - Currently institutionalized or at risk of institutionalization
  - Experiencing behavioral health challenges and unable to meet basic needs
- Data to document demand is limited – when a service is not available, systems are typically not set up to document the need for that service.
- From the data available, at least 71 individuals have been assessed as in need of ALF placement.

# Recommendations



Strategy	Recommendation
<b>Sustain existing small businesses</b>	Support business acumen skills Develop workforce pipeline
<b>Increase access to existing ALF beds</b>	Increase the rate for City-funded subsidies Increase the number of City-funded subsidies
<b>Develop new models</b>	Pilot co-location of enhanced services and affordable housing Make space available for ALF operation at low cost
<b>Enhance state Assisted Living Waiver program</b>	Shift management of San Francisco ALW slots to local entity Advocate for ALW expansion (AB 50)

# Sustain Existing Small Businesses



## **Support business acumen skills:**

Consulting to support smart business practices and promote overall business viability (e.g., streamline costs, optimize efficiency, and publicize business).

## **Develop workforce pipeline:**

Partner with existing job training and subsidy programs for time-limited subsidy placement.

# Increase Access to Existing ALF Beds



**Increase the number of City-funded subsidies:** To ensure the City is able to secure ALF placement for low-income individuals.

**Increase the rate of City-funded subsidies:** To increase availability of affordable ALF placement for low-income individuals.

# Develop New Models



**Pilot co-location of enhanced services and affordable housing:** Explore models that provide enhanced, targeted, and coordinated long term care services within the community.

**Make space available for ALF operation at low cost:** Support ALFs by making space available at low-cost to ALF operators. This could be through City managed property or through philanthropic public/private partnerships.

# Enhance State Waiver Program



**Improve allocation of existing Assisted Living Waiver (ALW) slots:** Explore opportunities to ensure that all Assisted Living Waiver (ALW) slots assigned to San Francisco are implemented in a timely manner, potentially by shifting management of the ALW program locally rather than regionally.

**Advocate for Assisted Living Waiver (ALW) expansion:** Advocate at the state level for passage of Assemblymember Kalra's AB 50, Medi-Cal: Assisted Living Waiver Bill.



# Conclusion



- Assisted Living Workgroup has identified that smaller and more affordable ALFs are disappearing, making it difficult for low-income persons to secure ALF placement and presenting a potentially critical barrier for the City's support network and system of care.
- The Workgroup recommends the City support the continued existence of small facilities, while also developing alternative models and sources of support to ensure this resource remains available.
- **Next steps:** Seek LTCCC approval to submit report to Mayor Breed and hold follow up discussions regarding implementation

# Discussion & Questions