


2013 PUBLIC POLICY PRIORITIES

LeadingAge Florida, formerly the Florida Association of Homes and Services for the Aging (FAHSA), was established in 1963 as a Florida not-for-profit corporation. We are the only statewide association representing the full continuum of care for seniors. We represent more than 400 communities statewide, serving the needs of more than 80,000 seniors. We promote practices that support, enable and empower Floridians to live fully as they age in our state.

This brief summary is provided to assist you when you are meeting with state legislators, candidates and other policy makers. The following are preliminary issues identified by LeadingAge Florida that are expected to be addressed during the 2013 Florida Legislative Session:

 **Support ALF (Assisted Living Facility) reforms including strong enforcement of current Assisted Living regulations; enhanced educational requirements for administrators; and adequate funding for ALFs serving low income residents and residents with mental health problems.**

- ALF regulation should be based on a social model of care. If regulatory changes are made that mimic those of a nursing home, ALFs will become more institutional, less affordable and less appealing to seniors.
- Providers must retain the flexibility to establish their own admission and continued residency criteria within the parameters permitted in law. Not everyone is able or willing to serve individuals with more complex health and functional problems
- Regulatory changes that restrict a provider's right to transfer or discharge a resident who requires a higher level of care or presents a danger to self or others should be avoided.
- The focus should be on strengthening educational and training requirements for ALF administrators, targeting full and possibly more frequent inspections to ALF providers with a history of non-compliance, making greater use of the authority that Agency for Health Care Administration (AHCA) has to conduct abbreviated surveys in the best ALFs, and better enforcement.
- Adequate Funding is necessary to better serve low income resident and residents with mental health problems.

 **Support the preservation of current sales tax exemptions applicable to “homes for the aged” and non-profit organizations.**

Currently, non-profit organizations, including homes for the aged, are exempt from the state sales tax on purchases if they hold a 501(c)(3) tax exempt certificate from the IRS. In addition, section 212.07 (7)(i), F.S., exempts residents of nursing homes, assisted living facilities, continuing care retirement communities and other similar entities from a sales tax on meals served to residents. Finally, Florida law is silent on entrance fees, monthly maintenance fees and services provided in “homes for the aged,” which means such fees are excluded from the sales tax. All of these sales tax exemption and exclusions serve a public purpose because they benefit frail, elder Floridians and others in need. If these exemptions and exclusions were removed, the cost of long-term care and retirement housing would increase substantially.



Support Streamlining AHCA Regulatory Reduction

- Duplicative and unnecessary paperwork and reporting requirements continue to be costly to the providers and consumers of long term care.
- Although legislation signed into law in 2012 brought some relief, especially for nursing homes, there are still redundant requirements being identified.
- Leading Age Florida is working with AHCA to identify duplicative and burdensome requirements that can be eliminated or at the least streamlined for efficiency.



Oppose changes to Medicaid long-term care reform that reverse statutory safeguards related to consumer choice, quality, and reimbursement adequacy.

Florida's Medicaid long-term care reform, though not perfect, includes important safeguards to ensure that elder consumers have a choice when selecting a nursing home that will be their "home" for months or possibly years. Consumers also have appeal rights when Medicaid transitions from fee-for-service to managed care. Equally important, reimbursement rates for nursing homes will continue to be set by the Agency for Health Care Administration, a measure that will help to guarantee that providers have sufficient resources to hire qualified staff and provide good care. These provisions are essential and must be maintained.



Oppose further Medicaid cuts to nursing homes

Close to \$1 billion has been cut from Medicaid spending in Florida over the past five years. With Medicaid dollars down and costs up, nursing homes have been examining the way they do business including freezing employee wages, modifying benefits and even staff lay-offs. It is difficult for nursing homes and others to continue to take funding cuts without reducing minimum staffing standard and cutting programs – changes that we would not endorse because they would adversely affect the quality of care and life in a nursing home. The bottom line is NO MORE CUTS!



Oppose efforts to shift money from the Affordable Housing Trust Fund to other state funded programs

Due to the economy and budget concerns over the past several years, the Affordable Housing Trust Fund is nearly depleted because its monies are being used to offset budget deficits. The monies need to be protected from further sweeps and higher priority needs to be given to using those funds for the preservation (renovation and repair) of government financed affordable housing for seniors.

Furthermore, funding needs to be restored for the State Housing Initiatives Partnership (SHIP) and the State Apartment Incentive Loan (SAIL) program.



Maintain the certificate of need and moratorium for new nursing home beds until Medicaid managed care is operational statewide for three years but modify exceptions to the moratorium to make it easier for good providers with high occupancy rates to obtain additional beds when needed.

The quality of care and life in Florida nursing homes has steadily improved over the past 25 years. As the state transitions to Medicaid managed long-term care, caution should be taken to avoid major policy changes before the system is fully operational and evaluated. If Medicaid reform has an immediate effect on nursing home utilization as anticipated, lawmakers should be concerned about declining nursing home occupancy rates. Locally controlled and operated nursing homes (some of the best in the state) are the most likely to suffer because they do not have the resources of large multistate nursing home chain operations to offset lost revenue. When a nursing home cannot fill its beds, fixed cost must be met through higher charges for occupied beds, and staffing standards must be maintained or quality will suffer. A healthy network of nursing homes is critical and may be even more critical three years from now because of a more acutely ill nursing home population.

As of 2011, Florida is one of 36 states, and the District of Columbia, with a certificate of need (CON), that retain laws and rules related to nursing home beds intended to regulate health care costs and prevent duplication of services. In 2001, the Legislature took the additional step of imposing a moratorium on new beds with the goal of containing nursing home growth while encouraging the use of less costly alternatives. The moratorium was reenacted in 2006 and again in 2011. However, the law includes exemptions that are tied to high occupancy rates. As a result of the moratorium and increased funding for home and community-based services, the nursing home caseload has declined over the past 10 years as has Medicaid occupancy (64.43% to 61.75%). The nursing home budget as a percentage of total Medicaid budget also decreased from 19% to 14.5 percent over the same period. The statewide average nursing home occupancy rate is only 87.41%. A repeal of the CON or bed moratorium is likely to lead to uncontrolled nursing home growth and an economically unstable provider group, which in turn will adversely affect the quality of care.