

Rebalancing Demonstration program through Sept. 30, 2016. This program gives states grants to increase HCBS over long term care institutions and gives people more of a choice in how they receive their care.

The senators also focused on Green House model facilities, or smaller group homes for up to 10 people operated around common living areas and universal staff.

They proposed using federal grants to help expand the Green House idea and create a consumer task force to develop Real Choice Systems Change initiatives and provide caregiver support.

AHCA/NCAL was pleased to see the papers included long term care as

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part of the overall look at health care reform, but expressed concern that few items addressed “elderly Americans’ long term care needs,” particularly regarding Medicaid changes.

The associations also pointed out that Americans should have “access to the entire range of services and supports, including facility-based services and supports, as determined by needs and preferences.”

“While we support the expansion of [HCBS], we would ask that the committee be mindful that for many beneficiaries, facility care remains a critically important choice in selecting the most appropriate care setting for an individual’s needs,” AHCA/NCAL wrote in its comments.

The committee aims to have the Senate version of the bill done before the August recess, but the House would still need to finalize its version of the bill, and the differences between the two would need to be reconciled.

—Suzanne Struglinski

## SNF Cuts Could Have Broad Impact

### \$2.5 Billion Reduced Business Activity Likely

The Centers for Medicare & Medicaid Services’ (CMS) proposal to cut \$1.05 billion from skilled nursing facility (SNF) Medicare payments would generate billions more in losses to the wider economy, according to an analysis by the American Health

businesses reduce their workforce to cut costs; and a loss of 30,300 jobs.

The rule would achieve savings through a one-time recalibration of the resource utilization groups that determine SNF Medicare payments. Initially proposed by the Bush administration,

IMPACT OF MEDICARE NURSING FACILITY RECALIBRATION CUTS FISCAL YEAR 2010				
	Direct	Indirect	Induced	Total
Business Activity Loss	\$1.05 billion	\$458.0 million	\$1.03 billion	\$2.5 billion
Employee Income Loss	\$640.4 million	\$139.0 million	\$322.6 million	\$1.1 billion
Job Loss	20,200	2,800	7,300	30,300

*Direct Effect:* The change in revenue/employee income/jobs for nursing facilities  
*Indirect Effect:* The ripple effect on revenue/employee income/jobs for other businesses that rely on nursing facility purchases  
*Induced Effect:* The impact on local industries caused by reduced household income

ESTIMATED JOBS IMPACT OF \$1.05 BILLION PROPOSED MEDICARE CUT: U.S.		
Position	Average Salary	# Of Full-time Positions Equivalent To Proposed Cut
Administrator	\$86,354	12,519
Director of nursing	\$75,444	13,918
Registered nurse	\$54,267	19,349
Occupational therapist	\$72,134	14,556
Physical therapist	\$78,478	13,379
Certified nurse assistant	\$21,470	48,907

Source: American Health Care Association, May, 2009.

Care Association (AHCA).

The analysis—based on a widely used software modeling program known as Impact Analysis for Planning (IMPLAN)—found that the cut would lead to \$2.5 billion in reduced business activity, as providers’ purchasing power drops and ripples out to other businesses; \$1.1 billion in reduced labor income, as nursing facilities and other

it was revived in CMS’ proposed rule for fiscal year 2010 SNF Medicare payments and included in the administration’s budget, where the one-year cut of \$1.05 billion to SNFs is projected to compound to \$7.23 billion in reduced Medicare payments over five years.

The IMPLAN analysis shows a “substantial, negative impact on America’s local, state, and national economies,”

AHCA said. The rule would “cut good health jobs, undermine economic stimulus initiatives, and derail badly needed delivery system reforms already benefiting beneficiaries and taxpayers,” said Bruce Yarwood, AHCA president and chief executive officer.

The analysis also illustrates the impact of the SNF payment cuts on jobs; it is worth thousands of jobs across all categories of direct care and administrative staff, according

to AHCA. The organization has also produced a state-by-state breakdown of the amount of the cut that each state would bear; the average salary in that state for administrators, directors of nursing, registered nurses, occupational and physical therapists, and certified nurse assistants; and based on that wage, the number of jobs in each of those categories that the dollar cut represents.

—Lynn Wagner



## GREEN SCENE

### Lighting The Way To Less Energy Use

Electricity generation is a major source of carbon dioxide emissions, but the good news is that using less of it saves money and reduces the environmental footprint. At the same time, proper daylighting and electric lighting are vitally important for the comfort and well-being of senior populations. The quality of lighting can be improved while reducing associated energy costs by carefully considering both fixture and lamp options, as well as natural light.

The first thing to do is to look for ways to provide high-quality daylight complemented by electric lights that use less energy. This often involves removing incandescent lamps (traditional light bulbs) and replacing them with high-performance fixtures and lamps. In some situations, there is excessive general lighting that can be reduced and replaced with higher-quality task lights.

Providing lighting levels based on the different activities conducted in each area is essential. For example, an activity room might be used for both crafts and exercising. While hand-eye activities typically require strong lighting, exercise classes can be held in a lower lighting environment that still

provides excellent contrast needed for aging eyes.

Natural light is the first and best source of lighting if glare is managed with glass selection and easily operable screens. Florescent lamps, with a high color-rendering index and the desired level of color, are an efficient complement to daylight, especially when combined with daylighting controls.

The next lighting frontier is the use of LED (light-emitting diode) lamps. These lamps reduce lighting power use by an additional 50 percent or more and are even longer lasting.

Some energy providers offer energy audits as part of an overall energy reduction strategy.

Assessment of the light quality and levels, relative to the visual tasks being performed, is a key to energy savings.

Let these tips light the way to a safer, more comfortable, and greener environment for residents.

*Paul J. Hoffman, owner and chief operating officer of Hoffman LLC (www.Hoffman.net), a Wisconsin-based firm that integrates a single source of responsibility for planning, architecture, and construction management, is an author and speaker on the subject of sustainability.*

## CARF Issues New Assisted Living Program Standards

Starting July 1, CARF peer accreditation surveyors will use updated assisted living standards to accredit programs.

CARF originally issued standards for assisted living in 1999. The updated standards emphasize person-centered care, or culture change, and provide a streamlined, continuous quality management framework for providers. The standards foster transparency to consumers about issues such as admission requirements, disclosure, transitions, and medications.

“Because CARF standards are developed with direct consumer input, they address areas of most significance to consumers such as rights, choice, transition processes, access to information, and organizational

**‘The standards help define expected resident outcomes.’**

stability,” says Susan Ganson, CARF’s resource specialist for aging services.

The standards help providers define expected resident outcomes. Since assisted living settings vary, the CARF standards are applicable to those that are freestanding, residences attached to a nursing facility, or those that are part of a continuing care retirement community.

CARF’s standards cover the roles of leadership and governance, strategic planning, resident and staff satisfaction, information measurement tools, and the processes and programming of person-centered care. The person-centered care section includes standards focused on service delivery planning and how information is shared among the assisted living program, the resident, and the resident’s family members.

—Lisa Gelhaus