

# California Advocates for Nursing Home Reform

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## California's Assisted Living Waiver Pilot Project

### Overview

In March 2006, Medi-Cal will begin paying for assisted living care to select residents of Los Angeles, Sacramento and San Joaquin counties. A three-year pilot project, operated by the California Department of Health Services (DHS), will cover nursing home type care services delivered to residents of residential care facilities for the elderly (RCFEs) and publicly funded housing sites.

A 2000 law (AB 499 - Aroner) requires DHS to test Medi-Cal funding of long term care in assisted living settings, subject to federal approval. The Centers for Medicare and Medicaid Services (CMS), the responsible federal agency, approved the pilot project in June 2005.

### Scope of Program

Up to 1,000 people will be served during the three-year period. DHS plans to serve 400 people in Los Angeles County, 400 people in Sacramento County and 200 people in San Joaquin County.

About 70 percent of the participants will be served in residential care facilities for the elderly (RCFEs); the remaining participants will be served in publicly funded housing programs.

### Eligibility

Participants must be eligible for full-scope or share-of-cost Medi-Cal benefits, and require a nursing facility level of care. The latter requirement is key to eligibility because the waiver program is designed to serve people who would otherwise need nursing home care. The project will serve people age 21 and older.

Contracted Care Coordination Agencies will use a standardized assessment tool to determine the nursing home level of care.

People living in other counties can receive services if they are otherwise qualified, willing to relocate to one of the participating counties, and work with an enrolled care coordination agency.

### Care Planning

Using the standardized assessment tool, care coordination agencies will determine the level of care each participant needs. DHS established four levels of care -- known as tiers -- and a payment level for each tier.

Care coordinators will establish individualized service plans for each participant, including services that are covered by Medi-Cal through the pilot project and other services funded by other sources. Participating RCFEs must develop a care plan to implement the service plan for each resident.

A licensed, Medi-Cal certified home health agency will implement care plans for participants who live at public housing sites. In this setting, the services provided are called Assisted Care.

### Payment Rates

Participants pay for their own room and board at rates set by facilities. Medi-Cal payments only cover costs for specified care and services.

RCFEs and home health agencies are reimbursed at four levels of care, with daily rates ranging from \$52 per day for tier 1 to \$82 per day for tier 4. RCFEs and home health agencies cannot negotiate the services to be delivered or the payment rate.

Care coordination agencies will be paid \$200 per participant, per month, for care coordination services and for the coordination of other waiver benefits and services.

Additional funds are available. Up to \$2500 is available to help a nursing home resident return to a community setting, plus \$1,000 is available to cover care coordination services for such individuals. Up to \$1500 per participant in public housing is available for environmental accessibility adaptations. Other benefits include consumer education and interpretation and translation.

## Provider Eligibility

Provider participation is voluntary. Interested providers must enroll as a Medi-Cal assisted living waiver provider. There is no limit to the number of providers that can enroll and participate.

Below are the basic requirements for the three main care provider types.

**RCFEs** must be licensed, not be on probation or have pending accusations against their license, and be in substantial compliance with licensing requirements. Additionally, RCFEs must:

- Meet care needs of all participants in accordance with their care plans at all four levels of care.
- Have awake staff 24 hours a day, except in facilities with 6 or fewer residents.
- Employ or contract with a nurse or nursing agency to provide any required nursing services as often as is necessary.
- Have a hospice waiver and be able to care for cognitively impaired residents.
- Have single occupancy rooms for participants, unless a participant chooses to have a roommate.
- Have private bathrooms or bathrooms shared by no more than 2 participants.
- Have a kitchenette in the room of each participant, except in facilities with 6 or fewer residents, where the requirement is waived if the resident has continuous access to the facility's kitchen.

**Care coordination agencies** must have five years experience in this field, have R.N. and social services care coordinators on staff, and meet other requirements.

**Home health agencies** must be licensed, enter into an operating agreement with the publicly funded housing site where they deliver services, open a branch office at that site, and meet other requirements.

## Choosing a Facility

Participants select the facility or provider of their choice. Care coordination agencies will inform participants about available facilities and providers. RCFEs are allowed to reject a participant. However, once a facility admits someone, it must provide necessary services and adapt services as the person's needs change. All providers are expected to deliver all four levels (tiers) of care.

## More Information

For more information, visit the Assisted Living Waiver Pilot Project website ([www.californiaassistedliving.org](http://www.californiaassistedliving.org)).