

Statement of Bill Southerland
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Providing Quality Care in Rural Areas

Good morning Mr. Chairman and members of the Committee. I am Bill Southerland, managing partner in Bill Southerland's Residential Care Homes in Boise and Cascade, Idaho. I serve as the President of the Idaho Assisted Living Association (IDALA), which is an affiliate of the Assisted Living Federation of America, and on the board of directors for the Greater Idaho Chapter of the Alzheimer's Association. I am honored to be here today to speak about my experience as an assisted living provider serving a rural community. I will be focusing on the value of assisted living in rural settings, the challenges facing development of assisted living in rural areas, regulatory issues, and what can be done to ensure quality of care in rural areas.

Personal and Business Background

I have been a resident of Idaho for over 40 years. I founded Bill Southerland's Residential Care 16 years ago with the help of my father in law, Emerson Smock. We operate five assisted living communities ranging from 8-10 beds. I am currently providing consultation for the city of Challis, Idaho, population just over 1,000, which is planning to build an assisted living community in 2002.

I built my first assisted living community outside of Boise in Cascade, Idaho. I was attracted to that area because of the fishing and recreation in the area. I became interested in finding out if Cascade needed assisted living services when my wife and I were researching the history on an old school house that we had remodeled for a vacation cabin. We found that many families had chosen to stay in Cascade and a lot of elderly folks resided there. I researched the demographics and found that there was an aging population in Cascade and surrounding areas that would use assisted living services if they were available. With the help of the Small Business Administration and a lender in Boise, the project was started.

Benefits and Challenges of Assisted Living in Rural Idaho

Most residents seek out an assisted living community following an emergency. The average assisted living resident in Idaho usually needs minimum or standby assistance with ambulating, requires help or verbal cueing with activities of daily living such as bathing, dressing, and help with some degree of incontinence. Medication management, housekeeping, and nutritional needs are also common with the average assisted living resident. Usually, residents must be encouraged to participate in social activities and some form of memory loss is also common. And finally, the family members are usually concerned about the ability of the resident to make proper decisions about everyday tasks.

Assisted living communities provide services to meet the needs of residents in a home- like environment. This assisted living service is greatly needed in rural communities. Often in a rural setting a local clinic is the only health care option available, and the clinic is usually not operated full time. Home health care can be accessed, but not on a continual basis. Assisted living provides choices for the person requiring 24-hour basic care and supervision. The residence is also an economic source for the community, by providing jobs and purchasing goods and services locally.

Elderly residents in rural areas sometimes have to leave their homes and move to another city to access assisted living services. Families are faced with additional hardships by having to travel long distances

to see their relatives. The assisted living resident is left feeling very isolated. In Challis, the only options are to stay at home and not receive services, or move to a larger city to get the needed services. In the past few months, several Challis residents have had to move away and leave their friends and family to access assisted living services.

The practical aspects of serving several people in one assisted living residence makes good fiscal sense. Most basic care can be coordinated and delivered in one location, making better use of quality caregivers and home health nurses. Assisted living communities are also licensed and inspected by the Department of Health and Welfare, Bureau of Facility Standards. State oversight is in place to ensure quality of care in the assisted living environment. The assisted living model offers flexible care for seniors with changing needs, so people do have more choices for their care. Assisted living also is usually less costly than skilled nursing facilities.

Some of the challenges facing development of assisted living in rural areas are: Financing the residence; finding and retaining qualified staff; educating local agencies on the specifics of laws governing assisted living; Medicaid reimbursement rates that may not be enough to entice development of a community in rural areas; the lack of availability of acute health care services in rural areas because clinics may not get enough revenues to operate properly; communications; and the ability to provide training for caregivers on a continuing basis.

State and Provider Collaboration

All assisted living communities in Idaho must be licensed. Idaho was the first state to require licensed administrators for assisted living communities. Regulations have been a significant tool to help improve quality of care in assisted living. I have always supported the state's role in regulating assisted living communities. It has been a very positive experience for me to work together with consumers and state officials to make assisted living a safe and secure environment for seniors. Our state association and the Bureau of Facility Standards are planning to meet once a month to discuss issues concerning assisted living.

The Idaho Assisted Living Association worked closely this year with a House Health and Welfare Subcommittee that was formed to take a look at the existing survey process and find ways to improve it. The Subcommittee's recommendations have been passed on to the Residential Care Council for Elderly and the Board and Care Council for further review and implementation. The objective of the recommendations is to make the survey process less adversarial and more constructive. The Board and Care Council and the Residential Care Council for Elderly meet at least two times a year and more if needed. The Councils are made up of providers, residents, advocates and regulatory agency personnel from the state. This is an excellent forum to discuss issues relating to assisted living and to deal with them effectively.

Consumer rights are very important in assisted living and are mandated by Idaho state law. These rights are posted in each licensed assisted living residence. Included in the consumer rights is the right to access advocates and adult protection services. Informing residents and family members of these rights is a mandatory part of the admission process.

Medication management regulations are the responsibility of the Idaho Board of Nursing. The rules in place now allow caregivers in assisted living to attend a comprehensive medication management course. A test is given based on the materials presented. After the caregiver passes the test, an RN still must give their delegation to the caregiver in order for them to be able to manage medications for the residence. The classes and nurse delegation have helped the process of managing medications. It is less costly and

there is oversight from an RN. This procedure also helps providers in rural areas since an RN is not always available, and is too costly to have a full time nurse in small rural communities.

What is Needed in Rural Areas to Help Ensure Quality of Care?

Access to current information and education is critical for caregivers and administrators in rural areas. Utilization of the Internet to provide education and information on a regular basis is needed. ALFA's educational and training arm, ALFA University, has made available to providers an on-line training system that includes many important topics including training for caregivers and administrators.

I have worked on utilization of the Internet for two years because of the need to monitor our assisted living residence in Cascade. We have developed an Internet-based program for management that allows us to communicate with the caregivers at the residence on day-to-day issues. Since the system is web based, I can monitor resident issues and look at a daily log on each resident by logging onto our web site from any location where I have access to the Internet. I can be informed of any concerns or incidents that occur during the day through the system. Input by caregivers and administrators into the system is simple and less time consuming. Caregivers and administrators have online access to their work schedules, and administrators can update these schedules when needed from anywhere they have access to the web. Educational courses for caregivers can be taken by using the Internet and course tests can also be given over the web. A passing test grade will generate a certificate for the caregiver. This procedure allows us to know if the caregiver has absorbed the educational content. Privacy and levels of security are built into the system and are managed by one designated person in the company--usually the owner or administrator. The Internet program will be utilized in Challis when that community is completed.

Another challenge facing rural assisted living providers is obtaining adequate Medicaid reimbursement levels for clients in rural areas. In Challis, fifty percent of the eligible residents for assisted living services will have to access Medicaid funding. Idaho has a Medicaid waiver in place to help provide funding for Medicaid recipients in assisted living. The waiver program has been in place for almost two years and has worked well especially in rural areas. The reimbursement levels must keep up with rising costs and rising acuity levels of assisted living residents. Medicaid funding in Idaho is always under close scrutiny by the legislature. The waiver process for assisted living can be used only when the cost of care under a waiver does not exceed the cost of care in a skilled setting. This results in a cost savings for the state.

Finally, a consistent wellness program will help the general health of assisted living residents. A study completed several years ago by Dr. Michael Pollyck from the University of Florida confirmed the benefits of a consistent wellness program. The 15-year study followed age groups from 20 years old to over 100. Groups of people with similar conditions were studied. Some groups had congestive heart failure diagnosis, others included people with severe depression. The basis for the program was to see if the overall health of residents could be improved by utilizing strength training to increase muscle mass. In each group, the muscle mass was increased. By increasing muscle mass, better overall physical condition was achieved, appetites improved, digestive problems decreased, and some medications could be discontinued. The overall study was the first to track a strength training program. The length of the study produced valuable data. Rural areas could greatly benefit from a wellness program on a consistent basis.

I initially got into the assisted living business for one reason--to make a living. However, I learned very quickly that assisted living is more than just making a living, I can make a difference in someone's life. I can provide a home-like environment for someone who has had to move from their own home. I can make a difference by just spending a little time talking to a resident who is very lonely and doesn't want

to be a bother to anyone. I can listen to a resident explain about their past and what significance he or she played in history. I can give a person choices when they think that no choices are left. I can give them personal care with dignity. I got into assisted living to make a living, but it is so much more!

Thank you, Mr. Chairman, for the opportunity to appear before the Committee today. I would be pleased to answer any questions.