



**LONG TERM CARE (LTC) E- NEWSLETTER – June 2013: Volume 11, Number 5**

The [LTC E-Newsletter](#) is a monthly electronic newsletter of the [Long Term Care Community Coalition](#). Note to Readers: To go directly to an article, click on its page number in the Table of Contents. Once you are at the article, click on any underlined text for a link to more information or to send a message in “Spotlight on Advocacy.”

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## **Planned Medicare Increase Will Boost Nursing Home Payments by \$500 Million in 2014**

On May 6, 2013, the Center for Medicare and Medicaid Services (CMS) published a proposed rule that would increase payments to nursing homes (“skilled nursing facilities” or “SNFs”) by half a billion dollars next year.

CMS’s summary of the proposal states:

This proposed rule would update the payment rates used under the prospective payment system (PPS) for skilled nursing facilities (SNFs) for fiscal year (FY) 2014, would revise and rebase the SNF market basket, and would make certain technical and conforming revisions in the regulations text. This proposed rule also includes a proposed policy for reporting the SNF market basket forecast error correction in certain limited circumstances and a proposed new item for the Minimum Data Set (MDS), Version 3.0.

CMS is accepting comments from the public on this proposal until July 1, 2013.

[\[http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/SNFPPS/List-of-SNF-Federal-Regulations-Items/CMS-1446-P.html\]](http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/SNFPPS/List-of-SNF-Federal-Regulations-Items/CMS-1446-P.html)

## **Major Nursing Home Industry Lobbying Groups to Merge to Increase Influence With Policymakers and Regulators**

On May 27, 2013, The American Health Care Association (AHCA) and The Alliance for Quality Nursing Home Care (Alliance) announced that they would be merging under the AHCA name. [AHCA](#), along with its sister group, the National Center for Assisted Living, is already the nation's largest association representing the provider industry’s interests, with more than 11,000 non-profit and for-profit nursing home, assisted living, developmentally-disabled, and subacute care providers. [The Alliance](#) consists of nine major provider chains (representing more than 1,200 facilities in 43 states).

Though [AHCA’s press release](#) announcing the merger states that they represent both “providers and those they care for,” one of the key advocacy issues identified on AHCA’s website is to [“Oppose Efforts to Limit the Use of Pre-Dispute Arbitration In Long Term Care.”](#) Pre-dispute arbitration places significant limits on the rights of residents and their loved ones to seek redress in court in cases of abuse and neglect, even when that abuse or neglect have caused significant pain or death. Many (if not all) nursing home resident advocates, including LTCCC, take the opposite position.

[\[http://www.mcknights.com/major-nursing-home-provider-lobbying-groups-to-merge/article/295065/\]](http://www.mcknights.com/major-nursing-home-provider-lobbying-groups-to-merge/article/295065/)

## **MedPAC Issues Report to Congress on Medicare Payment Policy**

In March 2013, MedPAC (the Medicare Payment Advisory Commission), an independent congressional agency, issued a report to Congress on Medicare payment policy on spending, enrollment and other issues relevant to the Medicare system. A chapter of the report was dedicated to nursing home care (Medicare pays for short term nursing and rehabilitation care, not long term care). The chapter focused on assessing payment adequacy for 2013 and making recommendations for 2014.

The report notes that, for 2011, nursing homes provided Medicare-covered care for 1.7 million individuals during 2.4 million stays. MedPAC found that it was “able to identify facilities that furnished relatively high quality and had relatively low costs compared with other SNFs [skilled nursing facilities] and had high Medicare margins, suggesting that opportunities remain for other SNFs to achieve greater efficiencies without losing Medicare revenue.”

Other findings of interest:

- Quality of care “has changed little over the past decade.”
- Nursing home profit margins remain high. “Increases in payments between 2010 and 2011 outpaced increases in providers’ costs.... In addition, payments in 2011 were unusually high because of overpayments resulting from an adjustment made to implement the new case-mix groups. Because Medicare cost reports were not available in time for this report, we [MedPAC] estimated a range for the 2011 margins: from 22 percent to 24 percent. This year is the 11th year in a row with Medicare margins above 10 percent. We project that the 2013 margin will range from 12 percent to 14 percent.”
- Access to nursing home care is stable, with the number of nursing homes participating in Medicare going up “slightly” from 2010 to 2011. “Three-quarters of beneficiaries live in a county with five or more SNFs, and less than 1 percent live in a county without one.”

[[http://www.medpac.gov/documents/Mar13\\_EntireReport.pdf](http://www.medpac.gov/documents/Mar13_EntireReport.pdf)]

## **U.K. Study Finds Substantial Link in Dementia Patients’ Wellbeing to Reduction in Antipsychotic Drug Use**

*Senior Housing News* reported on a British study on May 14, 2013 that found significant benefits resulted when antipsychotic drug use on people with dementia was reduced.

Following are some of the key findings from the [Pearl Specialised Dementia Care Service Phase 2 Report](#):

- The study “confirmed a dramatic reduction, averaging 48%, in the requirement for antipsychotic medication, together with a corresponding improvement in the wellbeing of participants.”
- “Depression score reduced in 30% of residents. Also use of anti-depressant medication reduced on average by 19% as wellbeing improved. Depression is often undetected in people with dementia who are routinely prescribed antipsychotics.”
- “Wellbeing increased among 46% of residents. Wellbeing can be profiled against a set of measurement criteria including, for example, how the resident interacts; ability to communicate needs and choices; sense of purpose....”
- Falls were reduced by an average of 32%.
- There was an average of 44% reduction in the use of hypnotic medication needed to induce sleep.

[To download the full report: <http://www.fshc.co.uk/binary/CFh.pdf>. To view the *Senior Housing News* article: <http://seniorhousingnews.com/2013/05/14/researchers-link-dementia-patients-wellbeing-to-antipsychotic-drug-use/>].

## **CMS Announces “Critical Elements and Expectations” for State Programs That Deliver Long Term Care Through Medicaid Managed Care Programs**

On May 21, 2013, Cindy Mann, Director of the Center for Medicaid and CHIP Services at CMS, issued a bulletin outlining “essential elements” for managed long term care services and supports (MLTSS) programs. According to the bulletin, “these essential elements represent a framework for achieving our shared vision of assuring that MLTSS programs are an effective approach to increased access to home and community based services, improved outcomes for individuals who live with chronic and disabling conditions, and appropriate cost control within these critical programs.”

The bulletin also notes that

CMS expects states to incorporate these principles into any MLTSS program operating under section 1115 demonstration authority or 1915(b) waiver authority applied in combination with another LTSS authority. CMS will use these principles when reviewing states’ design, implementation, and operation of an MLTSS program before approving that program, and on an ongoing basis to ensure program operation is consistent with the elements described in the guidance.

Two documents are referenced in the bulletin. One is a summary of the essential elements for state MLTSS programs (<http://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Delivery-Systems/Downloads/MLTSS-Summary-Elements.pdf>) and the second is a detailed document outlining expectations for MLTSS programs operating under section 1115 or 1915(b) authorities (<http://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Delivery-Systems/Downloads/1115-and-1915b-MLTSS-guidance.pdf>). Both are posted,

along with CMS's resource page on MLTSS at <http://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Delivery-Systems/Medicaid-Managed-Long-Term-Services-and-Supports-MLTSS.html>.

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## **Spotlight on Advocacy: Three Advocacy Alerts to Protect LTC Consumers**

This month LTCCC has three action alerts, two for people in New York State and one that is nationwide:

- 1. Protect Assisted Living & Adult Home Residents.** In recent years the assisted living industry has experienced tremendous growth in New York. However, the lack of sensible standards threatens not only the safety of vulnerable residents but also the future viability of the industry, which increasingly seeks to position itself as the alternative to nursing homes for residential care that provides safety and peace of mind in a less institutional setting. Please [send a message now](#) to NYS leaders, urging them to support important resident protections!
  - 2. Support the Safe Staffing for Quality Care Act in NY State.** Nursing homes in New York and across the country too often fail to provide safe care and a dignified quality of life for their residents. The problem in many facilities is lack of staffing - about 90% of the nursing homes in NY do not have enough staff to provide adequate care for their residents! The Safe Staffing for Quality Act, NYS Assembly Bill #6571, sets forth decent minimum staffing standards for nursing homes and hospitals. Please [click here](#) to learn more and send a message!
  - 3. Sign-on to the National Petition to End Federal Sequestration.** Elderly and disabled people in nursing homes and the community are at serious risk. Budget cutbacks due to sequestration are forcing cutbacks in needed federal and state monitoring of care for our most vulnerable citizens. Please [click here](#) to sign our petition to Congress and President Obama!
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## **We're on the Web!**

[www.ltccc.org](http://www.ltccc.org): Our main website, with access to all of our issues, policy briefs and research.

[www.assisted-living411.org](http://www.assisted-living411.org): For information on assisted living, including consumer issues and policies.

[www.nursinghome411.org](http://www.nursinghome411.org): For information on developments in nursing home care, regulation and policy issues.

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## **LTCCC Links of Interest**

[View](#) the latest enforcement actions against nursing homes in New York State.

[Read](#) the latest edition of LTCCC's quarterly newsletter, *The Monitor*.

LTCCC's dedicated [webpage on antipsychotic drugs and dementia care](#).

NEW!: [\*Piecing Together Quality Long-Term Care: A Consumer's Guide to Choices and Advocacy in New York\*](#).

Long term care information booklet in [Chinese](#) and [English](#) for Chinese consumers: What You Need to Know about Long Term Care.

[SIGN-UP FOR THE LTC E-NEWSLETTER \(OR UNSUBSCRIBE\)](#)!