

TESTIMONY FOR LONG-TERM CARE COMMITTEE
Golden Manor Inc.
 May 6, 2010

Chairman Kreidt, members of the Long-Term Care Committee, I am Muriel Peterson, consultant to Golden Manor, Steele. The focus of my testimony is the "rent subsidy pilot project" authorized by HB 1327 for four assisted living tenants.

Is there legislative interest in a rent subsidy that makes assisted living affordable to North Dakotan's with limited resources? The occupancy of skilled facilities is dropping, but the number of basic care beds is substantially increasing. It appears skilled facilities are converting skilled beds to basic care. A person no longer meeting skilled criteria is moved from Wing A to Wing B. They remain in the same facility, just move from skilled level of institutional care to another level of institutional care, basic. What happened to deinstitutionalization?

Assisted living is equivalent to living in your home. It is housing with services offered to the tenant. Assisted living can be an interim step – not entering a skilled facility directly from home or an option when being discharged from a skilled facility. Availability of assisted living is limited by personal finances; having the money to pay rent – affordable housing is the dilemma. The delivery of needed services can be covered by the various Home and Community-Based Services (HCBS) funding sources; but the person first needs a place to live. That is when the rent subsidy comes in – or could if funding is available to augment the recipient's limited funds.

The Department of Human Services (DHS) by contract with Golden Manor has determined what the "rent subsidy pilot project" looks like. The contract with Golden Manor includes the following:

The individual receiving rent subsidy must be Medicaid eligible and have a functional need as established by a county case manager in one of the following Activities of Daily Living (ADL): bathing, dressing, transferring, toileting, continence, inside mobility, or eating; or three of the following Instrumental Activities of Daily Living (IADL): meal preparation, laundry, housekeeping, or medication assistance. ...

and

The monthly rent subsidy may not exceed \$1,000 per month or the difference between the base rent less one-third of the individual's monthly maintenance income.

DHS has restricted access for the rent subsidy to the extent it may not be workable. Specifically –

- Requiring the recipient to pay one-third of their income works for the recipient at the Medicaid monthly income maximum of \$750; but, not all recipients are at that monthly income level. There are Medicaid recipients with as little as \$400 monthly income. They would be required to live on \$280 rather than \$500 for the recipient with \$750. What share of the rent should be covered with state funds; shouldn't the tenant have sufficient funds left to pay basic needs? Maybe if the recipient's income is at a certain level, he/she should not be required to contribute to rent.
- Limits eligibility to Medicaid rather than any recipient eligible for HCBS. SPED Program recipients cannot qualify for rent subsidy even if eligible for services in their home. If a person is eligible for services in their home, why not when they move to "assisted living." Should the rent subsidy be available to near-poor as well as Medicaid eligibles?
- There is no provision for those in the rent subsidy pilot project on June 30, 2011. Without continued funding, in May 2011 Golden Manor will have to issue a 30-day notice terminating their lease July 1, 2011. What then; where do they go? Who will want to enter Golden Manor under the rent subsidy pilot project expecting/required to move again in a few months?

Where to go from here? Payment for my work is not covered by grant funds. How much should Golden Manor commit to the rent subsidy pilot project if it is an exercise in futility? If the only design is that of DHS, there is no reason to look at the dictionary definition of "rent.", ways of maximizing use of existing funding sources, especially federal funding; creating a viable program.

This concludes my testimony, I'll respond to questions of the Committee.