MN Elderly Waiver Enrollment Program Evaluation: Assisted Living Provider Survey

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Minnesota Department of Human Services

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Executive Summary

As part of a larger study of spenddown to Elderly Waiver (EW) eligibility in assisted living and in community-based settings, the Minnesota Department of Human Services, Aging and Adults Services Division wished to learn more about assisted living providers' perspectives of EW, and explore drivers of participation in the program as well as the providers' facilities' policies and practices for those using EW to pay for services. Specific factors of interest were participation in EW and reasons to participate (or not), which EW options facilities participate in (Customized Living, 24-Hour Customized living), the degree to which providers "market" or communicate about the EW option with prospective residents; how long residents pay privately for services in assisted living before applying for EW; policies and practices related to number of EW residents allowed; special requirements for residents using EW to pay for services; waiting lists for EW openings in facilities; and perceptions of state policies on EW practices in facilities. A survey of providers from a registered list of facilities that completed the Department of Health's 2019 Registration for Housing with Services renewal form and completed data for inclusion in the Uniform Consumer Information Guide was used to explore these topics. A total of 459 facilities completed the survey in the fall of 2020; of these, 85% reported participating in the EW program.

Key Findings

- Of the 68 facilities reporting they do not participate in the EW, the most common reason (53%) given for non-participation was the low payment rate, with the second most common reason (38%) that the program is complicated or cumbersome. These issues were also reflected in many of the open-ended comments.

- For those participating in EW, almost all (90%+) reported they discuss their facilities' policies around accepting EW with prospective residents, with most indicating they provide this information verbally during tours (92%) or information sessions, but also through several other means, including but not limited to: information in promotional materials (92%), the UCIG guide (83%), the Senior LinkAge Line brochure on Long Term Care Options counseling (63%). 91% indicate they specifically discuss the possibility of applying for and using EW once personal resources are exhausted.

- Providers report that the most common questions prospective residents and/or their families ask about financial options once they spend down their private resources are those related to how the EW program works, including how to apply, how long does it take, what resources can I keep, how much will the EW payment be, what happens if there is a delay in approval of my application. Most providers (83%) reported they have sufficient information to address these questions. But additional information providers said would be helpful focused on improved information about the program process, i.e., specific qualifiers spelled out plainly, step-by-step instruction on the process done in a very clear way, and "a straightforward application form and a cycle people can depend on," along with having access to a clear contact with whom residents and families can communicate.

- Of those participating in EW, 19% report they require new residents to have a minimum amount of income/assets at time of move in. The most commonly reported period for the minimum length of private pay required by facility policies were between 19-24 months (reported by 40% of those

responding). Less than 15% of those reporting said they required a private pay period of more than 24 months. The remaining 45% of facilities required less than this, with one to six months being the most common length of time their residents pay privately before eligibility.

- More than one quarter (26%) of facilities participating in the EW indicated they have a waiting list for prospective residents who would use EW at the time of move-in. Of these facilities, seven percent reported no current prospective residents on the waiting list for EW, and 60% reported five or fewer on this list. Of the few reporting how long prospective residents typically stay on the waiting list, the average time was less than one year.

- Fewer facilities reported having a waiting list for current residents, with only 10% indicating they have such a waiting list, and the number of residents reported on the list was quite small, with more than 61% having three or fewer current residents on the waiting list. The most common response to the average time current residents spent on the waiting list for EW was three months or less (29%).

- Slightly more than one-third of facilities report a limit on the number of residents who can be supported by the EW. Among these facilities, more than half (57%) report having a limit of 5 or fewer. These limits apply to whether residents served are in traditional assisted living or memory care. Among the reasons given for limiting the number of residents supported by EW, the most common was the need to have a mix or private pay and public pay residents to generate enough revenue to cover costs. The second most common reason was the amount of money EW enrollees have to pay is too low. (This response category was general, and could be interpreted as referring to services or room and board coverage.)1

- Of facilities responding to their policies on shared units, 31% said their facilities have shared units, and of these, 34% indicated they do require residents using EW to reside in these units. Of two-thirds reporting units of varying sizes in their facilities, 44% report that residents supported by EW live in the smaller units.

- More than two-thirds of providers indicate they expect proposed changes from the new Assisted Living License will impact their policies and practices related to EW. The most common change expected is they will accept fewer EW residents or no EW residents, increase rates, and extend private pay period. They also voiced concern that reimbursement will not cover additional costs of the license and services.

- Many providers shared their views on the impact of COVID-19 on their facilities, beyond just any impact on EW policies and practices. These included dramatic increases in operational cost and reductions in census, and specifically in regard to EW, slower response times from case managers, delays in applications, and fewer onsite assessments. Some reported they are accepting more EW

[1] For context on state of MN's previous review of rates see the 2019 Legislative Report, with attention to pp. 15-24, which presents findings and DHS recommendations for many of the services provided through Elderly Waiver. https://edocs.dhs.state.mn.us/lfserver/Public/DHS-7850-ENG

residents to try and make up for low occupancy, while others indicated they will delay participating in the program due to low reimbursement rates and needing a higher number of private pay residents to recoup losses.

- In response to an opportunity to provide any additional comments, providers revisited themes seen in response to earlier questions, with concerns focusing on perceived inadequate reimbursement rates and issues with program processes and policies (e.g., problems with finding a reliable program contact, application problems, cost of meeting new license requirements). Other statements focused on specific positive relationships and program interactions unique to given counties, the importance of having this support for low-income older adults, and the desire to serve more EW residents but being hindered from doing so by financial considerations.

1 Background

In the MN 2030: Future of Elderly Waiver report (MN 2030), Minnesota outlines some of the challenges the state faces in continuing to serve growing numbers of people with long term care needs in a sustainable fashion. Demographic change, particularly the anticipated growth of the baby boomer population and their need for long-term services and supports, and the growth of the number of older adults who need affordable (Medicaid supported care), have created pressure on the State to support the provision of cost-effective solutions outside of nursing facilities.

Minnesota's EW program, developed in the 1980's as an alternative to nursing home services has grown exponentially in response to the growing number of older adults needing affordable long-term services and supports (LTSS). Alongside the need for services has been the continued growth of the assisted living market, which has increased use of this service within EW. Yet, there has been little research to understand the patterns of use of EW to pay for assisted living, including the spenddown patterns of those using the program and policies and practices of providers in relation to EW.

As part of a larger study of spenddown to EW eligibility in assisted living and in community-based settings, the Minnesota Department of Human Services, Aging and Adults Services Division wished to learn more about assisted living providers' perspectives of EW and explore drivers of participation in the program, as well as the providers' facilities' policies and practices for those using EW to pay for services. Specific factors of interest were participation in EW and reasons to participate (or not); which EW options facilities participate in (Customized Living, 24-Hour Customized living); the degree to which providers "market" or communicate about the EW option with prospective residents; how long residents pay privately for services in assisted living before applying for EW; policies and practices related to number of EW residents allowed; special requirements for residents using EW to pay for services; waiting lists for EW openings in facilities; and perceptions of state policies on EW practices in facilities. This provider perspective is expected to give insight into one aspect of the larger pattern of EW use to pay for assisted living services, and spenddown to EW eligibility.

2 Research Questions

The survey provides input to address some aspects of the following research questions (which guided the larger study of spenddown):

- What are the LTSS market, economic, and demographic trends that impact spenddown patterns?

- What are the private resource spenddown experiences and patterns for individuals, both married and single, in assisted living settings that result in Elderly Waiver (EW) enrollment? How do these experiences and patterns differ based on demographic characteristics of people receiving services, and/or based on the characteristics of the setting?

3 Data and Methods

3.1 Data sources

The data include 459 completed surveys from assisted living providers, and key data elements from the Minnesota Department of Health's 2019 Registration for Housing with Services Establishment with Assisted Living Designation and Uniform Consumer Information Guide. Data from the registration database (e.g., type of entity, location) was merged with completed surveys by study ID for a completed data set for analysis.

3.2 Study Population

The Minnesota Department of Human Services, Aging and Adults Services Division provided our research team the complete list of facilities that completed the Department of Health's, 2019 Registration for Housing with Services Establishment with Assisted Living Designation and Uniform Consumer Information Guide. This was the most recent list due to 2020 registration being cancelled due to COVID 19 and included 1472 facilities.

3.3 Methods

An e-mail link to the online survey (see Appendix A) was sent to the primary contact listed for all registered providers during October and November 2020. DHS staff assisted in updating invalid e-mail addresses where possible. Of the initial mailing, 51 addresses produced an error and 54 new e-mails for a secondary contact at those facilities were provided (of which 34 e-mail addresses produced an error). Overall, 1441 email invitations to participate were successfully sent, followed by three reminders, resulting in 459 completed surveys, for a response rate of 31.85%. About two weeks into the survey, the research team analyzed responses to assess geographic distribution. This was done to determine whether targeted follow-up might be needed to ensure final responses would be representative of the assisted living providers statewide. Early data indicated survey responses by county were representative of facilities distributions in the register. The final responses by county are shown in Appendix B.

We present descriptive statistics developed in SPSS from quantitative data. For open-ended survey items, we conducted inductive thematic qualitative analysis. For open-ended items with fewer than 50 responses, the principal researcher developed and applied the thematic codes to the data. For each of the qualitative survey items with more than 50 responses, the first researcher assigned began by reading and rereading the responses to gain familiarity with the data. This researcher subsequently generated an initial set of descriptive codes closely related to the text. Next, this initial set of emergent themes (codes) was reviewed with the second researcher to ensure a common application of the codes for a sample of cases. If necessary, the first researcher refined and or collapsed codes following this review. One researcher was assigned to complete the analysis for specific survey items using the final code list. All coding was reviewed by the principal researcher before reporting. Through each step, Dedoose qualitative data software facilitated data management and analysis.

4 Results

4.1 Facility characteristics

The main source of data on the facilities participating in the survey is that collected in the state's Registration for Housing with Services Establishment with Assisted Living Designation and Uniform Consumer Information Guide (UCIG). This annual registration by facilities identifies key elements about each, including ownership, acceptance of Elderly Waiver (EW), types of care provided, and others. The following profile of facilities participating in the survey draws on this self-reported information and on a few items in the provider survey. The profile of survey participants was compared to the UCIG database and was found to be representative of the complete list of registered facilities.

As shown in Table 4.1, the majority of facilities responding to the survey were one of three types of corporations, with for profit corporations making up 70%, and non-profit corporations comprising 19%. Of the 459, 95% have presidents reported as residing in Minnesota.

Table 4.1. Type of Entity

Type	N	%
Limited Liability Company	181	39.4
Corporation	142	30.9
Nonprofit corporation	88	19.2
City	11	2.4
Housing and Redevelopment Authority	8	1.7
Partnership	8	1.7
Church Related	7	1.5
Individual	5	1.1
County	3	0.7
Hospital District or Authority	2	0.4
Business Trust	2	0.4
Other nonprofit ownership	2	0.4
Total	459	100.0

As shown in Table 4.2, almost two-thirds of the assisted living settings report having fewer than 25 units, and only 6% having more than 100 units.

Table 4.2. Number of Apartments/Units

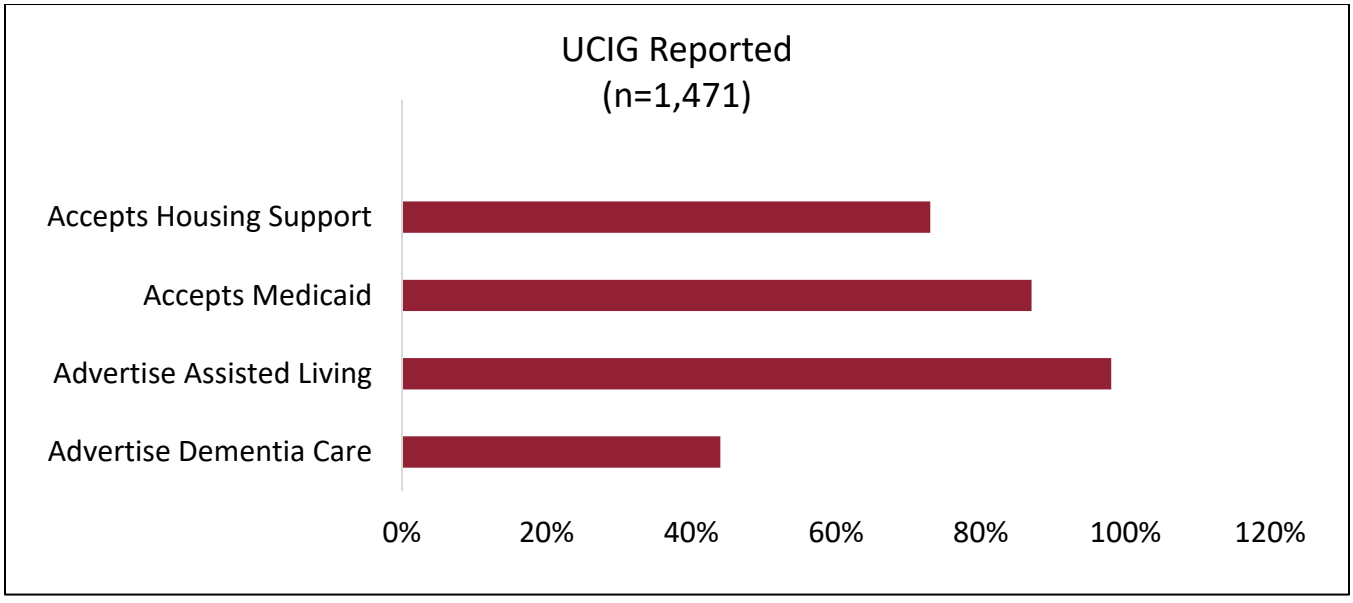
Units	N	%
0-25	284	63.1
26-50	68	15.1
51-75	41	9.1
76-100	30	6.7
101-150	16	3.6
151-300	11	2.4
Total	450	100.0

Table 4.3. Self-Reported Type of Care

Type	N	%
Assisted living without memory care	212	55.4
Traditional assisted living and memory care	136	35.5
Assisted living that only provides memory care	35	9.1
Total	383	100.0

The data shown in Figure 4.1 is taken from the UCIG database. If we compare the types of care advertised with the types of care reported in Table 4.3, the facility data is comparable (although not exact as the categories advertised and the options for self-reported types of care are different). What should be viewed with caution, however, are the UCIG data indicating 100% of facilities reporting they accept Medicaid, Housing Support, and offer reduced rents. In all three of these data points in UCIG, there is significant missing data so these percentages are not representative of the total facilities surveyed.

Figure 4.1. Facility Data Reported in UCIG



4.2 Participation in Elderly Waiver

As presented in Table 4.4, 85% of those responding to the survey report accepting payments through the EW program. Of these (see Table 4.5), only a very small portion, 6%, accept only the EW Customized Living option.

Table 4.4. Organization Accepts Payments for Services through Minnesota's EW Program

Response	N	%
Yes	389	85.1
No	68	14.9
Total	457	100.0

Table 4.5. Organization Accepts EW Payments for State Program Types

Program Type	N	%
Customized Living	21	5.6
24-hour customized living	189	50.0
Both	168	44.4
Total	378	100.0

As shown in Table 4.6, of the 68 facilities reporting they do not participate in the EW program, the most common reason given (53%) was that payments are too low, and the second most common (38%) was that the program is complicated or cumbersome. Those surveyed could cite multiple reasons; 18 (26%) of the 68 who responded cited only one of these two common reasons. Another 19 (28%) responded only to the "other" category. All of the remaining responded that two or more of these reasons were factors in their not participating.

Table 4.6. Reasons Assisted Living Setting Does Not Participate in EW (multiple responses possible)[2]

Program Type (of 68 responding)	N	%
The program is complicated and cumbersome for providers to participate in	26	38.2
The DHS Provider Enrollment fees for providers are too costly	6	8.8
Service reimbursement rates are too low	36	52.9
Monthly budget limits for program participants are too low	17	25.0
The amount of money that EW enrollees have to pay for room and board is too low	20	29.4
Other	25	36.8

Among the "other" responses were 14 who responded they do not serve EW in their facility, either because the location is not Assisted Living, residents qualify for CADI instead, the facility is a private pay model, corporate makes the decision, or for an unnamed reason the facility has never had an EW resident. For those giving other reasons for not participating in EW, the responses were a combination of the reimbursement rates, modifications and staffing needed to participate, and "heavy regulation makes reimbursement rate too

[2] Ibid.

low." One respondent noted they are a new building and will apply for EW in about three years. Another noted that for two newly opened facilities, they have a two-year private pay minimum, so could apply for EW two years after opening.

4.3 Communication to Prospective and Current Residents about Elderly Waiver

As shown in Table 4.7, for facilities participating in the EW program, this information is provided to prospective and current residents in many ways. By far, the most commonly reported is that the facility provides information about their policies on accepting EW during tours.

Table 4.7. Ways in Which Provider Typically Communicates with Prospective Residents about Policies around Accepting EW Payments for Services (multiple responses possible)

Type of Communication (of 389 facilities accepting EW)	**N**	**%**
Provides verbal information during tours	359	92.2
Provides written information in promotional materials	253	65.0
Provides the Uniform Consumer Information Guide	323	83.0
Provides the Senior LinkAge Line "red brochure" on Long Term Care Options Counseling	245	63.0
Posts signs or flyers on Medical Assistance and EW in public spaces	73	18.8
Shares information about EW on our website	97	25.0
Other	33	8.4

As part of the discussion of EW during information tours and other communication with prospective residents, as shown in Table 4.10, the majority (90.9%) said they specifically address the possibility of using the EW once personal resources are exhausted. Among the other responses, the most common ways of communication reported were:

- Information provided about the case managers and/or case managers informed
- Information included in lease documents and/or resident selection plan
- Verbal communication with residents and families (often as questions arise)

Less common but important points of communication about the EW included:

- Annual or bi-annual letter to residents and families
    - "Send yearly letters to inform families if they are getting low on funds they should contact us to discuss."
- Provide EW info sheet in packet
    - *"Provide an EW Fact Sheet in our tour packet that outlines the process and explains the program in our setting."*
- Send to minnesotahelp.info
- Refer to Senior Linkage and ask that they call for their options

Providers were also asked whether, when talking with prospective residents who will move in as private pay, they specifically discuss the possibility to apply for and use Medical Assistance and EW once their personal funds are exhausted. As shown in Table 4.8, 91% indicate they do have this discussion. For those who do not, the majority have only private pay residents, serve a different (non-elderly) population, or indicated this topic rarely comes up as they have so few who inquire.

Table 4.8. Discuss the Possibility with Private Pay Residents to Later Apply for Medical Assistance and EW if Personal Resources are Exhausted

Response	N	%
Yes	350	90.9
No	35	9.1
Total	385	100.0

4.3.1 Questions Asked of Facilities about Financing Assisted Living

When asked about common questions prospective residents ask about financial options once their personal resources are depleted, the following key themes captured the majority of responses.

What are the Outcomes of Spending Down Private Resources?

This first theme covers a range of questions about possible outcomes of spending down one's private resources. Common questions included:

- *"What if I run out of money faster than planned?"*
- *"Will I have to move out?"*
- *"Will I have to change units?"*
- *"Will my family have to pay?"*
- *"Will the same services be available to me?"*

Does the Facility accept Medical Assistance/EW (or other assistance)?

Another common set of questions prospective residents ask is whether the facility accepts state or county programs generally, and specifically whether the facility accepts Medical Assistance and EW.

What is the EW and the Process?

After the questions related to outcomes of spending down private resources, questions about the EW were the most frequently cited by providers. The range of information needed include the when, who, what, where and how of EW application and participation. Common questions included:

- *"Do you apply for me or is that something I have to do?"*
- *"When should I apply, i.e., how early should I begin?*
- *"How long does it take?"*
- *"Where/who do I contact to apply?" ["Who is my caseworker?"]*
- *"What do you help me with in terms of the process?"*
- *"How much of my money do I need to spend down before applying?"*

- *"How much of my personal assets can I keep?"*
- *"How much will the EW waiver payment be?"*
- *"How will I pay the rent portion?"*
- *"If there is a delay in the application, will I be evicted?"*

4.3.2 Additional Information Helpful to Address Prospective Residents' Questions

The majority (83%) of providers report they have sufficient information to address the questions posed above. But, when asked if additional information would be helpful, many responded in accordance with the types of questions they are being asked by prospective residents. For example, since so many residents ask about the Waiver process, information on this process, in simple, understandable formats would be useful.

It is of interest that while 63% of providers reported they provide the Senior LinkAge Line "red brochure" on Long Term Care Options Counseling in their communications with prospective residents (see Table 4.9), information on the EW and its process was the most commonly cited information providers said they would find helpful in addressing resident's questions about financing.

The most common themes among the responses to what additional information would be helpful included the following.

Information on the Waiver Process

The most common theme arising about what would help providers address residents' questions about funding support was access to better information on the entire process. This includes eligibility requirements, different programs available, how long to expect the process to take, information on assets which can be retained,

A sample of comments highlight the helpful information on the process theme:

- *"Basic qualifiers spelled out plainly."*
- *"Need step by step instruction on what the process is in a clearer way."*
- *"How to get started, how to apply, timelines, the approval process and how to clarify."*
- *"Need a straightforward application form and a cycle people can depend on."*

Tracking progress of applications was also noted as needed.

- *"A clear portal to see our resident application, their progress and what is still needed" [would be helpful.]*

For some, this information was specifically requested in brochure, factsheet, or other printed form, available in their facilities. For a few others, information that would be helpful was specifically called out as details on the different waivers, licenses, and eligibility. One comment, for example, reflects this sub-theme:

- *"A clear understanding of the connection between the different waivers and their respective connection to MA" [would be helpful].*

Having access to a Clear Contact

Another common theme among the responses of additional help which would be useful was the need for clear contacts with whom the facilities and residents and their families can communicate. Sample comments included:

- *"Who should be contacted?" (clear for each county)*
- *"Need phone number specifically for EW questions."*
- *"Easier access to case managers."*
- *"Need an EW advocate that we could connect with resident and family to explain the program."*

4.4 Facility Policies Regarding Elderly Waiver

Prior to the survey, anecdotal evidence indicated many facilities required residents to have a minimum amount of income/assets at the time of move in and that this was often up to two years. Data shown in Table 4.9 indicates that only about one-fifth (19%) of facilities reported having this requirement, and as shown in Figure 4.2, the most common minimum period of private pay was between 19-24 months, with the next most common being 7-12 months. Interestingly, however, the most commonly reported average number of months residents pay privately before becoming eligible to use the EW was 1-6 months (Figure 4.3), suggesting about one-third of the facilities see residents start to use the EW relatively soon after move-in.

Table 4.9. Facility Requires New Residents to have a Minimum Amount of Income/Assets at Time of Move-In

Response	N	%
Yes	73	18.9
No	314	81.1
Total	387	100.0

Figure 4.2. Minimum Required Private Pay Period

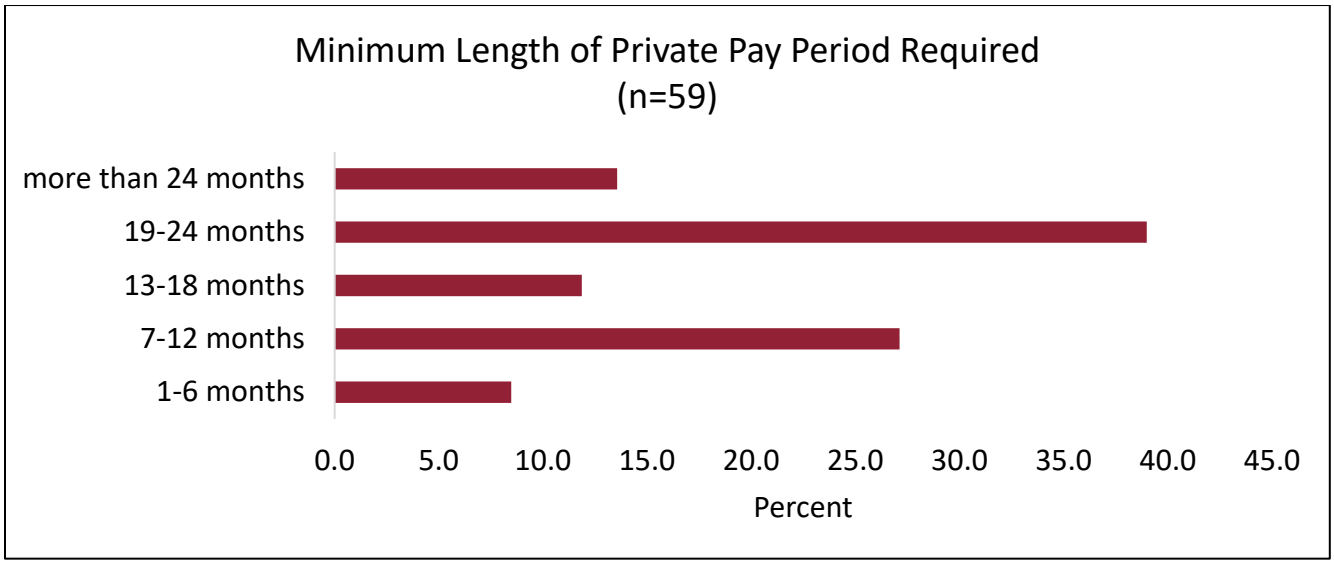
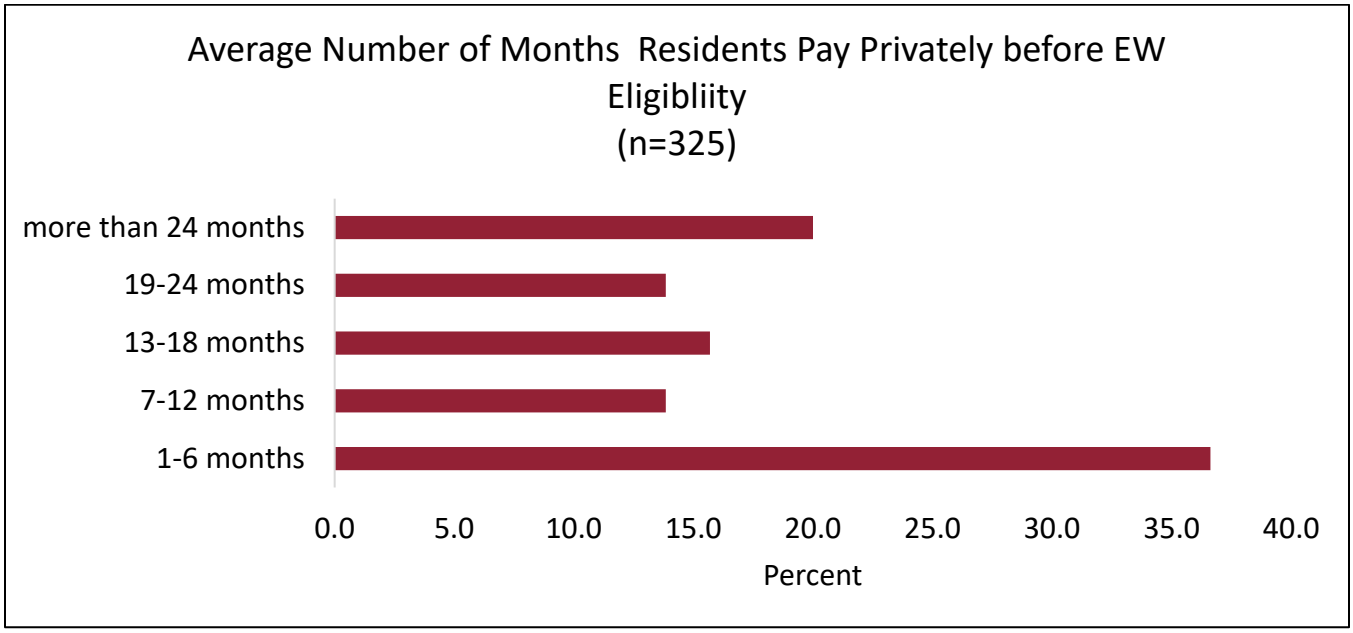


Figure 4.3. Average Number of Months Residents at A Facility Pay Privately before EW Eligibility



For those facilities reporting participation in EW, we asked a set of questions about waiting lists for these "waiver slots," both for prospective and current residents. As shown in Table 4.10, 26% said they do have a waiting list for *prospective* residents who would use EW on move-in. Of these, 7% reported no current prospective residents on this waiting list, and 60% reported 5 or fewer on this waiting list (Table 4.11). For prospective residents on the wait list, most spend less than one year on this list. Figure. 4.4, however, should be viewed with caution as only 38 of the 102 who indicated that they have a wait list for prospective residents who want to use EW responded to the question on average time these residents spend on the list.

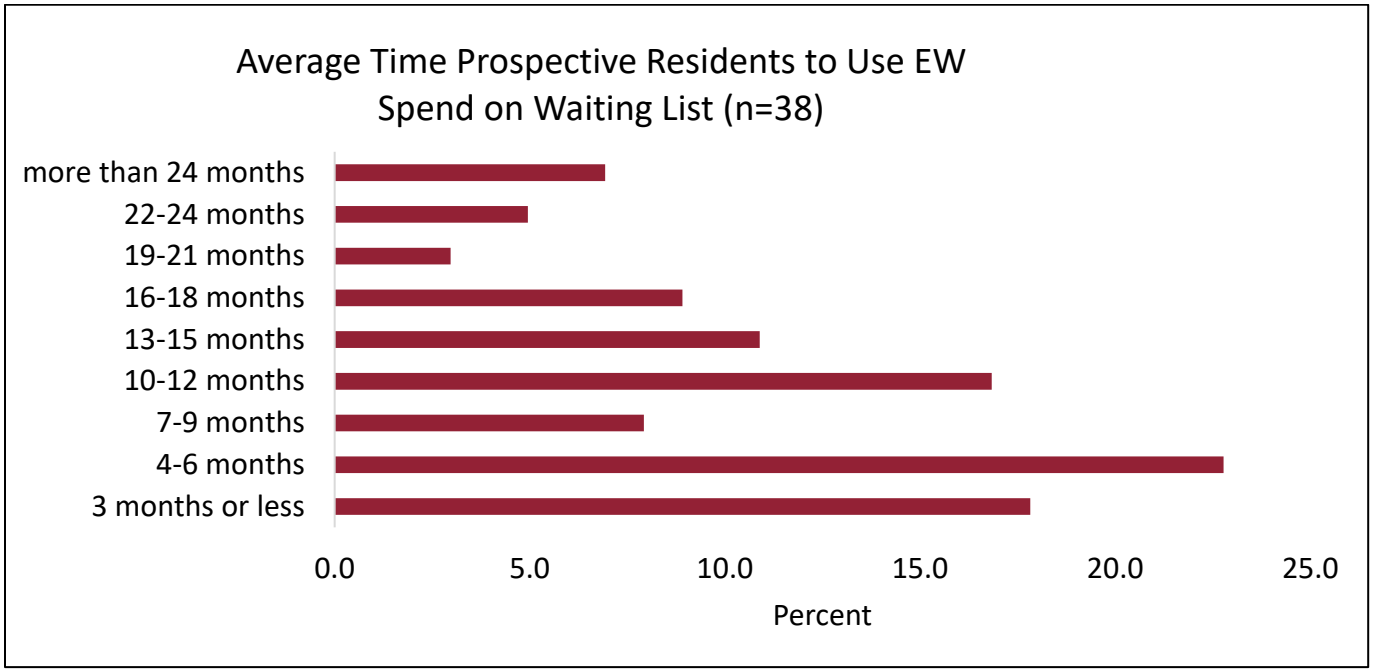
Table 4.10 Waiting List for Prospective Residents Whose Services Would be Paid for by EW

Response	N	%
Yes	102	26.2
No	287	73.8
Total	389	100.0

Table 4.11. Number of Prospective Residents on Waiting List for Services to be Paid for by EW

Prospective Residents	N	%
0	7	7.0
1-5	60	60.0
6-15	22	22.0
16-25	6	6.0
26-40	4	4.0
41-60	1	1.0
Total	100	100.0

Figure. 4.4. Average Time Prospective Residents to Use EW Are on Wait List



As shown in Table 4.12, fewer facilities reported having a waiting list for *current* residents wanting to use the EW to pay for services, with only 38 (10%) indicating they have this wait list, and the numbers of current residents on the list are quite small (Table 4.13); this data seems logical given the small size of almost two-thirds of the facilities in this survey, and data reported in Table 4.15 regarding the limit on the numbers of residents/units which are set aside for EW.

Table 4.12. Waiting List for Current Residents Wanting to Use EW

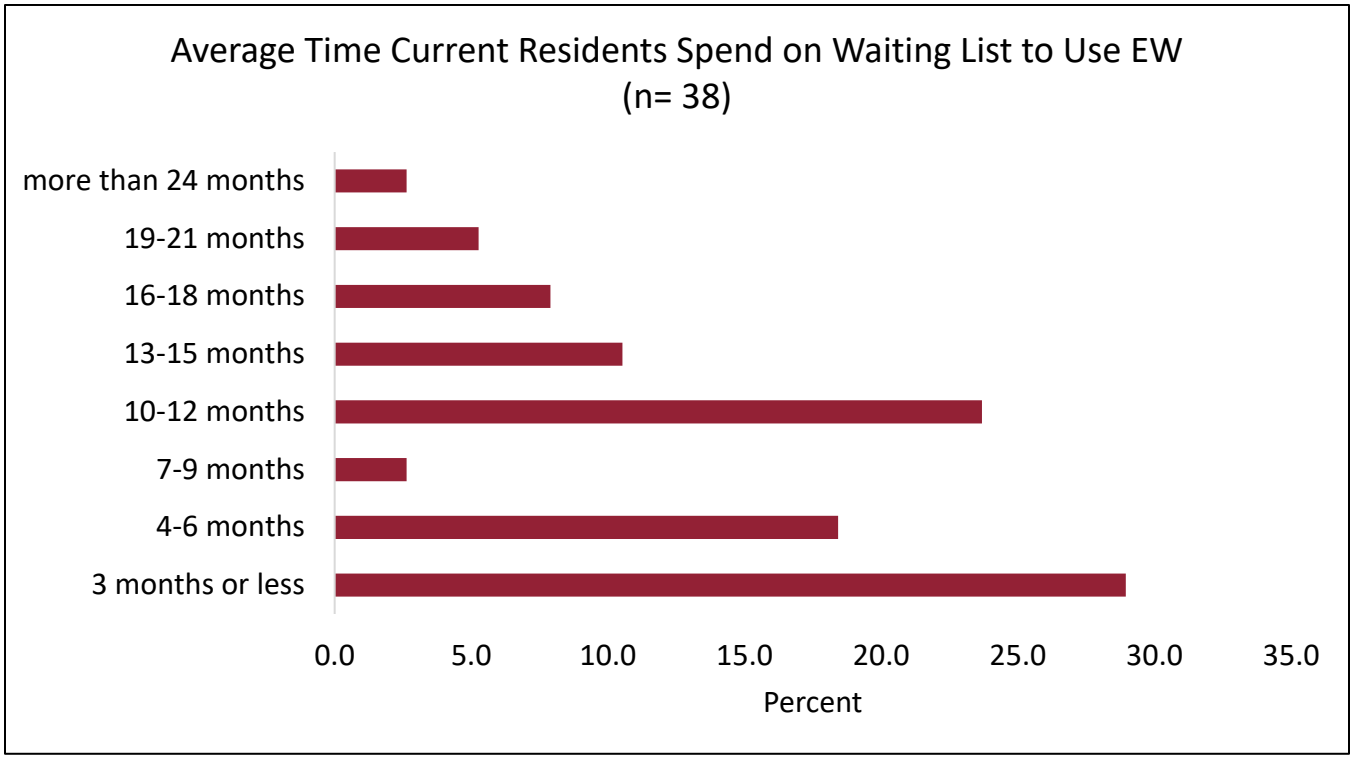
Response	N	%
Yes	38	9.8
No	349	90.2
Total	387	100.0

Table 4.13. Number of Current Residents on Waiting List to Use EW

Residents	N	%
0	1	2.8
1	4	11.1
2	8	22.2
3	10	27.8
4	2	5.6
5	5	13.9
6	3	8.3
7	1	2.8
8	2	5.6
Total	36	100.0

As seen in Figure 4.5, the average time current residents spend on the wait list is also shorter than for prospective residents, with almost half waiting less than six months, and almost one-third on the wait list for three months or less.

Figure 4.5. Average Time Current Residents Spend on EW Waiting List



Facility representatives were also asked whether they set a limit on the number of residents/units which can be supported by EW, and if yes, to identify that number. As shown in Table 4.14, slightly more than one-third said they do have such a limit. Of the 113 of 136 who reported a limit, 78.7% have a limit of 10 or fewer residents (Table 4.15). Given the preponderance of homes with less than 25 residents (see Table 4.2), these limits are not surprising, but indeed indicate that in some facilities a fairly high number of residents may use EW to pay for services.

Table 4.14. Have Limit on the Number and/or Proportion of Residents who can be Supported by EW

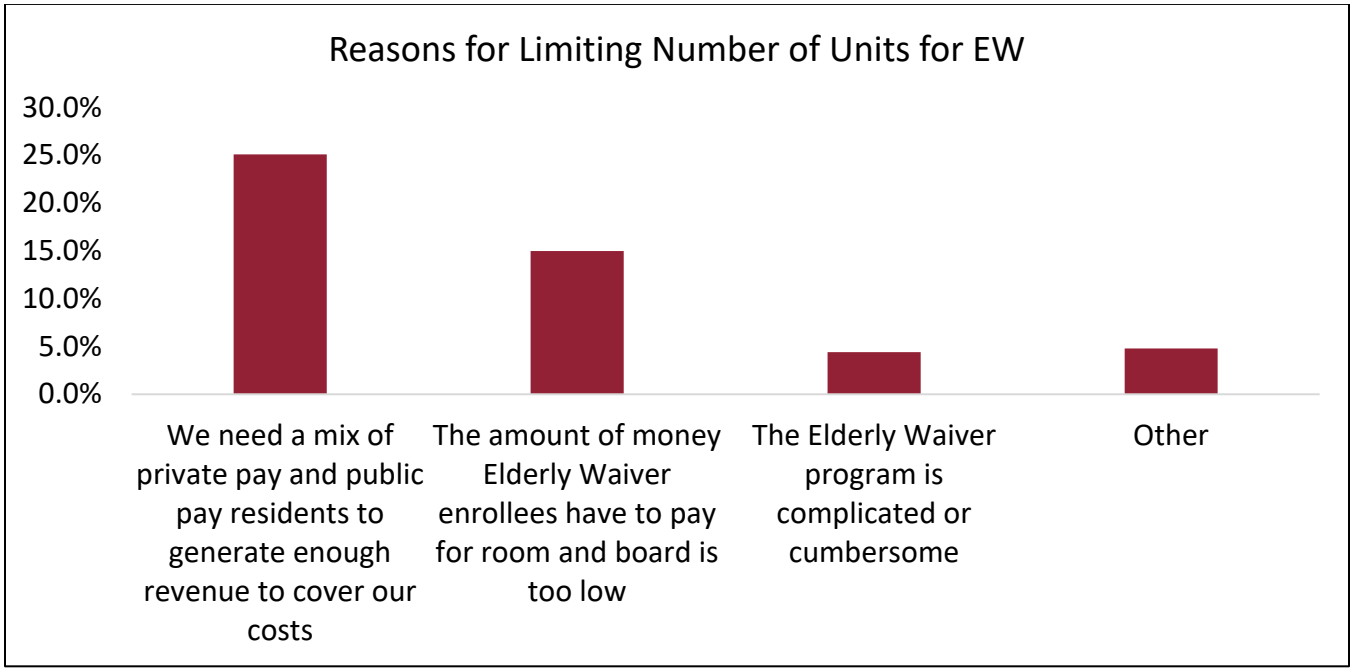
Response	N	%
Yes	253	65.0
No	136	35.0
Total	389	100.0

Table 4.15. Limit in Numbers of Residents/Units which can be Supported by EW

Response	N	%
0-5	64	56.6
6-10	25	22.1
11-15	12	10.6
16-20	7	6.2
21-35	5	4.4
Total	113	100.0

We also asked about the limits on the numbers of residents/units which can be supported by EW specifically in Traditional Assisted Living and in Memory Care. There were virtually no differences, with the majority responding the limits are five or fewer residents/units in both types of care. For those limiting the number of units, the most common reason reported (Figure 4.6) for doing so was the need to have a given level of private pay and public pay residents to cover costs; the second most common reason cited as that the reimbursement level for EW is insufficient, a common concern for the program cited in response to several of the survey questions.

Figure 4.6. Reasons for Limits on Numbers of Residents/Units Which Can be Supported by EW (multiple responses possible)



Among the "other" responses for limiting the number of residents using EW, the majority also focused on the amount of reimbursement by the EW[3] or programmatic challenges. Sample comments include:

- *"We worry that one day they will cut funding to the Waiver programs. We also know that the amount given to us by a waiver program is typically FAR less than can be needed to provide care."*
- *"County sets the limits."*

[3] Ibid.

- *"We do not get reimbursed for any cost of food."*
- *"We lose money on EW clients. The amounts that we are reimbursed from the state are not even comparable to what the actual cost is to provide those services."*
- *"County can be difficult to work with including decreasing reimbursement but requiring same services."*
- *"When EW enrollees are out of building for hospitalization or rehab, there is no minimal, if any, reimbursement for holding their room."*
- *"Also, for lack of better words, billing for Elderly Waiver, tracking down authorizations, waiting to get paid, not getting paid when someone is out of the building, and collecting spend-downs is not fun, wastes time, and detracts from providing resident care."*

Other comments focused on the small size of the facility (e.g. 4 rooms) and the acuity levels of residents.

- *"Generally, customized living clients require a greater amount of services and our staffing model is just one Resident Assistant who covers 4 floors. Staff availability vs. acuity needs to be considered."*

A final set of questions on policies and practices related to EW use focused on shared units and size of units, and the relationship of these to residents who use EW. The first questions asked whether the facility has shared units, and whether EW residents are required to reside in these units. Of those responding, 120 (31%) said they do have shared units. Of these, 34% indicated they do require EW residents to reside in the shared units. The second set of questions asked whether the facility has living units of varying sizes, and whether residents using EW tend to live in smaller units. Almost two-thirds (65%) of those responding said they do have units of varying sizes in their facility, and of these 44% report that residents supported by EW do live in the smaller units.

4.5 Potential Impact of Changes to Assisted Living License (Chapter 144G)

In 2019, the Minnesota Legislature established a new assisted living license (Chapter 144G). According to the Minnesota Department of Health, "The law established regulatory standards governing the provision of housing and services in assisted living facilities and assisted living facilities with dementia care to help ensure the health, safety, well-being, and appropriate treatment of residents. It also authorized the commissioner to adopt rules for all assisted living facilities that promote person-centered planning and service delivery and optimal quality of life, and that ensure resident rights are protected, resident choice is allowed, and public health and safety is ensured." The initial rule comment period on the proposed changes ended in February 2021. The DHS team was interested in the view of facility representatives surveyed on the impact of the new rules on their policies and practices in regard to EW. This question was asked of all facilities including those who reported they do not currently participate in the EW program. As shown in Table 4.16, 35% said "yes," the changes will impact their policies and practices.

Table 4.16. Proposed Changes Resulting from New Assisted Living License Will Impact EW Policies & Practices

Response	N	%
Yes	289	65.2
No	154	34.8
Total	443	100.0

4.5.1 Expected Changes Resulting from New License

While a small portion of providers said they expected no changes or that they have no EW, almost 25% said they were not sure. Among the responses by those who do expect changes in response to the new license, several themes arose.

Fewer EW Residents or No EW Residents

The most frequently cited change expected was the facility would accept fewer residents using EW. Some of the providers indicated that they anticipate this change, but will have to see the final cost of the license to determine whether the change will be needed. Others were clear that they expected the cost to the facility to require taking fewer EW residents.

- *"Depending on the added cost to operate under the new AL regulations, we may have to cut back on the number of EW people we serve."*
- *"Our costs will increase for licensing and we will need to have more private pay residents to balance our budget."*

A smaller group of providers responded that they would not consider taking EW (facility new or not currently participating in the program) now that the new license requirements were coming into play, or that their facility might stop taking EW residents completely.

- *"We will not be able to afford to take Elderly Waiver under the new license. The fees and administrative costs are incredibly high for small settings such as ours."*
- *"We considered taking Elderly Waiver but after the new licensing goes into effect we will not be able to do it due to increased licensing fees and administrative costs."*

Reimbursement

The second most frequent theme among the provider comments related to reimbursement. These comments were often "hopeful," in the sense that providers would like to see higher reimbursement to cover the actual costs of participation. Others, however, noted only the impact of existing low reimbursement while expecting more from providers.

- *"[We could expect] more balanced reimbursement for care services, quicker response from case managers, and an ability to provide the correct services to clients."*
- *"Rates charged by providers will have to go up and are all sure EW reimbursement will not."*

- *"We hope it can pay in a way that reduces double occupancy and high monthly rates among other facilities who only double up or charge higher rates to adjust for EW beds."*

Increase Rate or Market Rate

Another frequent theme was that of increasing rates or moving to market rate only as a result of the new licensing requirements. This reflects issues noted in the comments on reimbursement, and in some cases, essentially means leaving the EW program. Other comments noted changes in billing required to meet new requirements, e.g., those related to meals.

- *"My understanding is that meals will be separate from rent. We will be looking at changes to our monthly billing."*
- *"We will go to market rate."*

Additional Sub-Themes

While less frequent, there were a few providers who responded they expect to accept only residents requiring lower levels of care as a result of the new license requirements, or will require private pay period (new policy) or extend their current private pay period. A few others indicated they will just continue to limit residents on EW.

4.6 Impact of COVID-19 on Policies and Practices related to Elderly Waiver

Providers were asked to describe the extent to which COVID-19 has impacted their policies and practices related to EW. Almost one-half of those responding said there had been no impact on their policies and practices. Among the remaining comments, several key themes emerged and within these important sub-themes.

Financial Impact

The most common theme emerging was that of the financial impacts of COVID-19 on the facilities generally. The comments included did not always relate specifically to EW, but when they did, the consensus was that EW rates were already too low to cover costs, and even with some rate adjustments for COVID-19, the added costs of addressing PPE, sanitation, staff turnover, hazard pay for staff, and more one-on-one time needed by residents and in communication with families, all led to costs that were a risk to ongoing operation of the facilities or effectively meeting resident needs.

- *"Operating costs have increased dramatically, and EW rates have historically not kept up with operating costs, thus no incentive to take many EW clients."*
- *"Insufficient funding to cover additional staff & operating costs to deliver meals to apartments, nursing staff time to respond to calls for assistance due isolation and lack of socialization, cost of PPE and cleaning supplies."*
- *"It has made it more clear that with the added cost of COVID expenses EW and housing support programs would not be able to cover all the expenses that we are incurring."*

Impact on Census

Closely related to the financial impacts, and compounding those due to added costs of addressing COVID-19, was the theme of the impacts on facility census. COVID-19 led to almost a moratorium on new residents due to staffing issues or to reduced interest/willingness of new residents to consider a move during the pandemic, further reducing revenue while costs continued to rise. This seemed especially a burden on smaller facilities.

- *"We have had to limit what we can handle for new admissions due to staffing."*
- *"Families are scared to move their loved ones. There's a lot of open beds."*
- *"We have had to limit admissions all together due to staffing issues and exposure issues."*
- *"Extreme hardship with CoVid [sic]. People in the two county area here are not moving. We are rapidly going broke!"*
- *"Loss of revenue - difficulty locating good fit residents to share living units."*

Impact on CL and EW

An additional set of comments focused on the impact of COVID-19 on the programs themselves, i.e., response times from case managers, application or renewal delays, issues with change in financial status not reflected due to processing delays, etc.

- *"CL tools are taking much longer to complete, and CL assessments are not on site."*
- *"Long delays from the County on approvals. Meanwhile I have to keep the resident with no income."*
- *"Contact with case workers can be difficult at times."*

Within this theme were also comments on how the facilities are viewing EW in their resident mix or their willingness to participate in the program.

- *"We have accepted more EW since covid [sic] started as we had rooms available. People who are PP prefer to wait till CoVid [sic] is "gone."*
- *"[We are] accepting more elderly waiver with low occupancy."*
- *"[We will] delay looking into participating in the program."*

Impact on Staff and Residents

Within this theme were reported impacts of COVID-19 that affected all residents, not only those on EW. The interaction of the added service demands and program reimbursements were cited here (as well as in the theme of revenue impacts), but also the interrelated nature of the various impacts were called out.

- *"Staffing issues lead to census issues, that lead to revenue issues."*
- *"Onsite staff are having to do much more paperwork and visits with residents that the county case workers were doing in the past because of case workers working remote and at home."*
- *"Additional duties and responsibilities for staff and residents' compliance with the new sanitation policies are a challenge. They sometimes refused to wash hands as frequently as they should."*
- *"Staffing has been impacted and also our clients cannot engage in lots of the activities they would like to engage in; we see more behaviors; physically and verbally."*
- *"Greater amount of time sanitizing, obtaining PPE, screening potential residents."*

- *"COVID 19 has affected EW services by having our staff provide more one-on-one care for those that become symptomatic or positive. Meal delivery has been added to the service plans but may not be reflected on the Elderly Waiver payment for those services. One-on-one activities have been provided to help combat the growing social isolation in these settings."*

4.7 Additional Comments

At the end of the survey, providers were asked if they had additional comments to share. About half of all respondents added a comment to this section of the survey. Among these several key themes emerged, with most respondents using this opportunity reiterate issues identified earlier in the survey. Some of these themes that were the same as those identified earlier included issues with EW (need for higher reimbursement rates, desire for program process changes) and recommendations for the program. While we have pulled out sample comments for key themes for this report, the responses to this option to comment are quite varied, and contain rich insights into provider views. We encourage MN DHS staff to review the full copy of these responses provided as an addendum to the final report.

Reimbursement

- *"Our rates need to be higher to support the level of care expected/deserved by our EW clients, today it is just unmanageable."*
- *"If the state would pay better for services, we could serve more residents who use Elderly Waiver to pay for services. Instead, to balance costs, we have to bill the private pay residents more in order to make up the difference, thus causing them to go through their own private funds more quickly and maybe needing use of public funds themselves sooner than anticipated."*
- *"I do think it is important to note that there is a cap on the EW. For individuals under the EW, this means that the waiver will deny services they require due to the cap. The EW is for those that are above the age of 65. As one ages, unfortunately, he/she requires more care. However, the caps of services don't allow that."*
- *"Most small settings that take Elderly Waiver plan to discontinue taking it once the new Assisted Living license takes effect. The licensing fees alone under the Assisted Living license will increase our licensing fees by 344%! The costs to upgrade our facility to meet the new license requirement will cost us an additional $30,000+ per location."*
- *"EW services should be paid at level of CADI, because it is same care we provide, and in CADI there is more flexibility."*
- *"Elderly waiver doesn't really look at memory care residents at being much different from assisted living, but care is tremendously greater requiring more staff and elderly waiver doesn't even begin to cover costs for those residents."*

Program Processes & Policies

Within this theme, comments fell into two subthemes; one related to process challenges in using the program and the other to concerns about larger state policies for the EW program, including new license requirements.

- *Getting someone on EW has been very difficult; getting someone screened, losing their paperwork, having to re-apply over and over again."*

- *"We would love to help residents through the process, but right now we have no insight. Instead of waiting on the phone for hours or driving residents to county offices - a portal would be extremely helpful and take so much pain and stress off our families."*
- *"I have had inconsistent experience with case managers and EW in the past. I would be more open to accepting more residents with this payer source if I felt confident that there was collaboration with the county on providing the correct services. It is frustrating to fight for services for the resident that the provider knows are needed."*
- *"More printed information; I had to search for documents to share."*
- *"DHS direction on tiered services, waiver reimagine and AL licensure will all make it more difficult for people to receive services. They are not simplified, reduce choice and limit flexibility incredibly."*
- *"Most small settings that take Elderly Waiver plan to discontinue taking it once the new Assisted Living license takes effect. The licensing fees alone under the Assisted Living license will increase our licensing fees by 344%! The costs to upgrade our facility to meet the new license requirement will cost us an additional $30,000+ per location."*

Other Sub-Themes

Among other less common threads in the "anything else to share" comments, were positive statements about EW (with some variability by county), facility would like to be able to offer EW to more residents, and facility strives to treat all residents, regardless of payment type the same.

- *"It's been a great partnership and the case managers in [County] have been great to work with."*
- *"THIS AL has worked with its counties VERY well and rates are VERY good. We are thankful we haven't had to limit EW. While rates are a little lower, it isn't detrimental as we have seen in other counties. Other counties are more of a challenge, both working with and poor rates coming out."*
- *"Everyone deserves the ability to receive care in a nice facility no matter their financial status. We treat them all the same."*
- *"We wish we were able to accept more elderly waiver clients."*

Appendix A

Provider Survey

(see next page)

Introduction

We are conducting research for the Minnesota Department of Human Services (DHS) to learn more about how privately paying assisted living (AL) residents subsequently apply for and participate in Medical Assistance and Elderly Waiver to pay for AL services.

Your responses to this survey will help DHS plan for future use of these programs to support residents in assisted living. The survey should take about 20 minutes and will cover the following topic areas:

- Your organization's engagement with Medical Assistance and Elderly Waiver in this setting, and
- Your organization's policies in this setting as they pertain to residents using Elderly Waiver to pay for services.

If you are not the person most familiar with the topics listed above, please forward it to the person best able to respond.

Your responses are not completely anonymous, but only our research team will see the individual provider responses; no identifying information will be used in reporting overall survey results to DHS.

If you have any questions about the survey, please email us: baggetts@uindy.edu or peter.spuit@state.mn.us

We really appreciate your input!

Survey

How many apartments/units do you have in this registered Housing With Services setting?

Does your organization in this assisted living setting accept payments for services through Minnesota's Elderly Waiver (also known as Customized Living) program?

- Yes
- No

If yes, does your organization in this assisted living setting accept payments for:

- Customized Living
- 24-hour customized living
- Both

Please indicate the reason(s) your assisted living setting does not participate in Elderly Waiver? (Check all that apply).

- The program is complicated and cumbersome for providers to participate in
- The DHS Provider Enrollment fees for providers are too costly
- Service reimbursement rates are too low
- Monthly budgets limits for program participants are too low
- The amount of money that Elderly Waiver enrollees have to pay for room and board is too low
- Other: (please explain)

Please provide information about the ways you typically communicate with prospective residents about your policies around accepting Elderly Waiver payments for service in this setting. For prospective residents, our assisted living setting: (check all that apply)

- Provides verbal information during tours
- Provides written information in promotional materials
- Provides the Uniform Consumer Information Guide
- Provides the Senior LinkAge Line "red brochure" on Long Term Care Options Counseling
- Posts signs or flyers on Medical Assistance and Elderly Waiver in public spaces in our location
- Shares information about Elderly Waiver on our web site
- Other: (please explain)

When talking with potential residents who will move in as private pay, do you specifically discuss the possibility to later apply for Medical Assistance and Elderly Waiver if personal resources are exhausted?

- Yes
- No

What are the common questions prospective residents ask about financial options once their personal resources are depleted?

Do you feel you have sufficient information to be able to answer prospective residents' questions about Medical Assistance and Elderly Waiver?

- Yes
- No

What additional information would be helpful to you in answering prospective residents' questions about Medical Assistance and Elderly Waiver?

Do you require new residents to have a minimum amount of income/assets at the time they move into this assisted living setting?

- Yes
- No

Do you have a minimum length of private-pay stay before you accept Elderly Waiver for payment in this assisted living setting?

- Yes
- No

What is the minimum length of the private pay period in months?

- 1-6 months
- 7-12 months
- 13-18 months

- 19-24 months
- more than 24 months

What is the average number of months residents pay privately for assisted living services before becoming eligible for Elderly Waiver?

- 1-6 months
- 7-12 months
- 13-18 months
- 19-24 months
- more than 24 months

Do you have a waiting list for PROSPECTIVE residents whose services will be paid for by Elderly Waiver program?

- Yes
- No

How many prospective residents are currently on the waiting list?

What is the average time prospective residents spend on the waiting list?

- 3 months or less
- 4-6 months
- 7-9 months
- 10-12 months
- 13-15 months
- 16-18 months
- 19-21 months
- 22-24 months
- more than 24 months

Do you have a waiting list for CURRENT residents who want to use Elderly Waiver to pay for services in this assisted living setting?

- Yes
- No

How many current residents are on this waiting list?

What is the average time current residents spend on the waiting list?

- 3 months or less
- 4-6 months
- 7-9 months
- 10-12 months

- 13-15 months
- 16-18 months
- 19-21 months
- 22-24 months
- more than 24 months

What services are provided in this assisted living setting?

- Assisted living without memory care (the term "traditional assisted living" will be used in the rest of this survey)
- Traditional assisted living and memory care
- Assisted living that only provides memory care

Do you have a limit on the number and/or proportion of residents who can be supported by Elderly Waiver in this assisted living setting?

- Yes
- No

What is the limit in numbers? (For example, "We allow up to 5 residents in our 100 resident building to be supported by Elderly Waiver; please be specific).

Generally, what are the reasons that this setting limits the number of residents supported by Elderly Waiver? (check all that apply)

- We need a mix of private pay and public pay residents to generate enough revenue to cover our costs
- The amount of money that Elderly Waiver enrollees have to pay for room and board is too low
- The Elderly Waiver program is complicated or cumbersome
- Other: (please explain)

Which of these reasons is the most important in determining the limit on the number of units supported by Elderly waiver in this setting? (check one)

- We need a mix of private pay and public pay residents to generate enough revenue to cover our costs
- The amount of money that Elderly Waiver enrollees have to pay for room and board is too low
- The Elderly Waiver program is complicated or cumbersome
- Other: (please explain)

Are the limits for the number of residents who can be supported using Elderly Waiver in traditional assisted living different from the limits for those in memory care in this setting?

- Yes
- No

What is the limit on number of residents in this setting who can be supported by Elderly Waiver in traditional assisted living?

What is the limit on number of residents in this setting who can be supported by Elderly Waiver in memory care?

Do you have shared living units in this assisted living setting?

- Yes
- No

In this setting do you require residents supported by Elderly Waiver to share a living unit?

- Yes
- No

Do you have living units of various sizes in this assisted living setting?

- Yes
- No

In this setting do residents supported by Elderly Waiver tend to live in smaller living units?

- Yes
- No

In 2019, the Minnesota Legislature established a new assisted living license (Chapter 144G).Do you think proposed changes to the license will result in changes to Elderly Waiver policies and practices in this assisted living setting?

- Yes
- No

What changes to Elderly Waiver policies and practices might you implement in this assisted living setting?

What impact, if any, has COVID-19 had on your policies and practices in this setting around Elderly Waiver and public payment for assisted living services?

What else would you'd like to share with us about how your facility engages with (or would like to engage with) Medical Assistance and Elderly Waiver and/or about your organization's policies regarding residents using Elderly Waiver to pay for services?

If you are willing to answer follow up questions, or if this survey was forwarded to you as the best person to answer, please enter your email address below.

Appendix B

County Distribution of Responses

County	% Representation in Survey Distribution List	% Representation in Responses	Variance
Aitkin	0.34%	0.00%	-0.34%
Anoka	4.59%	2.34%	-2.24%
Becker	0.48%	0.00%	-0.48%
Beltrami	0.96%	0.67%	-0.29%
Benton	0.96%	0.33%	-0.62%
Big Stone	0.21%	0.67%	0.46%
Blue Earth	1.23%	1.00%	-0.23%
Brown	0.68%	0.67%	-0.01%
Carlton	1.64%	0.67%	-0.97%
Carver	1.23%	1.00%	-0.23%
Cass	0.82%	0.33%	-0.49%
Chippewa	0.55%	1.34%	0.79%
Chisago	0.62%	0.33%	-0.28%
Clay	1.37%	1.34%	-0.03%
Clearwater	0.21%	0.33%	0.13%
Cook	0.00%	0.00%	0.00%
Cottonwood	0.21%	0.67%	0.46%
Crow Wing	1.71%	2.34%	0.63%
Dakota	5.61%	5.02%	-0.60%
Dodge	0.27%	0.33%	0.06%
Douglas	1.10%	1.00%	-0.09%
Faribault	0.34%	0.67%	0.33%
Fillmore	0.55%	0.33%	-0.21%
Freeborn	0.55%	2.01%	1.46%
Goodhue	0.89%	1.00%	0.11%
Grant	0.27%	0.67%	0.40%
Hennepin	25.74%	22.41%	-3.33%
Houston	0.41%	0.00%	-0.41%
Hubbard	0.48%	0.00%	-0.48%
Isanti	0.41%	1.00%	0.59%
Itasca	1.37%	1.67%	0.31%
Jackson	0.34%	0.67%	0.33%
Kanabec	0.27%	0.00%	-0.27%
Kandiyohi	1.44%	2.01%	0.57%
Kittson	0.14%	0.33%	0.20%

County	% Representation in Survey Distribution List	% Representation in Responses	Variance
Koochiching	0.34%	0.67%	0.33%
Lac Qui Parle	0.14%	0.00%	-0.14%
Lake	0.27%	0.67%	0.40%
Lake of the Woods	0.07%	0.33%	0.27%
Le Sueur	0.41%	0.33%	-0.08%
Lincoln	0.14%	0.00%	-0.14%
Lyon	0.48%	0.33%	-0.14%
Mahnomen	0.07%	0.00%	-0.07%
Marshall	0.14%	0.33%	0.20%
Martin	0.34%	0.67%	0.33%
McLeod	0.89%	0.67%	-0.22%
Meeker	0.34%	0.33%	-0.01%
Mille Lacs	0.41%	0.00%	-0.41%
Morrison	0.75%	0.67%	-0.08%
Mower	0.96%	1.00%	0.05%
Murray	0.14%	0.33%	0.20%
Nicollet	0.48%	0.67%	0.19%
Nobles	0.27%	0.00%	-0.27%
Norman	0.07%	0.00%	-0.07%
Olmsted	2.46%	1.67%	-0.79%
Otter Tail	1.92%	2.01%	0.09%
Pennington	0.14%	0.00%	-0.14%
Pine	0.41%	0.67%	0.26%
Pipestone	0.27%	0.33%	0.06%
Polk	0.82%	1.34%	0.52%
Pope	0.34%	0.67%	0.33%
Ramsey	8.15%	10.03%	1.89%
Red Lake	0.07%	0.00%	-0.07%
Redwood	0.27%	0.33%	0.06%
Renville	0.34%	0.33%	-0.01%
Rice	1.51%	2.01%	0.50%
Rock	0.27%	0.33%	0.06%
Roseau	0.21%	0.33%	0.13%
Saint Louis	5.27%	2.68%	-2.59%
Scott	0.96%	1.00%	0.05%
Sherburne	1.10%	1.67%	0.58%
Sibley	0.34%	0.67%	0.33%
Stearns	2.05%	3.01%	0.96%
Steele	0.89%	0.00%	-0.89%
Stevens	0.21%	0.33%	0.13%

County	% Representation in Survey Distribution List	% Representation in Responses	Variance
Swift	0.34%	1.00%	0.66%
Todd	0.62%	1.00%	0.39%
Traverse	0.00%	0.00%	0.00%
Wabasha	0.27%	0.33%	0.06%
Wadena	0.48%	1.00%	0.52%
Waseca	0.34%	0.33%	-0.01%
Washington	3.22%	2.34%	-0.88%
Watonwan	0.07%	0.00%	-0.07%
Wilkin	0.21%	0.00%	-0.21%
Winona	0.62%	0.67%	0.05%
Wright	1.16%	3.68%	2.52%
Yellow Medicine	0.00%	0.00%	0.00%
Total	100.00%	100.00%	