

Residential Care Options

Choosing a residential setting for an elder can be a daunting process. Existing options vary greatly in terms of suitability, availability, and feasibility; and if you aren't familiar with what is out there, you may not learn enough to make an informed decision.

Typically, elders and their families leave a doctor's office or hospital armed with little more than the dreaded statement that "You/she can't live alone any longer, you need to start looking into assisted living." But that's just the tip of the iceberg, and the information you gather may not be any more specific depending upon who you speak to as you make your rounds of places you've circled in a phone book.

Home Care -- Bringing services into the home is an option that works well for elders with fewer needs and/or a strong support network. A Homemaker can do light housekeeping and meal preparation, a Home Health Aide can assist with bathing and dressing, home delivered meals can be ordered, and a visiting nurse can provide medication assistance. Services will average at least \$25 per hour or visit, with nursing services considerably higher. Over time that can be very costly, especially if overnight support is needed. A wireless call system, like Life Line, offers night time peace of mind in the event of an emergency. Consumers need to do a conservative cost-benefit analysis when deciding whether to use a home care agency versus a private individual without back-up, insurance, or a criminal history clearance. Home care is generally regulated by state and federal guidelines.

Adult Day Health Care -- Caregivers who work and only need services to cover the hours they are away may find that Adult Day Health meets their needs. Services (including meals, health care and activities) are provided at a facility that is generally licensed, covered by Medicare, Medicaid and private insurance, and regulated by state and federal guidelines. Consumers can select the number of days they wish to attend per week and transportation by facility van or bus generally available for an additional fee. Weekend services are often available but may be more costly. Overall, this is an excellent but expensive program that provides crucial respite support for many caregivers and enables many others to provide care and maintain a job.

Assisted Living Community -- This is a landlord/tenant relationship with a limited array of services included in the base price. For a current average of

\$4,000 monthly, services would include a one-bedroom apartment with a locking door, private bath, and microwave equipped kitchenette, one meal per day in the dining room, plus weekly housekeeping and laundering of linens. There is a non-refundable admission fee of several thousand dollars, and additional fees for services to include additional daily meals, bathing assistance and personal care, and personal laundry. Fees for such services may be similar to home care rates and all fees will be regionally competitive. Apartments are usually not furnished, a nurse may not be on-site, and medications are generally not administered. A wireless call system is often used for emergencies to augment limited overnight assistance. There are no federal regulations and states vary greatly in terms of licensure requirements and regulatory oversight. Activities and Transportation are standard amenities. While usually private pay, in Massachusetts some communities offer a limited Medicaid-sponsored program for very low income elders.

Elderly Housing -- This is low-cost public housing with small apartments or efficiency units with subsidized monthly rent. Housing is usually located in areas convenient to both services and public transportation. There may be a meal site located in or near the building where one main meal is served daily for a nominal fee. Home care services, if needed, are either purchased privately or provided by a state sponsored elder service system. Not all states have an abundance of services for the elderly, however. Housing is usually scarce and waiting lists can be inordinately long. Federal and state laws govern public housing.

Congregate Housing -- This is a form of housing, generally public and low cost, that enables several elders (usually 4-6) to share a large unit where each resident has a private bedroom and bath with shared common areas like kitchen and living room. Services are provided in the same manner as elderly housing. Congregate housing is extremely limited to non-existent with the

same lengthy waiting lists and federal or state laws as elderly housing.

Continuing Care Retirement Community(CCRC) -- A CCRC is generally a large complex with a range of housing options from independent units to assisted living and, in many cases, on-site skilled nursing care. Occupants buy in at the independent or semi-assisted level by paying a full or partially refundable purchase price. Thereafter, there are monthly rates and an array of services available for purchase as required. This full-service option comes with numerous amenities, relatively high costs, and the assurance that the next level of care will be available within the complex when needed. Activities and transportation are standard amenities.

Rest Home, Retirement Home or Residential Care -- Similar to both assisted living and nursing home care, this option known by a variety of names is based on a single model dating back 150 years when the term “old folks home” was politically correct. Despite the rise of modern options, these smaller facilities with their unique home-like feel remain popular for a variety of reasons. Frequently non-profits, residential care homes and rest homes house fewer residents at more affordable admission and monthly rates which are usually all-inclusive. Situated in older buildings or carefully designed new construction, they emulate the look and feel of a small inn or bed and breakfast. Services are delivered internally according to need but private services and skilled home care may be brought in if desired or as ordered by a physician. Regulations vary from state to state but homes in Massachusetts are licensed and governed by the Department of Public Health under the same long term care regulations as skilled nursing facilities. Services include medical oversight, personal care assistance, medication administration, meals, housekeeping and laundry. Admission fees are generally moderate and monthly rates are approximately one third to one half of the cost of assisted living. Some homes are solely private pay while others offer benefits programs such as

Medicaid for lower income elders. Activities are standard, transportation varies.

Long Term or Nursing Home Care -- While it can be argued that all options entail long term care, this model defines institutional care for persons who can no longer live independently and who need an array of skilled or non-skilled services and assistance with most or all Activities of Daily Living or “ADLs” (bathing, dressing, medication administration, toileting, and feeding). Skilled nursing and therapy services are delivered in skilled nursing homes, now frequently referred to as health centers or rehabilitation centers because they provide a higher percentage of post-acute rehabilitative care than continuing long term care. Services are funded by Medicare, Medicaid and a mix of long term and private health insurances. All facilities are governed by rigid federal and state regulations with licensure mandatory, and in Massachusetts this falls under the oversight of the Department of Public Health. Rates are high (and competitive) and admission is generally restricted to prevent premature institutionalization. Activities are standard, transportation is common.

Finding Residential Options -- Government sponsored Area Agencies on Aging and Elder Services Systems generally offer the best information and assistance. The American Association of Homes and Services for the Aging (AAHSA) (www.aahsa.org) is the definitive national source of information while its state chapter, MassAging (www.massaging.org) in Boston and the Massachusetts Executive Office of Elder Affairs (800-882-2003) rank as the definitive sources of information for Massachusetts and as the reference sources for New England. Physicians, Churches, Hospitals and Skilled Nursing Facilities are also viable sources of information. Geriatric Care Managers are well informed but most charge the consumer for their services. On-line support is vast and variable in quality.

Paying for Residential Care Options

Once the elder and family accept the painful reality that residential care is necessary, the next logical question is how to pay for what is needed. Talking money in the same breath as highly emotional issues seems callous, but costs and payment options actually must be discussed early in the process in order to make sound, informed decisions.

First thoughts generally run the gamut from “Doesn’t Medicare pay for that?” to “If I spend all my money, what will I do next?” to “We don’t have the money, so what do we do?” In truth there is both good and bad news, but there is more of the former than the latter. And, like going to the doctor, once you begin the discussion and get it over with, you can take positive action instead of fearing the unknown and spinning your wheels.

Medicare -- Contrary to popular belief, Medicare does not cover all health care needs for the elderly. Medicare covers “acute care” only. Medicare A covers hospitalizations and up to 100 days of nursing home care (rehabilitation) and/or home care following a “qualifying” hospital stay of three or more days. Medicare pays the first 20 days in full and a portion of the remaining 80 days. “Up to 100 days” means that coverage continues throughout the period if and only if the patient continues to need, participate in, and achieve goals while in rehabilitation. Medicare B covers doctor visits and procedures, and Medicare D covers prescription drugs.

HMO or Gap Insurance -- Many elders have health insurance under a senior plan with one of the large insurance companies like Blue Cross Blue Shield, Harvard or Tufts. You do not have an HMO instead of Medicare, the HMO manages Medicare benefits and provides “gap” coverage for expenses not covered by Medicare. HMOs cover only medical expenses, they do not cover residential fees (room and board) associated with long term care expenses.

When individuals convert to Medicaid, they can generally drop HMO coverage.

Medicaid (MassHealth) -- More Medicaid dollars are spent annually on long term care coverage for the elderly than Medicare dollars. For qualifying low income elders who have spent down their resources, Medicaid covers in part or in full: hospital costs, medical visits and co-pays, medical procedures, durable equipment, vision and hearing services, and medical transportation. For those eligible, Medicaid also covers home health care, adult day health, long term nursing home care, assisted living and rest home care. Because there are many different plans and programs under Medicaid, it is best to seek information from a qualified benefits source.

Assisted Living Benefits -- Low income elders in Massachusetts who could not otherwise afford assisted living may be able to do so under the Medicaid sponsored GAFC program. This program uses Medicaid money to pay the difference between an eligible elder's monthly income and the monthly residence fees. Not all assisted living facilities offer GAFC, while others have a very limited number of GAFC beds. Elders must meet stringent income guidelines in order to qualify, and GAFC recipients generally receive a shared rather than a private apartment.

Rest Home, Retirement Home or Residential Care Benefits -- Low income elders who could not otherwise afford such homes may be able to do so under one of two programs: 1) For very low income elders who qualify for SSI, any home that has provider status can bill Medicaid for the difference between the elder's income and the home's state-set reimbursement rate. 2) Low income elders who are ineligible for SSI may qualify for EAEDC funding to make up the difference between their income and the home's state-set rate by applying to the local Division of Transitional Assistance. Income

and asset requirements are very stringent and not all homes accept SSI & Medicaid or EAEDC.

Long Term Care Insurance -- Many people carry long term care insurance and many more find that it does not cover as much as they had hoped or had been led to believe. Review such policies carefully with a company representative or benefits consultant to determine whether home care or assisted living is covered and to determine how much the company pays toward nursing home care.

Points to Keep in Mind -- 1) Medicare is an age-based program while Medicaid is income-based. 2) Medicare is a federal program while Medicaid is a state program; consequently, Medicare benefits are the same across the country whereas Medicaid benefits vary from state to state. 3) When calling about Medicaid (MassHealth) in Massachusetts, it is important to ask for the “Over 65 Program.” 4) Eligible elders who qualify for both Medicare and Medicaid are termed “duly eligible,” and that term needs to be given to each and every health care provider whenever insurance or billing information is requested. 5) Facilities don’t always provide complete, comprehensive benefit/payment information, and not all facilities assist with the benefit application process.

Benefits Information -- Because calling Medicare, Medicaid or any government agency can be a lengthy and confusing ordeal, two web sites, www.benefitscheckup.org and www.govbenefits.org, are highly recommended. In Massachusetts you can contact the Serving Health Information Needs of Elders (SHINE) program for free benefits information and assistance at (800-243-4636); or contact the Senior Center or Council on Aging (COA) in your community or your regional ASAP (Elder Services Agency) to either request information or to arrange to meet with a SHINE consultant.