Lisa Lieberman.

A Selection of
Articles by Lisa Lieberman for
Contemporary Long Term Care

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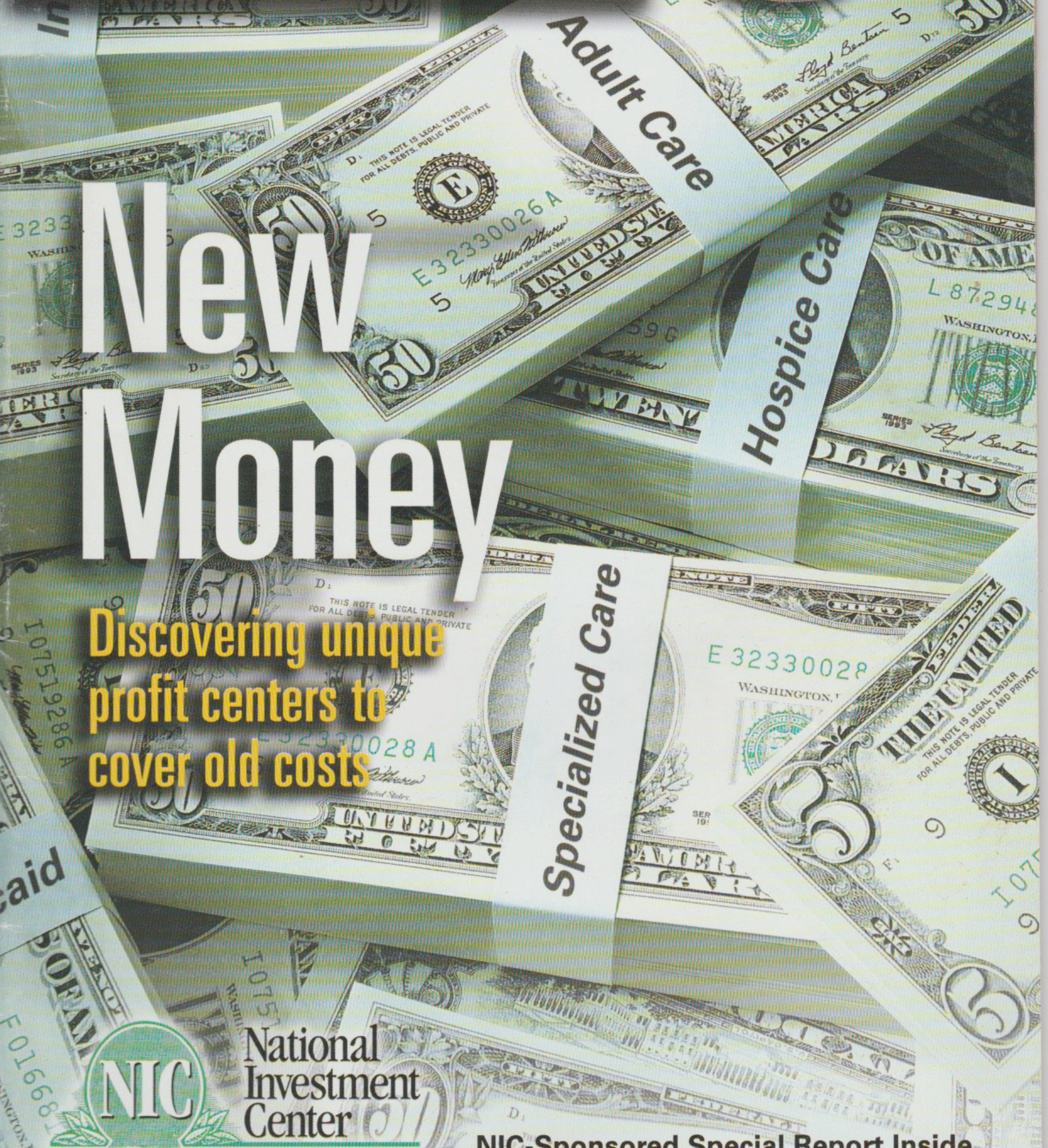
Contemporary Long Term Care
Celebrating 25 Years



New Money

Discovering unique profit centers to cover old costs

National Investment Center
For the Seniors Housing & Care Industries

NIC-Sponsored Special Report Inside

ASSISTED LIVING TABBED AS FASTEST-GROWING LONG TERM CARE INDUSTRY

By Lisa Lieberman
Contributing Writer

Assisted living facilities nationwide received a major public relations boost courtesy of the American Journal of Nursing, which reported in a recent issue that assisted living centers are the fastest-growing form of long term care for seniors.

The report, by New York University nursing professor Ethel L. Mitty, also notes that the number of assisted living facilities nationwide has grown by 15 percent to 20 percent during the past several years.

According to the report, assisted living centers are popular with more than 500,000 seniors because they receive needed long term care assistance while retaining as much independence as possible.

Years ago, seniors who needed long term care and couldn't stay with adult children had few choices but to move into a nursing home, according to Sally Michael, president of the California Assisted Living Association in Sacramento, Calif. These days, assisted living centers are a viable option for seniors who can no longer function independently at home, yet don't require around-the-clock nursing and medical attention.

"Assisted living provides a wonderful option for people who don't need 24-hour skilled care," Michael said. "In the past, seniors were sometimes inappropriately placed into a skilled facility because that was all they had. Now we can provide more individualized services to seniors who have lesser degrees of needs."

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Ultimately, states could end up spending more money to build new assisted living facilities or to reengineer existing nursing homes to fit seniors' needs.

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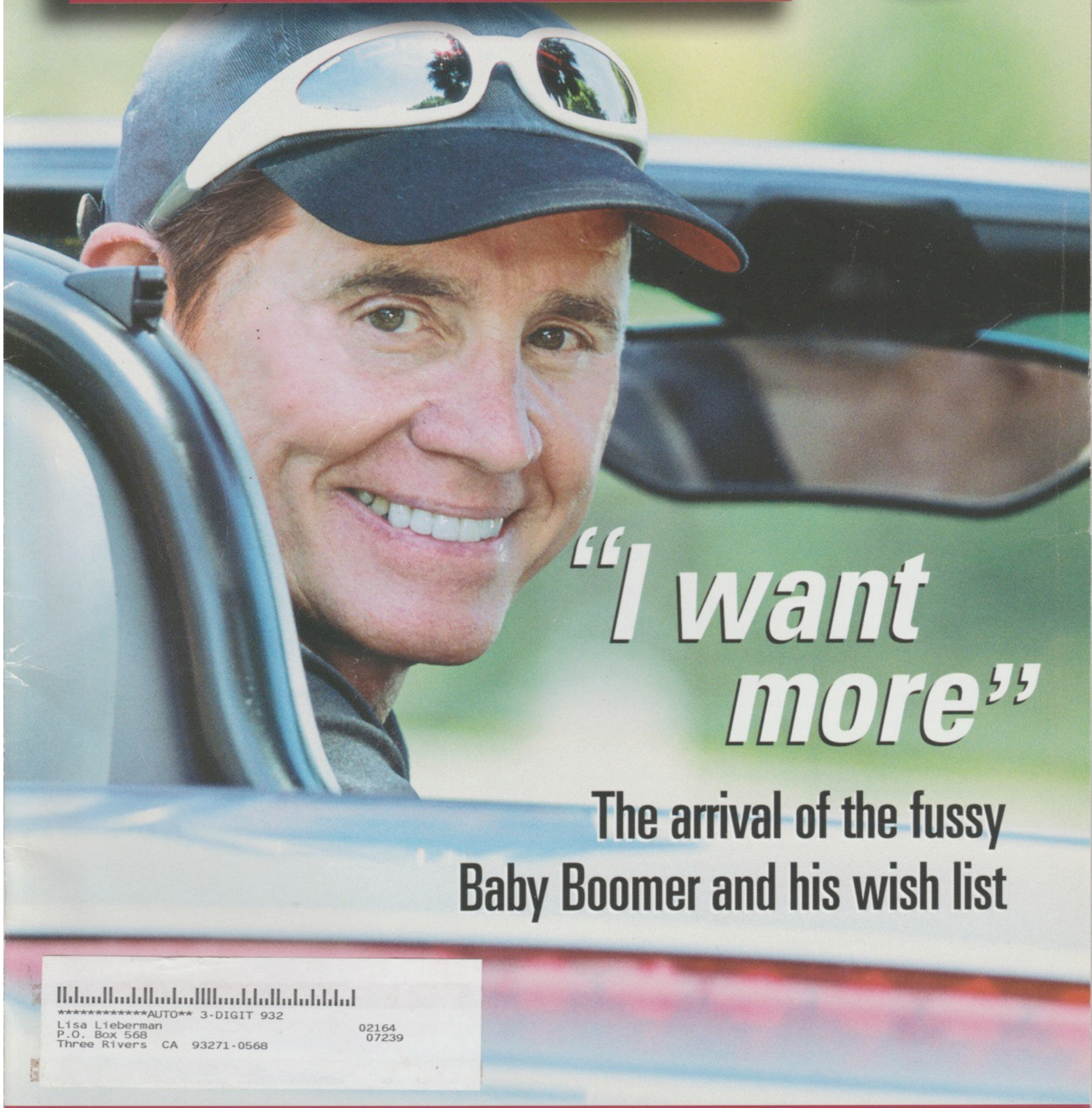


"I want more"

The arrival of the fussy Baby Boomer and his wish list

THEME ISSUE

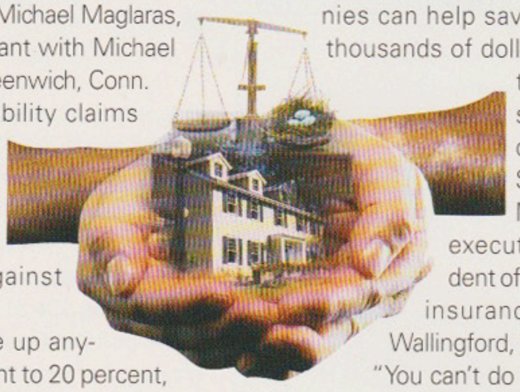
LONG TERM CARE TRIES CAPTIVE SOLUTION

By Lisa Lieberman
Contributing Writer

With insurance rates skyrocketing, long term care facilities are taking matters into their own hands and forming their own insurance companies.

"The trend really stems from the fact that it [has become] very difficult for long term care facilities to get liability insurance in the past few years," said Michael Maglaras, an insurance consultant with Michael Maglaras & Co. in Greenwich, Conn.

Some sizeable liability claims have "poisoned the well" for all long term care providers, regardless of whether claims are filed against them, Maglaras said.



"Rates have gone up anywhere from 15 percent to 20 percent, to 5,000 percent in the past two years," Maglaras said. "There are [even] some places you can't even get long term care insurance."

It's been particularly difficult in such states as Florida, Texas, Illinois and New York, Maglaras said.

Self-insured long term care facilities – or captive insurance companies as they're known -- have a sole purpose: to underwrite malpractice and general liability claims for their own organizations.

While these captive insurance companies can help save hundreds of thousands of dollars every year, they also have some inherent dangers, said Stephen McPherson, executive vice president of Masonicare, an insurance firm in Wallingford, Conn.

"You can't do this unless you have a strong risk program or if you've had bad claims experiences," McPherson said. "You've got to be comfortable with managing risk and feel confident that you're not going to have any significant claims.

"In addition, you also have to have enough capital to set up the insurance companies," McPherson said.

Masonicare, which operates two long term care facilities, set up its own captive insurance program two years ago. The company pays a total of $1.3 million for liability insurance; half of which goes to the captive insurance company and half of it going to a re-insurer, McPherson said.

"We cover ourselves for the first $2 million and the re-insurer covers us for the next $10 million, for a total of $12 million," McPherson said.

Overall, the captive insurance company saves Masonicare $1 million a year in insurance premiums. In addition, Masonicare doesn't have to worry about unexpected premium hikes.

"We've had less than $50,000 in claims over the past few years," McPherson said. "If we had stayed with other insurers, our rates would have gone up 10 person to 15 percent whether we had claims or not." CLTC

REALIGNMENT PUTS VETERANS' LTC HOMES ON CHOPPING BLOCK

A new plan to enhance services has the Department of Veterans Affairs considering closure or reduction of services at 30 long term care facilities and transfer of service in seven other locations nationwide.

The V.A.'s Capital Assessment Realignment Enhanced Services (CARES) plan was spurred in part by a need for an additional 17,000 beds in long term care facilities over the next 20 years, according to Karen Fedele, spokesperson for the V.A.'s public affairs department in Washington D.C.

The Veterans Administration is exploring several ways to meet these needs: add on to existing nursing homes, close nursing homes in some areas and contract long-term care out into neighboring communities, or open more assisted living and adult daycare centers.

So far, the CARES plan is targeting 30 V.A. facilities for closure or service reductions. The plan is also recommending that existing long-term care services in Bedford, Mass., Canandaigua and Montrose N.Y., Lake City, Fla., Lexington, Ky., Livermore, Calif., and Knoxville, Iowa be transferred to other locations.

Fedele said it's time for an overhaul of the V.A. system, since the demographics of veterans are changing. Many vets are moving to the southern states in areas where the V.A. is considering building new hospitals, she said.

"Right now, we're spending $1 million on underutilized or unused services in V.A. facilities," Fedele said.

Since the average VA facility is 50 years old, the administration to explore relocating to newer facilities, Fedele said. "In the cases where we close down buildings, we're going to keep the land," she said. "That means we might lease out the land for assisted living facilities."

The trend, Fedele said, is that more vets would rather live in assisted living facilities than in nursing homes. "We're talking about (relocating) facilities, not about losing services," Fedele said.

But some veterans and state legislators are leery that the changes under CARES would in fact reduce services.

For example, under current proposals, 80 of the Livermore V.A. Hospital's 120 nursing home beds would be moved to a new veterans hospital in California's Central Valley that hasn't been built or funded yet, said Rep. Ellen Tauscher, D-Alamo, Calif.

Plans to close Livermore's Alzheimer's unit are of particular concern, since Alzheimer's patients are difficult to place, Tauscher said.

The congresswoman said she is concerned that the V.A. isn't allowing veterans to speak for themselves on long-term care issues.

Fedele said that all of the discussions about making changes to long-term care are still in the preliminary stages. "Nothing is final yet," Fedele said.

After public hearings held in various locations through October, the plan will go back to the CARES commission, where stakeholders will have opportunities to comment on the plan before it is presented to the Secretary of Veterans Affairs for a final decision in December, Fedele said. *-- L.L.*

Long Term Care Industry Enters New Chapter - Chapter 11

By Lisa Lieberman
Contributing Writer

In the face of plummeting reimbursements at the state and federal levels, some long term care facilities have filed Chapter 11 as a last-ditch effort to keep finances afloat.

In the last few months alone, several larger long term care providers have sought debt reorganization. Milwaukee-based Alterra Healthcare Corp., which operates or manages 400 assisted living residences in 24 states, filed Chapter 11 in late January; Atlanta-based Centennial HealthCare Inc., which operates 87 nursing homes in 19 states and in the District of Columbia, filed in late December 2002; Dublin, Ohio-based National Century Financial Enterprises Inc., the nation's largest healthcare industry financer, filed in November.

Alan Crosby, vice president of communications at Centennial, said filing Chapter 11 "was a tough decision, but we made it voluntarily." The filing—which will not affect patient care—will allow the organization to restructure and possibly negotiate less expensive mortgages and leases with their lenders and landlords, he said.

Alterra Chief Executive Officer and President Patrick Kennedy said his company's filing is a conclusion to the reorganization efforts begun in 2001. "We believe this filing is an appropriate and necessary step," Kennedy said.

Still, experts warn that this trend toward Chapter 11 could spread, as facilities nationwide deal with lower reimbursement rates and other financial cuts.

Illinois long term care operators are in an especially dire position, according to Steve Miller, a principal of Bridgemark LLC, an Illinois-based long term care consulting firm. Not only do Illinois LTC facilities receive one of the lowest state reimbursements in the country, but the state sometimes takes as long as four to five months to disburse Medicaid payments, Miller said.

Michael Bridges, former president of Trenton, Ill.-based Lakeland Health Care Inc., knows all about that. Lakeland Health Care filed Chapter 11 in 1997 and left the nursing home industry shortly thereafter. Low and delayed reimbursement rates helped kill his business, according to Bridges.

Reimbursements aren't the only business crippler. Long term care centers in Massachusetts have had their own problems with their state government, said Scott Plumb, senior vice president of Newton Lower Falls, Mass.-based Massachusetts Extended Care Federation, which represents the majority of the state's 500 nursing homes.

In 2002, the state's nursing home industry adopted a \$9.60 per day fee for private pay patients. The idea was that the industry could raise \$145 million from the user fee and receive an additional \$115 million match from the federal government. The extra money would have given a boost to long term care facilities, which lose \$20 per patient per day from their Medicaid patients, Plumb said.

But now, the state government is considering taking the \$115 million federal match and applying it toward other Medicaid programs in addition to long term care. The state is also considering retaining 20 percent of the industry's \$145 million user tax.

This means that instead of making money from the self-imposed user tax, the long term care industry could lose \$27 million a year from it, Plumb said.

"We feel double-crossed. The long term care industry came up with the idea, the governor signed it and everyone saw it as a win-win," Plumb said. "But now, essentially a system that was supposed to help nursing homes is going to end up putting more money into the state." CLTC

What It Takes

Companies look for creative ways to keep employees

Lisa Lieberman, Contributing Writer

A number of companies outside the long term care industry have been forced to find ways to recruit and retain good employees. Here are their stories.

We hope they spark some original thought, inspire you toward creative problem solving, and prompt you to stray off the beaten path in your search for solutions.

Gabrielle Barry, Media Relations Manager
Fannie Mae, Washington D.C.
mortgage company, 4,600 employees

I got a $12,600 loan from Fannie Mae for the down payment on my home. As a single parent, I know there is absolutely no way I would have been able to get into my first home if it weren't for Fannie Mae.

The company lends employees 7 percent of the cost of their house or up to $17,000. On the West Coast it's $33,000. After five years, the loan is forgivable.

In our adoption program, we'll reimburse employees $10,000 to $15,000 for each child they adopt. We offer 80 percent reimbursements with no caps on infertility programs.

Judy Niewoehner, General Partner
Edward Jones, St. Louis, Mo.
brokerage firm, 25,000 employees

We allow our new moms nine months off after giving birth. This lets them have more cuddle time with their babies.

We had one new mom who worked at home so she could breastfeed her baby. No one knew she was home. When people called her at the office, her calls got passed through to her home.

We had one employee whose child was very ill. Sometimes she came to the office and worked in the middle of the night. We did that for her until her child passed away.

Cassandra Foust, Public Relations Representative
R.J. Reynolds Tobacco Co., Winston Salem, N.C.
tobacco company, 8,000 employees

We'll pay 100 percent of the tuition for employees who successfully complete approved classes. One employee who was in her early 40s had been with the company for 21 years when she decided to go back to college. She received two degrees in four-and-a-half years working three nights a week. She also received two promotions, going from an executive assistant to a financial analyst.

Elizabeth Barrett, Vice President of Operations
The Container Store, Dallas, Texas
Retail, 2,000 employees

We believe that a job in our store is a career. Our average salary is $33,000, and new employees start out at $10 per hour or more. We don't have a big, thick rulebook. We trust our managers to make decisions intuitively. What's right for one person isn't always right for another.

Our managers find ways to reward employees individually. A manager might reward an employee by giving him or her a week off or a raise in eight months instead of 12.

Managers can also arrange to give employees sabbaticals on a case-by-case basis.

One employee needed to be at home with her children during the summer months one year because she wasn't able to find adequate childcare. At the same time, she didn't want to lose her job. For us, it was an easy decision to make to allow her to take the time off because the alternative would have been losing her. We were able to accommodate her need by making some concessions by having others pitch in for a few months and handle her workload.

Dennis Shimeck, Associate Vice Chancellor
University of California at Davis, Davis, Calif.
Education, 23,000 employees

We have a catastrophic illness program where employees can donate part of their benefits to other employees who have exhausted their benefits because of serious circumstances.

For one high-level administrator who was diagnosed with terminal cancer, employees donated nearly a year's worth of benefits. This gave her both emotional comfort and financial support during the latter part of her life.

Marcie Mackey, Human Resource Assistant
Fresno Surgery Center, Fresno, Calif.
medical company, 220 employees

We do a lot of little things to make our employees' lives easier. We have dry cleaning services, sell stamps and movie theater tickets. During Christmas time, local merchants set up displays so nurses can do their Christmas shopping on the premises. CLTC

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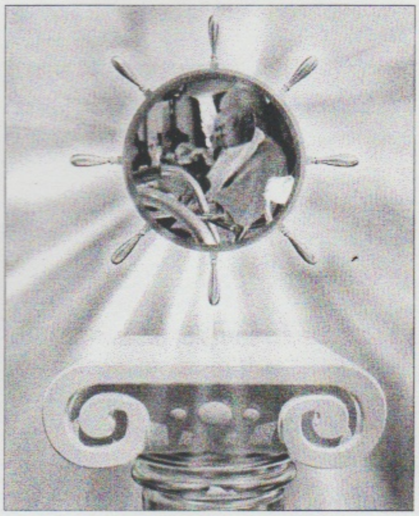

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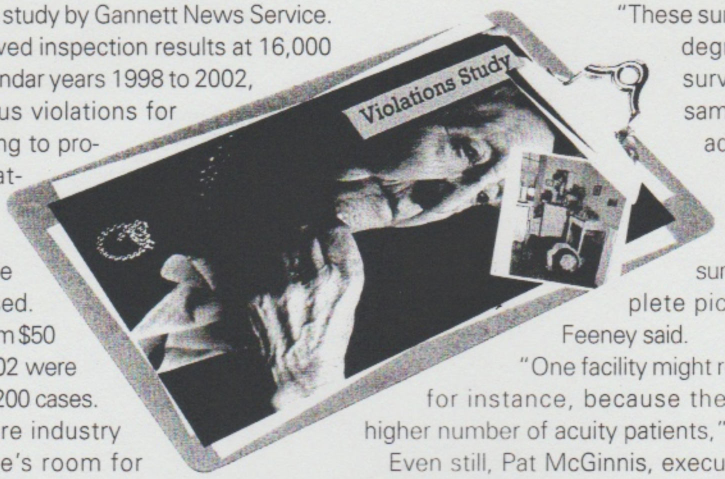
NURSING HOME INDUSTRY DISPUTES RESULTS OF GANNETT VIOLATIONS STUDY

By Lisa Lieberman
Contributing Writer

More than 500 nursing homes nationwide have repeatedly been cited within the past five years for life-endangering violations, according to a recent study by Gannett News Service.

In the study, which reviewed inspection results at 16,000 nursing homes from full calendar years 1998 to 2002, facilities received numerous violations for such transgressions as failing to protect patients from mistreatment, hiring staff without criminal background checks and allowing patients to be neglected or physically abused.



Fines for violations range from $50 to $10,000 a day. Fines in 2002 were more than $12.4 million for 2,200 cases.

Although many healthcare industry members agree that there's room for improvement in nursing homes, many of them also say that the Gannet News Service results were just one perspective of a very complex industry and might have made nursing homes look worse than they are.

"We don't support keeping nursing homes open if they're not providing good care," said Susan Weiss, vice president of American Homes and Services for the Aging in Washington D.C. "But a lot of these reports were based on egregious circumstances. Surveyors were coming in looking for problems."

Gannett also based its findings on inconsistent survey data, according to Susan Feeney, spokesperson for the American Health Care Association in Washington D.C.

"These surveys are skewed to some degree," Feeney said. "The surveys are not done by the same person. Each surveyor adds [his or her] own personal inflections to the report."

The nursing home surveys also don't paint a complete picture of nursing homes, Feeney said.

"One facility might report a higher rate of pain, for instance, because they could be accepting a higher number of acuity patients," Feeney said.

Even still, Pat McGinnis, executive director of California Advocates for Nursing Home Reform in San Francisco, said the issue of nursing home violations is a serious problem.

California has more deficiencies than almost any other state, McGinnis said. She cited a recent study done by Harry Waxman, a congressman from Beverly Hills, Calif., in which 382 of 419 nursing homes in southern California each had several violations. CLTC

HOUSE DELAYS VOTE ON COMP TIME FOR OVERTIME BILL

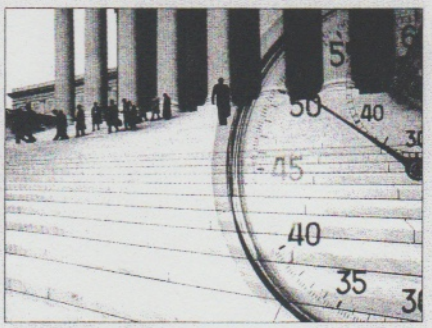
By Lisa Lieberman
Contributing Writer

A proposal on Capitol Hill designed to "improve working conditions for hourly wage earners," including nurses in the nation's long term care facilities, has nurses' unions up in arms.

HR 1119, known as the Family Time Flexibility Act, would allow workers to choose between getting paid and receiving paid time off at the rate of one-and-a-half hours for every hour they work overtime. The proposal came up for a vote in June, but then was tabled by the House for a later date.

The program, available to government employees since the mid-1980s, would allow private-sector workers to bank up to 160 hours of overtime.

Jeff Trexel, media relations director for U.S. Representative Judy Biggert (R-Ill.), who proposed HR 1119, said the bill would allow families more quality time.



The bill's opponents say it will enable employers to force workers to work more overime or favor employees who opt for paid time off over monetary compensation.

"This is a real gimmick being pushed by business interests so that employers can force people to work overtime," said Charles Idelson, spokesperson for Oakland, Calif.-based California Nurses' Association, the state's largest organization for nurses in all fields, including long term care.

The new overtime law would not be in patients' best interests either, Idelson said.

"Caretakers who are working 16 or 24 hours straight without breaks may be putting patients at risk," Idelson said. "Their judgment may be clouded by fatigue, which is really a prescription for disaster in the health care setting."

Ellen Bravo, director of Milwaukee-based 9 to 5 National Association of Working Women, a national lobbying group, said employers already have the option to give workers paid time off.

"This is going to increase the likelihood of employees having to work overtime and [will] actually take time away from families," Bravo said.

Ed O'Neil, a professor of family and community medicine at the University of California at San Francisco, sees pros and cons with HR1119.

"There's a lot of push and pull with overtime in the nursing industry," O'Neil said. "Employers [often] push employees into overtime, but at the same time there's an enormous amount of pull for elective overtime." CLTC

Enough's Enough: Long Term Care Industry Seeks Cap on Patient Injury Awards

By Lisa Lieberman
Contributing Writer

Saying that they are suffocating under the pressures of rising costs, low reimbursements, and skyrocketing insurance rates, nursing home operators are asking for government help in placing a cap on the amount of court-ordered damages juries are allowed to award injured or neglected patients.

Although the instances of claimants winning large lawsuits against nursing homes are few and far between, increasing litigation against nursing homes has caused everyone's liability insurance rates to increase as much as 10 times or more over the past several years, according to nursing home operators.

Debbie Portelo, owner of the Casa Coloma Health Care Center, a 138-bed, long term care facility in Rancho Cordova, Calif., said she hasn't had any lawsuits in 10 years. However, her premiums went from $17,000 three years ago to $128,000 last year, with the deductible going up from $1,000 to $100,000.

"The average claim isn't exceeding $250,000," Portelo said. "That means I'm $228,000 into it before my insurance even kicks in. And then on top of that, the deductible isn't a one-time thing, it's per occurrence."

Since the passage of the California Elder and Dependent Adult Civil Protection Act in 1991, which set fewer limits on damages and made it easier for plaintiffs to recoup legal fees, more seniors filed lawsuits, Portelo said.

Many lawsuits now being filed would have in the past been considered quality of care issues, according to Portelo.

"This means you could be sued for abuse over what's really a quality of care issue such as not providing patients with dentures or eyeglasses," Portelo said.

Despite her clean record, Portelo said she's expecting her rates to increase. Nancy Armentrout, director of legislative affairs for the California Association of Health Facilities in Sacramento, Calif., estimated that one-fourth of the state's 1,400 nursing homes are uninsured either because insurers won't sell to them or because they can't afford insurance.

Escalating insurance rates hurt nursing home patients as well as operators, Armentrout said.

"We get a flat rate of an average of $115 per day," Armentrout said. "Out of that we have to pay for all the needs of residents and operate an entire business. If insurance rates keep rising, you've only got one pot of dollars from which to pay everything. So every dollar spent on liability insurance is a dollar that should be spent on staffing or patient care."

To bring more stability to the system, CAHF seeks legislation that would grant nursing homes the same protections as doctors and hospitals. Current state laws prohibit courts from awarding plaintiffs more than $250,000 in non-economic damages in medical malpractice. Attorneys are also prohibited form taking more than 40 percent of the first $50,000 for damages won.

At the federal level, nursing homes are searching for the same limits, said Marsha Greenfield, senior attorney for the American Association of Homes and Services for the Aging in Washington D.C. CLTC

REPORT: LAWSUITS MAY DIVERT RESOURCESAWAY FROM PATIENT CARE

A new study by Harvard University researchers finds that with lawsuits against nursing homes now widely seen as one of the fastest-growing areas of health care litigation, concerns are being raised about the potential effect of these lawsuits on the quality of care delivered to residents.

The study, published in the policy journal Health Affairs in mid-March, includes a survey examining nursing home litigation trends that shows attorneys reporting a significant increase in the number of nursing home claims and the average size of recoveries in the past five years.

Harvard researchers David Stevenson and David Studdert estimated that in the high litigation states of Florida and Texas, attorneys handled claims worth more than 15 percent of statewide nursing home expenditures.

Attorneys surveyed were involved in litigating nearly 4,700 claims in the preceding 12 months, and their firms handled 8,300 claims. The average recovery amount for paid claims, whether resolved in or out of court, was about $406,000 per claim.

In addition, 9 out of 10 plaintiffs received compensation—a payment rate that is "off the scale in the world of personal injury litigation," said Studdert, assistant professor of health policy and law at the Harvard School of Public Health.

Health Affairs, published by Project HOPE, is a bimonthly journal devoted to publishing health policy thought and research. The report can be found at www.healthaffairs.org. *-LL*

WEST NILE A THREAT TO NURSING HOME RESIDENTS

By Lisa Lieberman
Contributing Writer

Nursing homes throughout the nation are taking precautions to protect residents from an incurable, airborne virus that threatens people with vulnerable immune systems.

Carried by mosquitoes, the West Nile Virus causes symptoms similar to the flu. The disease had killed 14 people in six states by presstime. Their average age was 75.

"We've been told that many young people are immune to it," said Joe Donchess, executive director of the Louisiana Nursing Home Association. "It primarily affects elderly people whose immune systems are already low. This disease can weaken them to the point where death may be imminent."

While mild cases of West Nile might cause a slight fever and/or a headache, more severe cases may present a high fever, headache, confusion, muscle aches, weakness, seizures and paralysis. At its most severe, the infection can result in a coma, permanent brain damage and death. Symptoms usually occur five to 15 days after exposure. Since the disease has no specific treatment, prevention is the best medicine, Donchess said.

Encourage residents to stay indoors, especially from dusk to dawn. If residents want to spend time outdoors, wearing long sleeves and long pants and using mosquito repellant with 10 to 35 percent of the ingredient DEETS in it should ward away mosquitoes, Donchess said.

Alert staff and resident family members to be on the lookout for residents with any flu-like symptoms since the outbreak of West Nile Virus, Donchess said.

Spray the entire facility for mosquitoes, especially areas with ponds or other types of standing water. Mosquitoes search for pools of water to lay their eggs. If a resident has a planter outside his room, the basin under the planter might catch some water, Donchess said. Some nursing homes have even gone to the extent of spraying sewer systems, so even free standing underground water gets treated, Donchess said.

"We've redirected drainage near our building so we don't have standing ponds near our facility," said Marti Mosley, executive director at Pennknoll Village in Everett, Penn.

Nursing home directors say the threat of West Nile disease will dissipate in late fall when the weather cools and the mosquito season ends. "During the first cold snap—hopefully by mid October—mosquitoes will stop laying their eggs and we won't see any more larvae," Donchess said.

Briefly...

OSHA SUGGESTS GUIDELINES

The nursing home industry is known for having one of the highest losses of workdays due to illnesses, back injuries and other muscle skeletal disorders. For the first time, the Occupational Safety and Health Administration (OSHA) has come up with the nursing home's first industry-specific ergonomic guidelines. The guidelines include management practices, worksite analysis and control methods, according to Abe Mutawe, an OSHA representative from Seattle. "A number of new devices are available to help nurses transfer patients from beds to wheelchairs and from wheelchairs to toilets without having to manually lift patients," Mutawe said. Some nursing homes have found these devices so helpful that they have instituted zero lift policies. "Many nursing homes that have experimented with zero-lift policies have found a cost savings due to fewer job-related injuries and fewer lost working days." Mutawe continues, "The OSHA guidelines are intended to provide practical solutions for ergonomically-related injuries, but will not be used for enforcement purposes."

LAWSUITS FLY AS SUITORS RIVAL OVER NCS

By Lisa Maher Contributing Writer

NCS HealthCare, Inc., a leading provider of pharmaceutical and related services to long term care facilities, is suing its buyer on the grounds that Omnicare's tender offer for all of NCS HealthCare's outstanding stock contains false and misleading information.

Specifically, NCS alleges that Omnicare misrepresented the course of dealing between NCS and Omnicare, and that Omnicare did not disclose that its tender offer was contingent upon further due diligence. The suit claims that Omnicare violated Section 14(e) of the Securities Exchange Act of 1934.

The suit, filed in the United States District Court for the Northern District of Ohio, is an effort to block Omnicare's purchase and pave the way for a rival bid from Genesis Health Ventures, Inc. NCS seeks, among other things, a preliminary injunction halting Omnicare's tender offer until Omnicare issues corrective disclosure. Omnicare is suing in return to stop the NCS/Genesis deal.

Omnicare counters that the share purchase offer was not conditioned on the completion of any due diligence period, although they did request due diligence materials in the past year from NCS as part of what they call customary for any potential purchase.

Between February and the end of July, NCS alleges it had no direct contact from Omnicare. Prior to a letter received by NCS from Omnicare on July 26, NCS alleges that Omnicare had been proposing to purchase NCS's assets under a Section 363 bankruptcy sale for a price substantially lower than NCS's outstanding debt and with no recourse for stockholders.

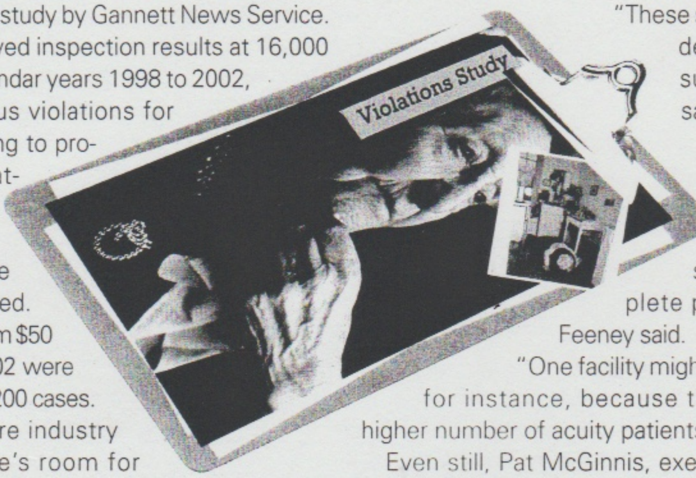
On July 26, Omnicare announced an acquisition proposal consisting of a $3.50-a-share cash tender offer for all outstanding shares of Class A and Class B common stock of NCS, But NCS alleges that by the time this offer was received, NCS had already entered into a deal with Genesis.

NURSING HOME INDUSTRY DISPUTES RESULTS OF GANNETT VIOLATIONS STUDY

By Lisa Lieberman
Contributing Writer

More than 500 nursing homes nationwide have repeatedly been cited within the past five years for life-endangering violations, according to a recent study by Gannett News Service.

In the study, which reviewed inspection results at 16,000 nursing homes from full calendar years 1998 to 2002, facilities received numerous violations for such transgressions as failing to protect patients from mistreatment, hiring staff without criminal background checks and allowing patients to be neglected or physically abused.



Fines for violations range from $50 to $10,000 a day. Fines in 2002 were more than $12.4 million for 2,200 cases.

Although many healthcare industry members agree that there's room for improvement in nursing homes, many of them also say that the Gannet News Service results were just one perspective of a very complex industry and might have made nursing homes look worse than they are.

"We don't support keeping nursing homes open if they're not providing good care," said Susan Weiss, vice president of American Homes and Services for the Aging in Washington D.C. "But a lot of these reports were based on egregious circumstances. Surveyors were coming in looking for problems."

Gannett also based its findings on inconsistent survey data, according to Susan Feeney, spokesperson for the American Health Care Association in Washington D.C.

"These surveys are skewed to some degree," Feeney said. "The surveys are not done by the same person. Each surveyor adds [his or her] own personal inflections to the report."

The nursing home surveys also don't paint a complete picture of nursing homes, Feeney said.

"One facility might report a higher rate of pain, for instance, because they could be accepting a higher number of acuity patients," Feeney said.

Even still, Pat McGinnis, executive director of California Advocates for Nursing Home Reform in San Francisco, said the issue of nursing home violations is a serious problem.

California has more deficiencies than almost any other state, McGinnis said. She cited a recent study done by Harry Waxman, a congressman from Beverly Hills, Calif., in which 382 of 419 nursing homes in southern California each had several violations. CLTC

HOUSE DELAYS VOTE ON COMP TIME FOR OVERTIME BILL

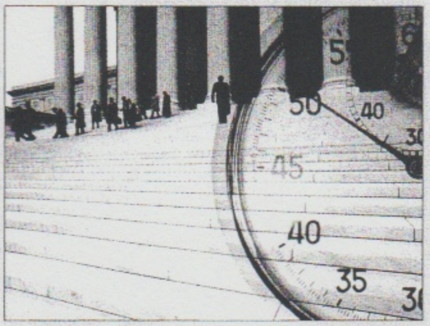
By Lisa Lieberman
Contributing Writer

A proposal on Capitol Hill designed to "improve working conditions for hourly wage earners," including nurses in the nation's long term care facilities, has nurses' unions up in arms.

HR 1119, known as the Family Time Flexibility Act, would allow workers to choose between getting paid and receiving paid time off at the rate of one-and-a-half hours for every hour they work overtime. The proposal came up for a vote in June, but then was tabled by the House for a later date.

The program, available to government employees since the mid-1980s, would allow private-sector workers to bank up to 160 hours of overtime.

Jeff Trexel, media relations director for U.S. Representative Judy Biggert (R-Ill.), who proposed HR 1119, said the bill would allow families more quality time.



The bill's opponents say it will enable employers to force workers to work more overime or favor employees who opt for paid time off over monetary compensation.

"This is a real gimmick being pushed by business interests so that employers can force people to work overtime," said Charles Idelson, spokesperson for Oakland, Calif.-based California Nurses' Association, the state's largest organization for nurses in all fields, including long term care.

The new overtime law would not be in patients' best interests either, Idelson said.

"Caretakers who are working 16 or 24 hours straight without breaks may be putting patients at risk," Idelson said. "Their judgment may be clouded by fatigue, which is really a prescription for disaster in the health care setting."

Ellen Bravo, director of Milwaukee-based 9 to 5 National Association of Working Women, a national lobbying group, said employers already have the option to give workers paid time off.

"This is going to increase the likelihood of employees having to work overtime and [will] actually take time away from families," Bravo said.

Ed O'Neil, a professor of family and community medicine at the University of California at San Francisco, sees pros and cons with HR1119.

"There's a lot of push and pull with overtime in the nursing industry," O'Neil said. "Employers [often] push employees into overtime, but at the same time there's an enormous amount of pull for elective overtime." CLTC

ROCKY MOUNTAIN 'HI'

By Lisa Lieberman
ContributingWriter

When you think of Denver, images of snowy, mountainous, rugged terrain might come to mind. But Denver holds many surprises.

You may not know that Denver, with its 300-plus sunny days a year, gets more sunshine than either San Diego or Miami, or that it is known to be one of the most cosmopolitan cities in the country.

Sights and sounds

Three major sports stadiums sit in downtown along with one of the country's largest performing art centers, an assortment of art and history museums, a mint producing 10 billion coins a year, an aquarium with sea otters and sharks, and more than 100 restaurants, brew pubs, cafes and nightclubs.

The city is so dedicated to preserving the arts that one cent of every dollar goes toward funding more than 300 art's organizations.

Humble beginnings

Denver was originally born during the Gold Rush when pioneers discovered a few flakes of gold. Denver still retains the individualistic rugged flavor it was born with. Denver has its own time zone and is one of the most spectacular capitals in the country.

The Capitol building stands one mile above sea level with a plaque on the 15th step to mark the spot, which is exactly one-mile or 5,280 feet high. The dome is covered with 200 ounces of pure 18-karat gold. Inside the Capitol is the world's largest and only supply of red marble onyx, which was mined in Colorado in the 1800s.

Shopping galore

Denver, known as the "queen" city of the plains, also has some of the best shopping in the West. The city features the largest independent bookstore in America, the Tattered Cover, with more than 400,000 volumes, as well as the largest sporting goods store in the world, Gart Brothers Sport Castle.

The Cherry Creek Shopping Center, three miles southeast of downtown, is a special treat for visitors. The shopping center has 160 upscale stores, including Saks Fifth Avenue, Neiman Marcus, Lord & Taylor's and Foley's. The side streets across from the shopping center are lined with art galleries, boutiques and restaurants.

Culture and history

On the north block of 14th Street is the Denver Performing Arts Complex. From opera to symphony, the Tony Award-winning theater is the heartbeat of Denver's art community. The theater covers four square blocks and is the largest performing arts center in the world under one roof, seating more than 10,000 people.

Near the convention center, visitors can also stroll through the Lower Downtown District, known as LoDo for short. This 26-square block section of downtown encompasses many of *Denver's historic Victorian brick buildings.* Many of these buildings, which were constructed in the 1800s and early 1900s, serve as brew pubs, restaurants, discos, comedy clubs and outdoor cafes. With more than 80 different beers brewed and sold in Denver, the city brews more beer than any other in the United States.

Wynkoop brewery, dating from 1881 on the corner of 18th and Wynkoop, is one of the oldest breweries in the area. Any day of the week, visitors can sample 12 different homemade beers, which aren't bottled or sold outside the brewery.

Good eating

Visitors can also check out the Buckhorn Exchange, one of the oldest restaurants in Denver and the first establishment in the city to receive a liquor license. Built in 1893 by an old frontiersman, the Buckhorn Exchange is known for its exotic meats.

At the Rhodesian Grill, on the corner of Wynkoop and 18th, visitors can choose from 20 different types of meats on spitfires which are brought out to their tables by waiters dressed in Brazilian costumes.

For some after-hours entertainment, Sing Sing in LoDo is an upscale nightclub with a dueling piano bar. Two piano players take turns inciting the audience to see which half of the nightclub can outsing the other.

Day trips

Denver is, of course, home to the world famous Rocky Mountain National Park and Pike's Peak. Shorter day trips may feature the Lariat Loop, *a 40-mile road which loops around in* a lariat shape through the foothills. Lariat Loop starts 15 minutes from downtown. It is the former site of the famous Lariat Trail, on which settlers carried Buffalo Bill's body from the east to Denver to be buried.

Also along the Loop, you'll fine the shrine of Mother Cabrini female saint—the first American saint. The shrine is famous for a miraculous spring that purportedly came to life when Mother Cabrini prayed for water. The spring is still there today and is a place where people collect water to bless their sick, loved ones. CLTC

LONG TERM CARE SHORTAGE FORESEEN IN CALIFORNIA

By Lisa Lieberman
Contributing Writer

Many seniors won't be able to find adequate long term care during the next 20 years as California's senior population continues to grow, according to a newly released study by the California Association for Adult Day Services and sponsored by the California Department of Aging.

In the past decade, California's growth rate has been 13.9 percent for the general population, 14.7 percent for people 65 and older and 42.3 percent for seniors 85 and older, according to the study.

If that pace holds, today's seniors age 65 and older—who currently make up 10 percent of California's population, about double the national average—will have a major need for every type of long term care service in the next few decades, according to Kathy Daigle, the study's project consultant.

The study, which analyzed the demographics of all 58 California counties, determined that some counties will fare better than others in providing long term care services to seniors depending on such factors as geography, median age of the population, unemployment rates, income levels and housing availability.

"Our hope was that people could look at their own county in the study and see where it ranked on the indicators, and also look at the numbers and types of services offered in neighboring counties or counties with similar profiles," said Lydia Missaelides, executive director of the California Association for Adult Day Services. "We thought it would be a benign way to start conversations about filling in gaps in coverage in the state."

Since the highest percentage of older people live in rural counties in northern and central California, there is a pressing need for more facilities and nurses in these areas. But it's often difficult to recruit nurses to work in isolated rural facilities, which involve long commutes and offer lower pay than their urban counterparts, according to the study.

For example, in rural Trinity County, where there are 3,179 square miles and four people per square mile, there are no freestanding nursing homes and only one hospital-based nursing home, which serves 25 people. CLTC

PANPHA SAYS FOCUS ON QUALITY, NOT REGULATIONS

By Lisa Lieberman Contributing Writer

Pennsylvania state regulators are spending too much time trying to get nursing homes to comply with archaic regulations rather than focusing on the quality of care patients receive at these facilities, according to the Pennsylvania Association of Non-Profit Homes for the Aging (PANPHA).

Members from PANPHA recently met with state legislators to voice concerns about outdated state regulations as well as what they say are insufficient state reimbursements for assisted living.

In Pennsylvania, there are thousands of regulations dealing with processes and paperwork that nursing homes must comply with.

"Our contention is that regulators are wasting time and money looking at processes and not at resident outcomes. As a result, some poor quality facilities continue to operate while at the same time these regulators waste the time of facilities that have good patient outcomes," said Ron Barth, CEO of PANPHA's house policy committee.

Meanwhile, state regulators don't spend enough time looking at quality of care indicators in nursing homes.

"They don't look at unexplained weight loss, unexplained bed sores, unexplained mental deterioration ... that kind of thing," Barth said.

If surveyors spent more time focusing on quality of care issues, they could spend less time at nursing care facilities with good outcomes and concentrate on lesser quality facilities, Barth said.

"If they reallocated resources, they could visit the poorer quality nursing homes five to seven times a year, and the facilities with good outcomes once or twice a year," Barth said.

In addition to reallocating surveying resources, PANPHA is also concerned that reimbursement levels for assisted living are not enough to support an aging population, said Steve Weitzman, PANPHA's media and government relations specialist.

"The state's own studies show that the cost of providing the level of care the state wants to provide for assisted living is $60 a day. At the same time, the state is only paying $28 a day for care," Weitzman said.

> Our contention is that **regulators are wasting time** and money looking at processes and **not at resident outcomes.**

In the past 10 years, assisted living reimbursement rates have only been raised by $2 a day, Barth said.

When low-income residents get turned away from assisted living facilities because they can't afford to pay the rates, many of them end up in nursing homes where they can at least get Medicaid, Weitzman said.

"A lot of these people may end up prematurely entering a nursing home because that's where they can get reimbursements. But the ironic thing is, that the cost of care at nursing homes is more than it is at assisted living facilities," Weitzman said.

The fact that Medicare reimbursements are so low compounds the nursing shortage problem, said Marti Mosley, executive director at Pennknoll Village in Everett, Pa.

"We have to pay higher salaries to attract nurses, and we need reimbursements to cover these costs," Mosley said.

Briefly...

NEW LEGISLATION MAY SAVE N.J MEDICARE RATES

Nursing homes in New Jersey are potentially going to lose millions and even billions of dollars if the federal government cuts the state's Medicare payments. As of presstime, Medicare reimbursements were scheduled to be cut by 10 percent on Oct. 1, 2002, and another 10 percent by 2004.

"This would be a 20 percent cut and a very tough situation for a lot of nursing homes," according to a statement from Senator Robert G. Torricelli's (D-N.J.) office. Staff would be cut and so would services."

Unless Congress acts, Medicare funding for skilled nursing care will be cut by $35 per patient per day in 2003, and $68 per patient per day in 2004. Torricelli has introduced new legislation—SB 2490—which proposes keeping Medicare reimbursement levels at current rates.

While all states would be hit by the cuts, New Jersey would be especially hard hit since New Jersey's nursing homes rely heavily on their Medicare reimbursements. Torricelli's bill will likely become part of the Medicare provider package which Congress is scheduled to vote on by the end of the year.

PENNSYLVANIA NURSING HOME RECEIVES REPRIEVE

Patients at Mercy Health Partners in Pennsylvania were given a 30-day reprieve when the nursing home officials decided to stay open at least one month longer after its planned Oct. 19 closing. Mercy had started moving patients out of its 110-bed nursing home Aug. 16. This prompted a week of public friction and private negotiations with union workers. Mercy officials had no comment about how long the facility would remain open.

GOVERNORS BACK MEDICARE PLAN FOR 'DUAL ELIGIBLES'

By Lisa Lieberman
Contributing Writer

Skyrocketing prescription drug costs have pushed the nation's 50 governors together to try to shift some of the burden back to the federal government.

The federal government once paid most of the cost of prescription drugs for seniors covered under Medicare and Medicaid. Over the years, the burden has gradually shifted to the states.

"The cost of prescription drugs takes up about one third of states' Medicaid budget. It has become a tremendous part of their budget," said Kevin Goldsmith, director of the Kentucky/Washington D.C. office for Gov. Paul Patton in Frankfort, Ky. U.S. states pay a combined $7 billion annually for prescription drugs.

Patton is spearheading a movement to add prescription drug benefits to the more than 6 million elderly and disabled Medicare and Medicaid beneficiaries. Patton and other governors hope to persuade federal lawmakers to include the drug benefit changes in House and Senate bills on Medicare reform currently under debate on Capitol Hill.

The governors favor the House version of the bill, which would give drug coverage to all Medicare recipients and phase out states' obligations to pay drug costs over 15 years. The Senate version would deny Medicare drug coverage to anyone who is also eligible for Medicaid. These persons are known as "dual eligibles."

All 50 governors recently signed a letter to House negotiator Rep. Bill Thomas, R-Calif., urging lawmakers to keep the House's full-coverage provision in the final version of the bill..

Although dual eligibles do receive some drug benefits, declining economies have forced many states to find ways to "minimize" their prescription drug benefits by coming up with "formularies," which effectively leave off some medications from the list of those covered by Medicaid, said Barbara Manard, vice president of the American Association of Homes and Services for the Aging, Washington D.C.

Ideally, states would like to strike a compromise where the federal government would cover "dual eligibles" while the states would pick up the remaining uncovered costs, Goldsmith said. CLTC