

Prepared testimony of Gena Stutchman, Arbors Memory Care, Sparks, Nevada

NVALC represents residential facilities for groups which include assisted living communities, group homes and memory care communities. There are approximately 350 facilities in Nevada serving over 6000 seniors. As the acuity of residents' increase, aging in place in the least restrictive environment can be challenging.

Facilities have the option of applying for special endorsements allowing them to care for our frailest population. Along with obtaining the required endorsements, increased staffing is required to ensure proper quality care. With the dementia endorsement the staffing is a state regulated ratio of 1 caregiver for every 6 residents along with specific additional training.

The cost of personal care for a resident in a group home or assisted living who requires minimal assistance with personal care can be as low as \$45/day. However, consider the resident who requires a facility with a dual endorsement for persons with chronic illnesses and Alzheimer's disease or a resident who requires supervisory checks every fifteen minutes. The cost of personal care for such a resident can be higher than \$120/day. Twice the maximum amount allowed for a Level 3 resident. The cost of staffing a 1 to 6 ratio alone is about \$52 per resident per day, just to account for the direct care cost. These costs do not take into consideration extensive ongoing caregiver training nor caregiver supervision and support. This leaves few options for a resident whose fixed income does not even cover the full cost of room and board let alone the added cost of personal care.

The cost of providing quality care in any setting is not cheap and it is rising. However, residential facilities represent a less expensive alternative to institutional settings. If the current trend for reimbursement continues, RFGs and AL communities currently taking residents with Medicaid waivers will have no choice but to change their business model or lower the quality of care provided. Memory Care communities in Nevada struggle to attempt to work within the cost parameters of our current Medicaid Waiver Program. Provider categories and staffing regulations must be considered when looking at viable reimbursement levels to ensure that Nevada providers are available and services will not be further compromised.

NVALC intends to work with the state in helping residents remain in their communities and we ask to be a part of the Medicaid waiver discussion moving forward.