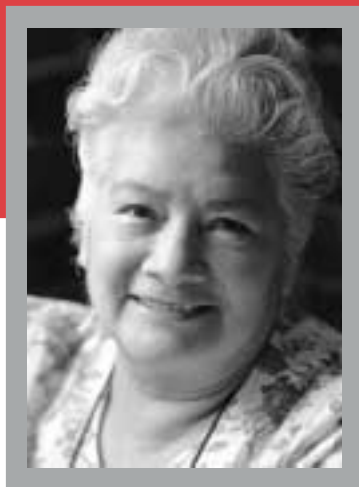


# Principles *for* Change

## 2003 *Update*



*A Shared  
Vision for  
Older Adult  
Housing,  
Health and  
Supportive  
Services in  
Minnesota*



The  
**Long-Term Care**  
**IMPERATIVE**

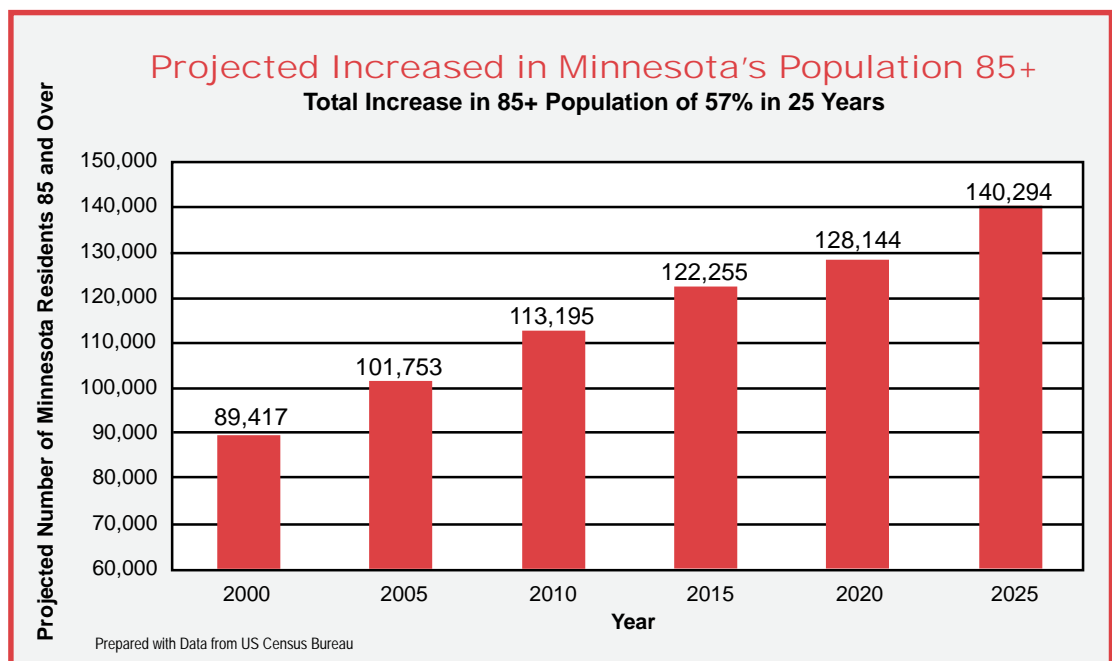
A Minnesota Collaboration for Changes in Older Adult Services

# The course is set

The Minnesota Legislature began landmark work in 2001 with a funding and reform package that set in motion important changes in the future of housing, health care and supportive services for older adults. *Principles for Change* was one of the catalysts. The reforms revolved around the promotion of innovation in community-based services, helping older adults stay in their homes and in their life-long communities longer.

The steps taken in 2001 positioned Minnesota at the beginning of a decade-long course for reform in older adult services. At each step, new options become available and the future for our aging population looks brighter.

Leadership from public policy makers is never more crucial than in difficult financial times such as the State of Minnesota now faces. It is in these times when our elected leaders must be at their keenest in separating wants from needs, in preserving what is most valuable and in fashioning an affordable but laudable future for Minnesota. The reforms that have begun in older adult services are necessary. They reflect our values. And they can be our future.



## ▼ **Community impact**

Healthy communities rely on being able to provide their elderly residents with a place they can call home, where their care needs are met and where their privacy is preserved. Healthy communities also need employers who offer satisfying jobs with good wages and good benefits. In many communities, the local nursing home is one of the largest employers and is a valuable purchaser of community goods and services.

# *A road map for reform*

**M**innesota citizens are rapidly aging into a broken system of older adult services. Without reforms, their future belongs to an institutional structure with few choices. It is a government-controlled approach that is expensive and does not meet consumers' needs or desires.

The necessary reforms have been charted in *Principles for Change*, a vision shared by members of Minnesota's two long-term care provider associations: Minnesota Health & Housing Alliance and Care Providers of Minnesota. The associations, together with legislative leadership, helped this initiative take root in 2001.

*Principles for Change* is an innovative but very feasible new model for serving older adults. It imagines a new future for housing, health care and supportive services that will be constructed by care providers, consumers and policy-makers, with measurable results and outcomes.

This is a mountain with steps. The first step is a commitment to revolutionize living environments and care delivery for persons needing residentially based health care and supportive services. To reach the goal, *Principles for Change* is driven by these underlying beliefs:

- Government's role should be simple, clear and enable a consumer-focused system.
- Older adults choosing congregate living should not be forced to share their living space with a stranger.
- Consumers must have access to relevant information and some measure of control over the purchasing dollar to be fully empowered.
- Consumers of all ages should have clear financial incentives to plan and provide for their future needs.
- Older adults should be integrated into the community, rather than isolated from it.
- A focus on consumer needs and preferences and community capacity, along with competition in the marketplace, will lead to the development of innovative, effective and consumer-responsive services.

## ▲ *The current reality*

Many Minnesotans who move into a nursing home find their new lives include a roommate with whom they must share a 200-square-foot living space — smaller than many people's private master bedrooms. Most of the time, they move into a facility that struggles to attract and keep nurses and other staff, that was built to serve residents of a different time, and that is operated under a government payment system that funds places rather than people.

The future of long-term care service delivery depends upon:

- ***Continuing to provide opportunities for communities to establish new services to address the needs of their growing senior populations.***

Using the funds appropriated by the Legislature in 2001, nearly 100 new programs have been developed in nearly 80 urban, suburban and rural communities helping thousands of Minnesota seniors remain in their own homes longer. These grant programs funded innovations and improved facilities and community-based services. Driven by each individual county's identified needs, they also expanded consumer choice. A great deal of work remains. A continued commitment to this successful reform mechanism will allow Minnesota communities to continue to enhance senior healthcare options and ensure that Minnesota seniors continue their vital contributions to local economic prosperity.



- ***Changing the financing structure for long-term care services.***

This can best be accomplished through a combination of education, re-structuring the insurance market and instituting various incentives for the purchase of personal long-term care insurance policies. The first step was taken through the establishment of a state employee pool for long-term care insurance, and expansion of the tax credit for purchasing long-term care insurance policies. Also important are education regarding the risks involved in not planning for one's own long-term care needs, and simple incentives to get people's attention. These incentives are a good investment for the state, and will lead to savings in Medicaid spending down the road. The time has come to re-define the roles of government and citizens in long-term care planning. Breaking the current paradigm of government-paid services is key.

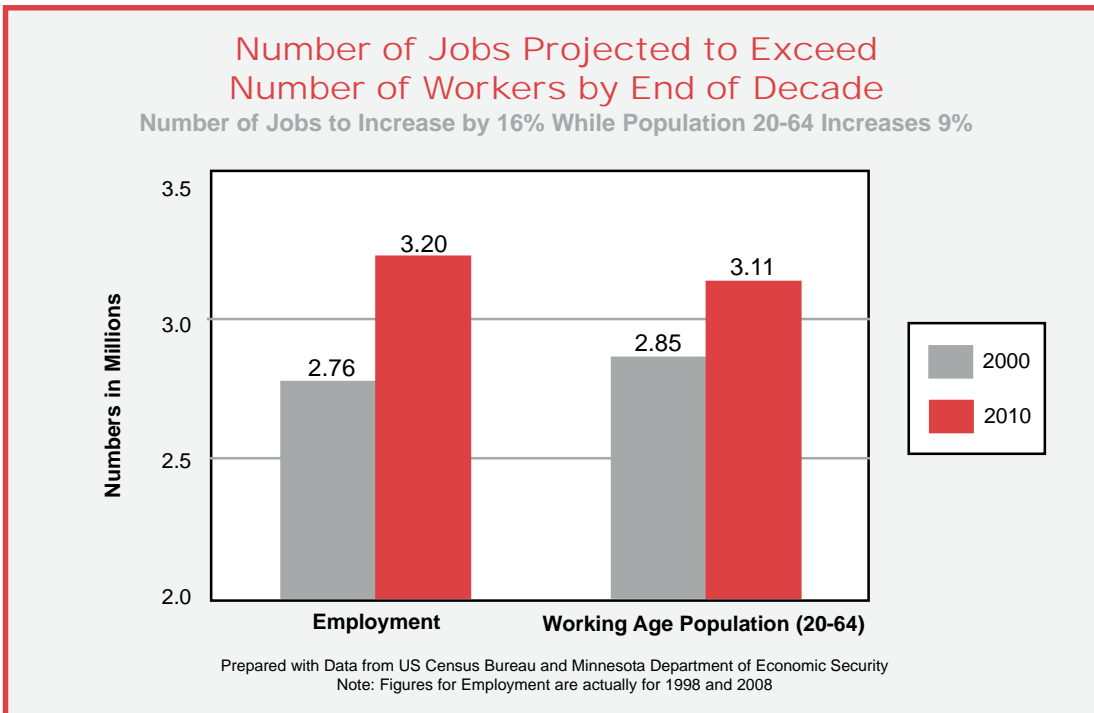
- ***Reforming the regulatory oversight structure to assure both efficiency and quality.***

Regulatory systems exist to protect the health and well-being of the public. In long-term care, however, a tangle of state and federal regulations has been amassed over the years that is often duplicative, unfunded, conflicts with consumer preferences, and at odds with the provision of hands-on care to the very individuals they are supposed to protect. We began looking at regulatory reduction by eliminating the state-based assessment mandate in 2002. Now we need to focus on the overall regulatory oversight structure and the need to institute changes in how providers are regulated. We also need to acknowledge and address the impact of regulations on escalating liability insurance costs, which have jumped as much as 80 percent during the past year. The current punitive system simply isn't working.



● **Continuing reforms for health care worker recruitment and retention.**

The long-term care workforce is an extremely dedicated lot. They perform physically and emotionally draining tasks every day for chronically low pay – pay that is, in effect, determined by the state. The Legislature acknowledged the value of our workforce in several ways during this first stage of long-term care reform: wages were increased, scholarship and grant programs were instituted and loan forgiveness programs were expanded. But long-term care providers need to be able to compete for employees with the local department store and fast food restaurant; something that they cannot effectively do at present. Establishment of career ladders and continued enhancement of compensation packages, through wages or health benefits, are necessary to combat the severe shortage of long-term care workers.



▲ **Who will benefit?**

Your parents. Your neighbors. Yourself. It's for caregivers who work in an emotionally demanding, physically draining and yet honorable and satisfying career. It's for those in need of care who can choose the most appropriate option for their particular situation, be it a private nursing home room, an assisted living facility, home care services, chore services, etc... It's for everyone who benefits when there are places and people to provide care 24 hours a day, seven days a week. It's for every community. For every Minnesotan.



The  
**Long-Term Care**  
**IMPERATIVE**

A Minnesota Collaboration for Changes in Older Adult Services

**Minnesota Health & Housing Alliance**  
2550 University Avenue West, Suite 350S  
Saint Paul, Minnesota 55114-1900  
(651) 645-4545  
[www.mhha.com](http://www.mhha.com)

**Care Providers of Minnesota**  
2850 Metro Drive, Suite 200  
Bloomington, Minnesota 55425  
(952) 854-2844  
[www.careproviders.org](http://www.careproviders.org)