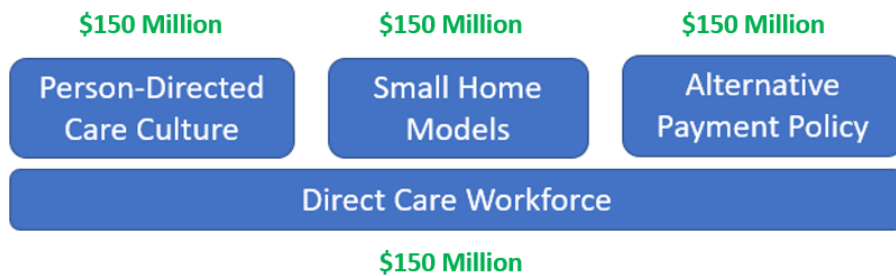


Evaluating Innovation in Nursing Home Systems to End Institutionalization

The institutional long-term care sector urgently requires reforms to finally become a top-quality model of person-directed living. These **solutions exist today in pockets of the sector, developed over decades of work by leaders who have long experience in designing and implementing cost-effective change.** Some of these leaders are involved with the Gray Panthers, the Live Oak Project, the Center for Innovation’s Green House Project and other initiatives.

To accelerate transformation of outdated institutional models, we are proposing that **HHS undertake a well-organized, 3-year national demonstration designed to transform traditional nursing facilities into vibrant homes serving individuals living with disabilities – in community settings where residents and staff can live, work and thrive.**

Total funding for this request is **\$600,000,000**. Current legislative authority for this project resides in Section 6114 and Sec. 3021 of the Affordable Care Act, enacted in 2010.



Tier 1: \$150 mil. over 3 years for comprehensive person-centered training for direct care professionals and all other staff that builds over time -- together with close ongoing data tracking, coaching, comprehensive collection of longitudinal quality of life metrics, staffing data and tracking of financial impact.

- **Ensuring equity** would be foundational for Tier 1 applicants -- meaning nursing homes in communities that are in geographic regions with high proportions of low to moderate-income older adults would be preferred. Funding would flow to nursing homes with the concurrence of states and CMS.
- **Outcomes tracking** would focus on resident experience of care and quality of life metrics, together with professionalism and ethics, health and wellness, empowerment and advocacy, community inclusion and networking, cultural competency, self-development, leadership metrics, and interdisciplinary team-based self-assessments of progress.
- Tier 1 applicants would be required to **track and report on wage increases and benefits** across all staff, and to **develop plans for converting multi-occupancy rooms to single-occupancy rooms.**

Note: A budget for this allows for enrollment of 40 participating groups – i.e., groups of homes electing to receive the free training and QI technical assistance (TA) to sustain person-centered/culture change practices in each of 10 CMS regions. Funding would be \$5 million per region, or \$50 million a year, totaling \$150 million over 3 years. This would be sufficient

for groups of nursing homes organized in each region to receive comprehensive culture change training, mentoring, and TA over 3 years.

Tier 2: \$150 mil. over 3 years for states that submit a plan for **how many small homes and/or renovated households would be completed over the 3-year period. Features would include private rooms and private bathrooms, together with shared living, dining, socializing and cooking spaces, and easy access to common outdoor green space in the community,** Funding would flow to facilities with the concurrence and supervision of states and HHS.

- Applicants would be required to develop **career advancement pathways** for certified nursing assistants (CNAs).
- **The Dept. of Housing and Urban Development (HUD) would provide assistance to applicants in helping to identify sources of possible capital and operational financing,** e.g. housing tax credits, HUD 232 loans, USDA financing, enhancements of Medicaid rates, and other means of financing small house and household unit/private room builds, and/or renovations.
- Applicants would be required to meet certain requirements of the HCBS Access to Medicaid Services regulation as proposed in April 2023, including requirements for state reporting on direct care workforce enhancements.

Tier 3: \$150 mil. over 3 years for applicants and key partners, including community economic development organizations, that wish to develop a transformative long-term services and supports (LTSS) continuum-of-care and services model.

- This work would focus on **design of an LTSS continuum-of-care and services model** through creating standards of excellence for residential and community-based providers dedicated to creating and scaling small houses and/or household models **in partnership with other providers, e.g. affordable independent living providers, Medicaid HCBS providers, PACE plans, FIDE SNPs, and innovative housing-with-services providers.** Funding would be available to organizations with significant current experience operating small houses and/or household models, and those that can certify that they meet all or most standards in Tiers 1 and 2.
- Ensuring equity would be foundational-- meaning that **model development would focus on providers that are dedicated to serving low and moderate-income populations of older adults and individuals living with disabilities.**

Tier 4: \$150 mil. over 3 years for empowerment and expansion of the Direct Care Workforce.

- The Bureau of Labor Statistics forecasts the U.S. will need 1.2 million additional direct care professionals (DCPs) by 2030 -- more than any other occupation -- in order to meet the needs of an accelerating age wave. But evidence suggests that many of these workers won't materialize in the numbers needed unless and until they know that the field is much more highly regarded than it is today.
- **A potential national solution is to rapidly develop and deploy a program of online free trainings grounded in core competencies that meet or exceed current standards, and which can be posted by the federal government.**
- The online trainings would **complement in-person skills demonstrations and would be designed to be suitable for a wide range of DCP positions,** including residential, community-based, and in-home settings.
- The training can be accompanied by a **national Careforce Marketing Campaign tailored to reach individuals from a wide variety of backgrounds and ages** in an organized mass recruiting initiative.

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