# Institutional Long Term Care vs. Residential Care for the Elderly

Institutional Long Term Care, commonly known as “convalescent hospital care” or “nursing home care”, provides important and much needed medical services to the frail and ill elderly population.
There are 1284 Nursing homes in California. They have a total of 129,000 beds serving 5% of the elderly population.
Nursing homes are licensed by the state Department of Health and Human Services to provide medical and non-medical services, the majority of which are for the elderly. The state does not allow options for patients who need non-medical services only. Non-medical services may be available from less costly service providers in cases where the elderly recipient’s only income is derived from the state by way of Social Security.
Approximately 50% of patients residing in nursing homes are there due to a lack of financial resources to live in a non-institutional, non-medical environment.
Nursing homes do provide much needed medical services and extensive rehabilitation services in areas of physical therapy and occupational therapy.
Most nursing homes have a very good reputation and do a good job of rehabilitating people who have suffered from strokes and other debilitating illnesses.
Most acute hospitals release patients much earlier than they did in the past. Nursing homes have become the place for patients to stay for their extended rehabilitation and recovery needs instead of more costly acute care hospitals. The shift in patient care services from acute care hospitals to nursing homes supports legislative efforts to find alternative funding sources for their Social Security funded patients receiving non-medical long term care. In an effort to allow these patients alternative housing and non-medical care service options, many nursing facilities are preparing to convert some of their wings and beds into Residential Care Facilities for the Elderly (RCFE) or Assisted Living Units to provide for this level of care to the low income population. 1
Nursing homes have long suffered from a bad reputation regarding quality of care as reported by long term care residents and family members. Most commonly reported is neglect due to pressure sore, dehydration, lack of mental stimulation, and malnutrition. 2
Approximately 30% - 50% of nursing home residents receive only non-medical care services such as meals, laundry, semi-private rooms, medications, social activities, assistance with daily activities of living (ADLS). These are services that RCFE's provide.
Nursing home legislation reform was established by the Health Care Financing Administration (HCFA) in 1989 to develop a regulatory enforcement system for nursing homes. Enforcement is based on failure to

correct deficiencies, not for providing poor care to residents. Violations of new statutory areas related to quality of life and residents rights are virtually ignored by the enforcement system. 2

Both state and federal quality and regulatory enforcement of care of patients in nursing homes has failed to improve quality of care or prevent continuing deficiencies. The nursing home industry is also responsible for their non-compliance to state and federal regulations for quality care to residents. 2

The 30-50% of long term care patients not needing medical treatment thus could be receiving a better quality of care in a RCFE if the state would allow the same funding they are paying to nursing homes, resulting in a cost savings to the state.

The government has several small and very costly project programs called ON-LOK Senior Health Services and PACE-Program of all inclusive Care for the Elderly. These provide a combination of both residential and nursing home services to the elderly. These are good programs but serve too few and are not economically feasible on a larger scale. 3

RESIDENTIAL CARE facilities for the elderly (RCFE) provide long term care for elderly residents who need

ADLS are fairly independent and have few or no medical needs but need supervision.

California has 5,234 RCFE with a bed capacity of 116,082 ranging in size from under 6 beds to more than 100 beds.

Residential care facilities for the elderly promote independence for their residents by giving them more autonomy and choices in their ADL's and allow them a variety of non-institutional living environments, from a bedroom in a provider's home to a bedroom in a large dormitory type setting. Seventy percent of California RCFE's are 6-10 bed facilities, providing a more home-like atmosphere for their residents. RCFE generally have the lowest monthly cost as a facility class. 4 Non-ADLS services include transportation, medication management, and social and recreational activities.

RCFE's are not supplemented financially by the state in any way as are the nursing homes. Residents must pay for RCFE services from their own financial resources. Some residents pay for their care with their Supplemental Security Income (SSI), but few RCFE will accept SSI recipients whose only income is SSI because it is not enough to cover their costs. Some RCFE will accept SSI recipients to fill a vacancy, but most don't.

RCFE's are licensed by the State Department of Social Services. Few of the state regulations make a distinction between what is required of various sizes of facilities. RCFE operators have far fewer due process safeguards than do skilled nursing facility operators. 5 RCFE operators need more due process safeguards to protect them from discrimination, inconsistencies in regulations, and invalid complaints.

RCFE's are critical to community based efforts to keep people with long term care needs in home-like environments to promote aging in place, as it is a better environment and promotes a better quality of life, and is less costly.
RCFE's receive few resources or state attention and encouragement to deliver services. Legislators have recently acknowledged the need for RCFE funding assistance through Medi-Cal/Medicare as an option to make available choices in care for our elderly. 6
Senator Johannessen is sponsoring bills currently that will allow Medi-Cal to use a personal care waiver (1915C) to enable an RCFE to collect money for services beyond food and shelter that keep residents out of nursing homes where the Medi-Cal bill is much higher. 4
Lack of uniform information on RCFE's has created some concern with regards to resident care plans. RCFE's are not required to document resident care plans (as are nursing homes). RCFE's do resident assessments but these have not been compiled or studied to calculate possible needs of RCFE residents with respect to medication assistance or other needs.
Also of concern were eviction procedures of RCFE residents. Legislation was passed last year which now protects RCFE residents from evictions.
The United States is ten years behind Europe in providing choices of quality care for its frail elderly while containing costs. Some European countries have placed a moratorium on the building of any more nursing homes and have promoted small group homes for eldercare and at a tremendous savings. 6
Oregon and over 30 other states have already implemented Federal Waiver 1915C and serve 3 people to every 1 that was previously served in nursing homes and at half the cost.
There are enough current successful programs in effect across the nation that dispel the myth that Medi-Cal funding to RCFE would be abused by family caregivers requesting the same aid. 7
Most elderly people who need assistance (statistically 10-40%) do not need the expensive 24-hour medical supervision of a skilled nursing home. It is difficult to imagine that, given a choice, people would rather spend their last years in a medical institution instead of a residential home setting. 8
In conclusion, it is this caregiver's opinion that nursing homes should not be in the business of long term care for residents who don't need medical treatments or rehabilitation. The state should stop WAREHOUSING their low-income (SSI) elderly in nursing homes and implement Federal Waiver 1915C to allow Medi-Cal to supplement RCFE as well as nursing homes, giving our elderly choice in the care provider they choose to meet their care needs. 6

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