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AB 326 Testimony

**By
Wendy Simons**

**Prepared for the Senate Finance Committee
May 19, 2003**

Thank you for the opportunity to present an industry perspective of AB 326. My mother opened the first residential care facility in Nevada in 1948. I was born and raised in the "old folks" home and have been an active administrator and senior advocate since 1972.

Assisted Living Facilities in Nevada have become the sports utility vehicle of health care, driven by consumer choice, both here and nationally for the last 12 years. With that growth has come the confusion identified by Assemblywoman Buckley with regard to what it means, and how to clarify choice, risk, dignity, independence and quality of life. This confusion is not unique to Nevada. Currently a National Assisted Living Work Group is developing a national definition at the direction of the Senate. It seems that this is a consumer education/marketing issue and is difficult to define at any level. It is predictable, we as a state would experience the same challenge.

During the 71st Legislative Session, Senator Raggio introduced SB 74 which inserted the language "Assisted Living Facilities" into the NRS 449 statute within the Residential Facilities for Groups NAC regulations. This legislation will become active July 2003. There was no fiscal impact with this legislation.

During the past weeks we had occasion to meet with several members of this committee and share our concerns with AB 326 as introduced. We also met with Assemblywoman Buckley to review the intent and direction of the bill, and as a result of these meetings a workgroup was held on Friday, March 28th comprised of representatives from the Coalition of Assisted Residential Environments (Larry Fry and Wendy Simons), Division of Aging Services (Carol Sala), Medicaid (Tina Gerber-Winn), Department of Human Resources (Mike Willden & Mary Liveratti), AARP (Carla Sloan), and the state Health Division (Alex Hartz). This was a lively group that sorted through the issues, reviewed the points that needed clarification and discussed the fiscal impact to the agencies and industry. At the conclusion of that meeting, the consensus was to gut the bill and offer amendments. The amendments were distributed to the workgroup members and an agreement was made that this was legislation that could be supported by the participants, however when it came out of LCB the language was still not comfortable to the industry and regulatory partners.

The continuing concern is the fiscal impact to the Bureau of Licensure and Certification, the regulatory authority governing Residential Care/Assisted Living Facilities, the consumer and facilities.

Example:

1. BLC will have to draft a new set of regulations under NAC. While the cost has been estimated to be @\$10,000 I believe the actual cost needs further assessment since a recent revision of existing regulations was \$10,000 and it seems predictable that new regulations would incur a greater cost to this state agency.
2. Currently some residents in Residential Care facilities have Long Term Care insurance policies that cover their cost of care. If a separate category of Assisted Living Facilities is created by this legislation, it is possible that some individuals will need to relocate to a so designated defined facility.
3. Facilities wishing to retain the ability to call themselves "Assisted Living" facilities who do not meet the physical plant description will have to undergo remodeling costs to meet the new definition.

It has become increasingly clear that further evaluation and assessment of the impact of AB 326 is necessary. Should it continue forward, the language should be simplified further, similar to other directives for facilities in the NRS 449 statutes regarding regulations for health facilities.

I have a strong belief that the work groups that have been meeting since the introduction of AB 326 have a commitment to enact the intent of the legislation in NAC 449 and excessive wordiness in the NRS 449 is not necessary.

I want to thank Assemblywoman Buckley for putting a group together to craft a solution to a bill that had caused great concern within the assisted living industry and residential care providers. I would further like to extend the offer to continue to work with legislators, regulators and industry partners to develop the regulations and any other needed action to assure all parties are comfortable with the intent of AB 326.

Thank you for your kind attention,

Wendy Simons
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Northern Chairman
Coalition of Assisted Residential Environments