



Colorado Health Care Association
& Center for Assisted Living

A View of the Long-Term and Post-Acute Care Profession

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The Elephant in the Room

Workforce

Proposed Staffing Mandate

- CMS is expected to release the Staffing Mandate any time now (probably in April)
- Pushback from lawmakers and our profession has been substantial
- The primary concern is that facilities will be unable to meet and maintain the standard and will be forced to close, especially in rural areas where RNs are more scarce.
- This comes with a new Payment Rule that will allow a lot more civil money penalties.
- LPNs remain uncounted in the current draft and staffing to acuity is expected to be a daily practice driven off the Facility Assessment.

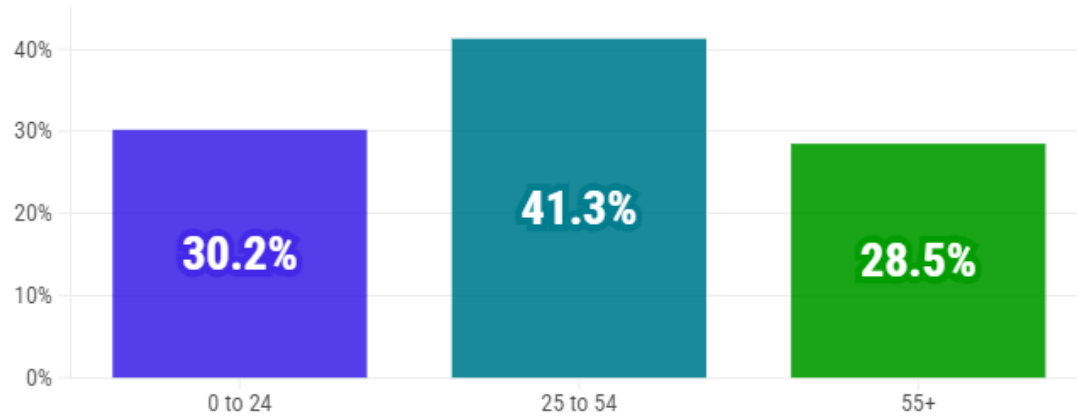


Colorado's "prime working age" adults shrinking

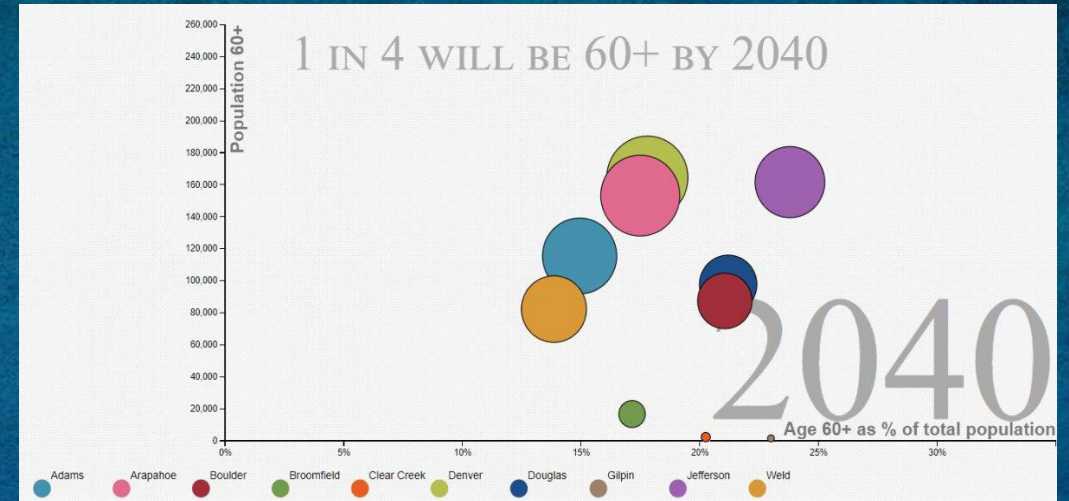
While Colorado's population has increased, its labor force participation rate has declined and that's largely due to aging. The Colorado state demographer estimates that adults ages 25-54 made up 47% of Colorado's population in 2021, but only 41.3% this year. Meanwhile, people 55 and older make up 28.2% of today's population, up from 17.7% in 2001. Press the arrow to see population changes for the three age groups between 1990-2050. Pause to view estimates by age group. → [View larger](#)

See change by year: 2024

Age group: ■ 0 to 24 ■ 25 to 54 ■ 55+

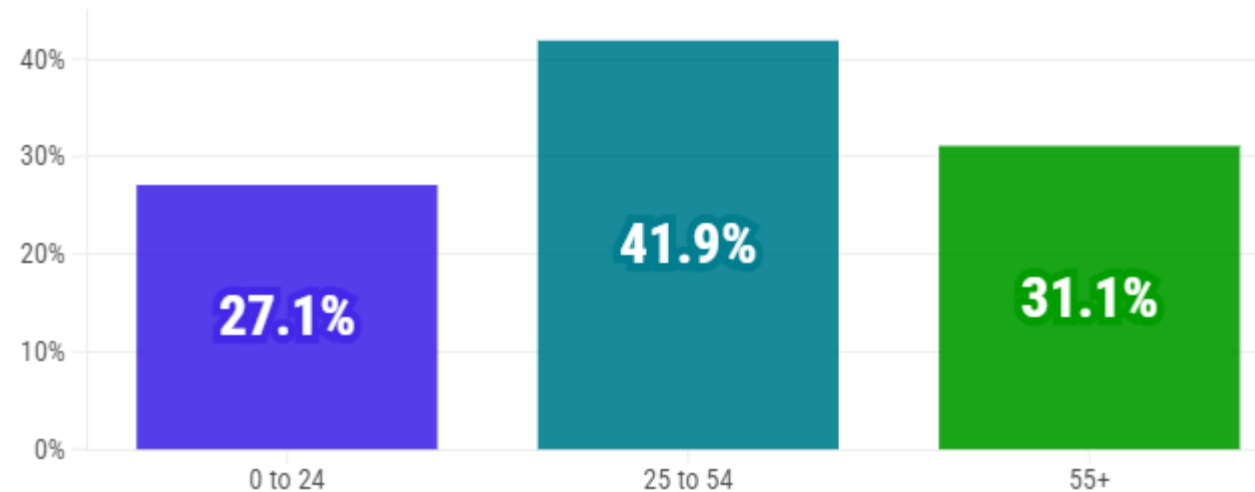


Source: [State Demography Office](#) • Note: Population data is based on estimates from the U.S. Census and ongoing births, deaths and migration statistics.



See change by year: 2040

Age group: ■ 0 to 24 ■ 25 to 54 ■ 55+



A hand holding a camera lens against a background of a road and a body of water. The hand is wearing a green sleeve. The background shows a road with white lines and a body of water in the distance.

Adjusting to new realities

Finding our way under
shifting pressures

Is Private Equity a boogeyman?



National lawmakers are holding hearings about how Private Equity in all aspects of our healthcare system are making the dollar king over care.



It's a mixed blessing in PALTC

We lack our own profitability needed to open or improve skilled nursing homes. Are they going to replace investors with Government programs?



We are inevitably at cross-purposes with our investors

Real Estate ownership is the business interest, not the operation of a care community. If PALTC is not profitable, they will replace them with businesses that are.



Medicare Advantage

Post-acute care is no longer going to support our Medicaid-paid care

CMS is not stopping progressive replacement of Medicare with Medicare Advantage

<https://www.hhs.gov/about/news/2024/01/31/biden-harris-administration-strengthening-medicare-protecting-and-serving-americas-seniors.html>

https://skillednursingnews.com/2024/03/money-out-of-our-pockets-274-9m-in-nursing-home-revenue-lost-for-every-percentage-ma-plans-grow/?itm_source=parsely-api

CMS says: "Medicare Advantage is robust and stable, and plan offerings and enrollment are strong for beneficiaries in 2024, including premiums, supplemental benefits, and choice."

Facilities can only do as well as their market will allow, and the setting is thought of as a "downstream" cost center where accountable care organizations and insurers seek to limit expensive utilization.

"For years, Medicaid has relied on Medicare, and to a lesser extent private pay, to make up the difference. Medicaid could pay less below costs because Medicare had paid so generously. It's called cost shifting." [Zimmet Healthcare Services Group]



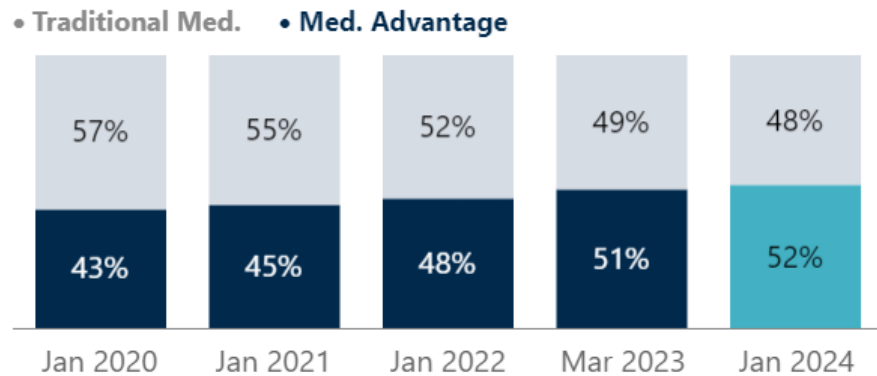
Colorado's Medicare Advantage Penetration is Slightly Above the National Average

What is my state's MA adoption trend?

Your state is above the national percent of Medicare-eligible population that chooses MA, which is at 50%. More individuals rely on MA for their coverage.

52%

↑
+1.5%pt in 2024 vs. prior year

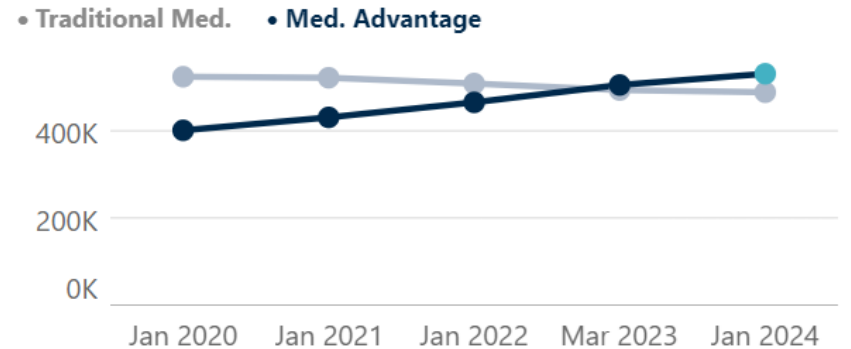


How has MA enrollment grown in my state?

Nationally, the number of MA enrollees grew 5% from 2023 to 2024. Your state grew 5%, which is down from 9% growth the year before.

526K

↑
+26K (5%) in 2024 vs. prior year



An aerial photograph of a colorful, wavy landscape. The terrain is divided into several distinct, wavy sections of color: a large red section at the bottom, a purple section in the middle, and a blue section at the top. The colors are vibrant and the boundaries between them are smooth and flowing. The overall appearance is that of a modern, artistic landscape or perhaps a large-scale mural.

Medicaid Care is Reshaping

Colorado working on "Deinstitutionalization"

DOJ Lawsuit against Colorado for Violating ADA

- The lawsuit follows seven years of legal fights between federal and state governments, including a years-long DOJ investigation that concluded Colorado was violating the ADA in March 2022.
- Colorado initially agreed to work to bolster its programs to transition nursing home residents back to their communities, but repeated meetings with the DOJ failed to produce a settlement.
- The recent lawsuit followed this breakdown in negotiations. The DOJ is now demanding that the state provide more at-home care to disabled Coloradans. Colorado, meanwhile, continues to maintain that it already has programs in place to provide the legally required services.

CO continues its efforts to "deinstitutionalize" and support home-based services – **the gap remains in affordable Assisted Living and availability to Medicaid beneficiaries**

A new MDS Section S will track how we refer to Transition Services when a resident says they would like to return to the community

"Do you want to talk to someone about the possibility of leaving this facility and returning to live and receive services in the community," it is the responsibility of the provider to make a referral to the designated Local Contact Agency within the recommended 10 days

If a referral is not made to the Local Contact Agency, the facility must report the reason: Active Discharge in Process, Legal, Clinical, Behavioral reasons

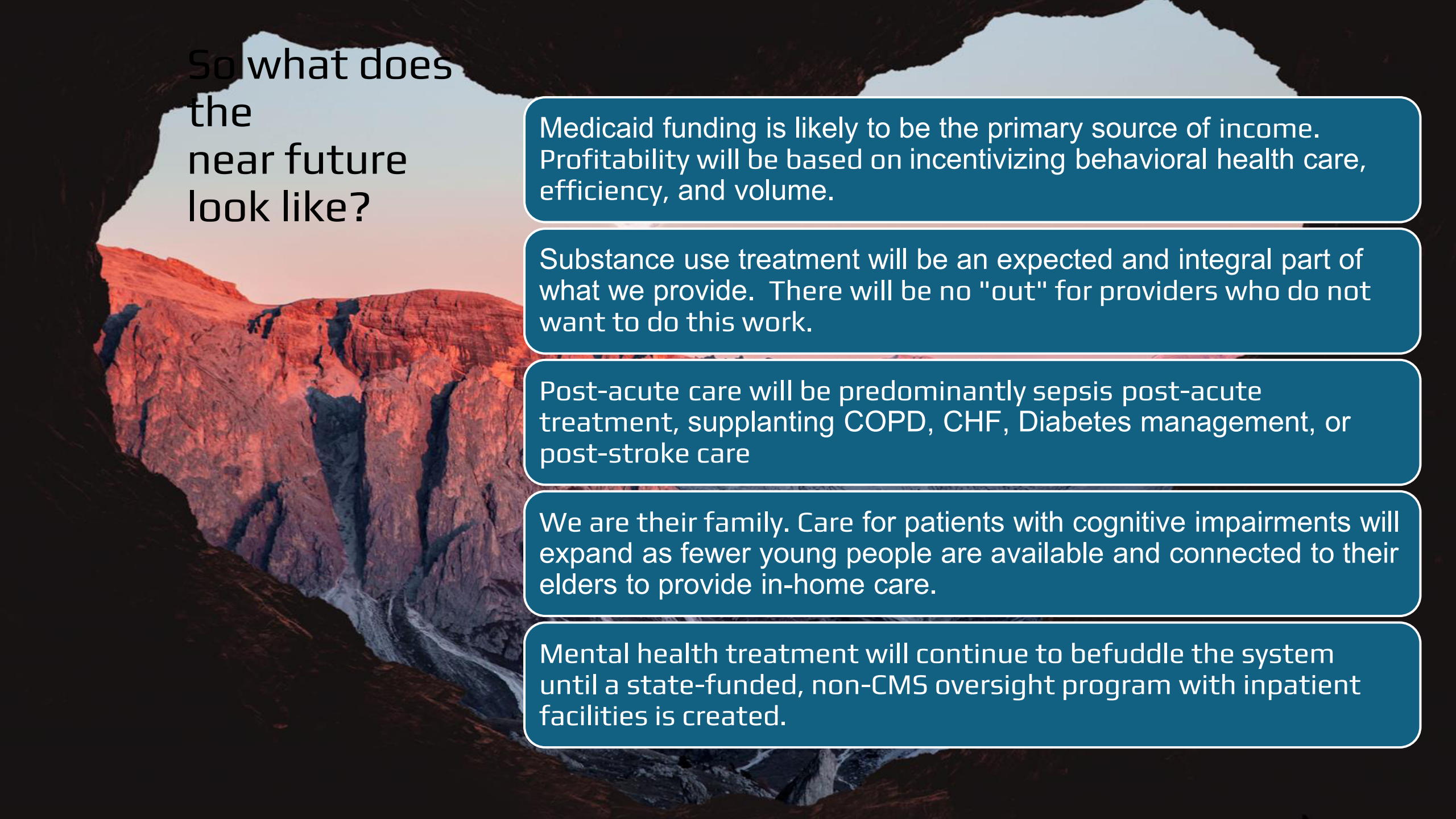
Fitting into the Continuum

CMS
streamlining
Medicaid
enrollment

Colorado
expected to
pass Medicaid
presumptive
eligibility

We need more
AL Medicaid
beds – funding
must be
updated

Social
Determinants
of Health are
making their
way into the
MDS



So what does
the
near future
look like?

Medicaid funding is likely to be the primary source of income. Profitability will be based on incentivizing behavioral health care, efficiency, and volume.

Substance use treatment will be an expected and integral part of what we provide. There will be no "out" for providers who do not want to do this work.

Post-acute care will be predominantly sepsis post-acute treatment, supplanting COPD, CHF, Diabetes management, or post-stroke care

We are their family. Care for patients with cognitive impairments will expand as fewer young people are available and connected to their elders to provide in-home care.

Mental health treatment will continue to befuddle the system until a state-funded, non-CMS oversight program with inpatient facilities is created.