

Affordable Assisted Living Case Study

Florida Coming Home Program Demonstration Project

Titusville Towers
405 Indian River Avenue
Titusville, Florida
August 2003

Case Study Date: September 2005



This report prepared by:

Whitney L. Mills
Florida Policy Exchange Center on Aging
School of Aging Studies
University of South Florida
813-974-2646
wmills@mail.usf.edu

Funded by: Florida Department of Elder Affairs
Agreement No. XQ404
January 9, 2006

For information on this project, please contact:

Greg Rice
Florida Department of Elder Affairs
850-414-2165
riceg@elderaffairs.org

The Coming Home Program is a partnership between the State of Florida, NCB Capital Impact (www.NCBCapitalimpact.org), and the Robert Wood Johnson Foundation (www.rwjf.org). Funding for the Coming Home Program is provided by the Robert Wood Johnson Foundation.

Table of Contents

I. EXECUTIVE SUMMARY	3
II. PREFATORY NOTES.....	4
III. DEMONSTRATION PARTNERS	5
ROBERT WOOD JOHNSON FOUNDATION	5
IV. PROJECT SUMMARY.....	7
A. Project Description.....	7
B. Project Partners	8
C. Project Financing	8
D. Project Fee Structure	9
V. ASSISTED LIVING PROJECT COMPONENT	10
A. Licensing	10
B. Services.....	11
C. Services Available:	16
VI. SPONSOR/ DEVELOPER/ OPERATOR DESCRIPTION.....	19
VII. PROJECT HISTORY	19
VIII. PRE-DEVELOPMENT	21
IX. FINANCING	22
A. Development Timeline:	22
X. CONSTRUCTION	24
A. Construction Timeline:	24
B. Contractor	24
XI. MARKETING.....	24
XII. FIRST YEAR OF OPERATIONS	26
A. Regulations	26
B. Medicaid & Other Public Subsidies.....	28
C. Additional subsidies:.....	31
C. Housing Subsidies	34
D. Rent-Up	34
E. Staff Hiring	34
XII. ATTACHMENTS.....	35
A. Development Pro forma	35
B. Project Images	36

I. Executive Summary

NCB Capital Impact implemented the Coming Home Program in 1992 with funding from the Robert Wood Johnson Foundation to make high quality, high service assisted living available to Medicaid eligible individuals as a nursing home alternative. Titusville Towers is a 57-unit assisted living facility in Titusville, FL that serves a low-income Medicaid-eligible population of frail seniors. At the time of the Towers' opening—August 2003—it was the only affordable ALF option available in Titusville. The facility is licensed as a standard assisted living and extended congregate care (ECC) facility under Florida regulations. For the purposes of this case study, assisted living is defined as the housing with services category offering private apartments and high levels of service to nursing-home eligible seniors. Florida Extended Congregate Care (ECC) regulations impose significant minimum service requirements on organizations, including monthly nursing assessments, nursing, development of a resident's service plan, and help with bathing, dressing, grooming, and toileting. These services do not include 24 hour nursing supervision. Florida Standard ALF regulations enable a facility to provide housing, meals, and medical treatment to elders.

The distinguishing features of this project are:

- New construction financed by the HUD program
- Partnership model between a housing authority and a consulting group.

The Titusville Housing Authority, with consulting assistance from the MIA Consulting Group, developed the project, and the Titusville Housing Authority provides personal and health services to the residents. Equity generated through a grant from the city of Titusville financed approximately 3% of the project's total development costs. Additional equity from a SHIP grant covered another 35% of development costs.

II. Prefatory Notes

Purpose of Case Study: This case study provides an illustration of how one project has been able to develop affordable assisted living. The information contained herein is designed to provide policy makers, developers, and potential sponsoring organizations with useful and detailed information about how one project made affordable assisted living work within their state's context. Through multiple case studies, the Coming Home Program hopes to provide helpful examples of affordable assisted living development and operations as well as the challenges that were overcome and those that continue.

Limits of Usefulness: Case studies of assisted living projects can often serve as illustrative examples of what may be accomplished. However, it is important to note that each assisted living project's developers and operators must respond to a multitude of unique factors, including state regulations, site conditions, local markets, and the capacities of staff and providers. While a case study may be a useful example, it cannot serve as a template for other projects. Any methods, assumptions, or other development or operational aspects contained herein require considerable analysis, modification, and endorsement by qualified professionals before they may be relied on for any other project.

No Endorsement Implied: The designation of a facility as a Coming Home demonstration project does not constitute explicit or implicit endorsement of the project's proposed or actual quality, financial soundness, plan of development, operations, or other aspects by Coming Home, the State of Florida, NCB Capital Impact, or the Robert Wood Johnson Foundation. The case study provided herein is intended to illustrate one project's method of development, financing, and operations, and is not an endorsement of those methods either in general or for any particular assisted living project.

Consumers: Consumers considering the project described in this case study for themselves or others should not construe this case study or the project's designation as a Coming Home demonstration project as an endorsement of the facility or as an indication in any way of its quality or appropriateness for them. The Coming Home Program, NCB Capital Impact, and the Robert Wood Johnson Foundation have not and will not examine this facility for quality, compliance, or appropriateness. For information on this facility, contact your state-licensing agency.

Information not Verified: The information contained herein has been reported by or collected from a variety of sources, and has not been verified by The Coming Home Project, NCB Capital Impact, or the Robert Wood Johnson Foundation.

III. Demonstration Partners

COMING HOME PROGRAM

With funding from The Robert Wood Johnson Foundation, NCB Capital Impact's Coming Home Program currently operates in nine states (AK, AR, FL, IA, MA, ME, VT, WA, WI) to expand the supply of affordable assisted living in underserved and rural areas. With technical assistance provided by NCB Capital Impact, these states are working to implement policy and program initiatives to expand the availability of high quality, affordable assisted living. NCB Capital Impact also provides development assistance to non-profit sponsors of affordable assisted living in the form of "Coming Home Demonstration Projects." Coming Home assistance to demonstration projects includes a pre-development loan fund, consultation on development and operating issues, and building partnerships between facility sponsors, developers, financing agencies, and program operators. As a result of NCB Capital Impact's assistance, more than 3,300 units of affordable assisted living are in the development or predevelopment stage, with more than 450 units already operational. For more information, visit the Affordable Assisted Living page of www.NCBCapitalImpact.org or contact Candace Baldwin by telephone at 703-647-2352 or by email at cbaldwin@ncbcapitalimpact.org

STATE OF FLORIDA, DEPARTMENT OF ELDER AFFAIRS

The mission of the Florida Department of Elder Affairs (DOEA) is to create an environment that provides choices, promotes independence, and enables older Floridians to remain in their communities for a lifetime. For more information, contact Greg Rice by telephone at (850) 414-2165 or by email at riceg@elderaffairs.org or Bill Aldinger by telephone at bill.aldinger@floridahousing.org

NCB CAPITAL IMPACT

NCB Capital Impact is a national nonprofit organization with a mission to provide solutions that empower underserved communities in order to address the problems poverty creates in America. NCB Capital Impact fills gaps where products and services do not exist, often dealing with higher credit risk, to create new customer segments. It does so through a unique combination of financial and development services and technical assistance, which act as a catalyst to change the systems for delivering affordable housing and essential community services to the nation's low-income and underserved communities. The organization's primary focus is on housing, health care, affordable assisted living, education, worker ownership, and economic and community development. For more information, visit www.NCBCapitalImpact.org or contact Candace Baldwin by telephone at 703-647-2352 or by email at cbaldwin@ncbcapitalimpact.org

ROBERT WOOD JOHNSON FOUNDATION

Established in 1972, The Robert Wood Johnson Foundation (RWJF), based in Princeton, NJ, is the largest philanthropy devoted exclusively to health and health care in the United States. RWJF concentrates its grant making in four areas: to assure that all Americans have access to quality health care at reasonable cost; to improve the quality of care and support for people with chronic health conditions; to promote healthy communities and lifestyles; and to reduce the personal, social, and economic harm caused by substance abuse. To accomplish these goals, RWJF uses a variety of strategies. It supports training, education, research (excluding biomedical research), and projects that demonstrate the effective delivery of health care services. Rather than paying for individual

care, RWJF concentrates on health care systems and the conditions that promote better health. It has provided generous grant support to The Coming Home Program for Affordable Assisted Living since the program's inception in 1992. For more information, visit www.rwjf.org.

IV. Project Summary

A. Project Description

Name of Project: Titusville Towers
Location of Project: Titusville, Florida
Development Period: 4 years
Construction Duration: 39 months
Opening Date: August 2003
Lease-up Period: 0 months (were already at 100% occupancy with independent living residents prior to commencement of the assisted living program)
Total Development Costs: \$1,300,000
Total Construction Costs: \$1,300,000

In-Kind Contributions: \$7.5 million – building and land were donated by Housing Authority

AL Licensure Category: Standard ALF and Extended Congregate Care (ECC)

Number of AL Units: Currently there are 57 units occupied with 57 residents (77 licensed AL beds including 10 people who have waived assisted living services until needed)

Affordable AL Units: Number of Units for Medicaid Recipients – 37 (58.7%)
Number of Rent Subsidized Units – 57 (100%)

Other Unit Types: Senior Independent Living Units - 63
Nursing Home Units - 0
Other - 0

Co-located Programs: None

Adjacent Services: Transportation stop, grocery store, pharmacy, and entertainment

Service Subsidies: Medicaid waiver, Assistive Care Services, SSI, OSS, VA Housebound benefits, VA Aid and Attendance, and Nursing Home Diversion program

B. Project Partners

Project Sponsor: Titusville Housing Authority
Project Owner: Titusville Towers/Titusville Housing (HUD through Titusville Housing Authority)
Services Provider: Titusville Housing Authority
Housing Manager: Titusville Housing Authority
Project Developer: Titusville Housing Authority with MIA Consulting Group, Inc.

C. Project Financing

<i>Equity Sources:</i>	Low-income Housing Tax Credits	None
	Historic Tax Credits	None
	HUD	\$900,000
	Federal Home Loan Bank – AHP	None
	Grant (CDBG – City of Titusville)	\$35,000
	Grant (SHIP)	\$450,000
	Other – HUD/DOJ	\$35,000
<i>Hard Debt:</i>	Conventional Mortgage	None
	Bonds	None
	USDA	None
	HUD 232 Insured	None
	Other	None
<i>Soft Debt:</i>	Titusville Housing Authority	\$360,000
	Other	None

D. Project Fee Structure

1. Private Pay Rates:

a. Rate for studio and one-bedroom apartment and base service package:

Full private pay by a resident for room and board along with AL services is offered at a flat monthly rate of \$1,516.80 plus a public housing rent at a rate of 30% of a resident's adjusted income as determined by the Public Housing Manager of the Titusville Housing Authority.

2. Medicaid or other Service Rates:

a. Assisted Living for the Elderly (ALE) Waiver:

Medicaid reimburses for AL services on a daily rate for each day the individual is receiving services in the facility, plus incontinence supplies if applicable. Currently, the maximum daily rate for assisted living services is \$28.00, and the monthly maximum for incontinence supplies is \$125.00. The daily rate is reduced if the resident has excess income or is eligible for Assistive Care Services (ACS).

b. Nursing Home Diversion Waiver:

Diversion residents are credited from \$0.00 to \$1,000 per month which is distributed as a services reimbursement to Titusville Towers by the state contracted agency (which for Titusville Towers is American Elder Care) based on a room and board rate of \$800.00 per month, a sliding scale of \$54.00 to \$155.20 personal needs allowance based on residents monthly income, and a private pay resident contribution of their remaining monthly income, allowing the facility and housing authority to receive a total monthly payment of \$1,800.00. The overall net effect for the ALF, after the housing authority receives a public housing rent of 30% of a resident's adjusted income, i.e. \$286.56 (based on a Notice of Case Action reflecting a resident contribution of \$800.00 plus \$155.20 personal needs allowance), the net moneys available to the Assisted Living Program would be \$1,513.44. Titusville Towers' contract agreement with American Elder Care was structured to provide Titusville Towers a level of reimbursement comparable to the Assisted Living for the Elderly (ALE) Waiver and an unassisted Private Pay ALF Public Housing resident.

c. Assistive Care Services (Affordable ALF website):

As of January 2004, the daily rate for ACS is \$9.28 per day, for a total of \$278.40 for a 30-day month. Together with the resident's payment for room and board (from his or her personal income and possibly OSS), the reimbursement to the facility would be \$866.80 for a 30-day month.

d. Supplemental Security Income (SSI) (July 2005 SSI-Related Programs Fact Sheet):

SSI payment amount is based upon how much income the individual has and the amount of the maximum payment standard, which is currently \$579 for an individual. Recipients are entitled to a personal needs allowance of \$54 per month.

e. Optional State Supplementation (OSS) (July 2005 SSI-Related Programs Fact Sheet):

OSS is \$603.40 per month for individuals.

V. Assisted Living Project Component

A. Licensing

1. Project licensure category	Standard ALF and ECC
2. Number of licensed units	57 AL units with a capacity for 77 residents
3. Number and percentage of assisted living units designated as private occupancy (except by the residents choice – e.g., a couple, sisters who want to share an apartment)	57 (100%)
4. Number of units designated for people who qualify for Medicaid or other service subsidy	All 57 units are available to persons who qualify for the Medicaid waiver
5. Number of actual Medicaid (or other specified subsidy) clients or units	37 Medicaid residents. There are not enough Medicaid waivers available to cover all units
6. Number of units with affordable rents regulated by capital funding or financing agreements	None
7. Number of units/residents using Housing Choice Vouchers (HCV) or similar rent subsidies to subsidize rents	None, because the facility is owned by Titusville Housing Authority, residents are not able to access HCV
8. Number of residents receiving rent subsidies and not governmental services subsidies	10 residents currently receive no service subsidies and an additional 4 are receiving no service subsidies while on waiting lists for Medicaid waivers
9. Service payment source for residents with rent but not government service subsidies.	Private pay
10. Unit characteristics <ul style="list-style-type: none"> • Apartment-style • Kitchenette • Private bathroom • Studio (average square feet) • One-bedroom (average square feet) • Other features • Single occupancy except by choice • Shared occupancy • Telephone jack • Handicap accessible • Cable TV 	<ul style="list-style-type: none"> • Yes • Yes (sink, refrigerator, stove, oven) • Yes • Yes (400 sq. ft.) • Yes (500 sq. ft.) • Pets allowed, offer furnished units • Yes • Yes • Yes • 6 ADA units, the rest are accessible by wheelchair
11. Number of floors in the building	12
12. Types of social spaces	Dining room, activities room, day room (includes elements of a living room, game room, sitting room, and library), front lobby area
13. Resident laundry facilities available?	Yes

14. Project type	Rehabilitation of facility for independent living residents	
15. Site zoning	Commercial, no re-zoning was necessary, but developers did have to fight being classified as a Congregate Meal Site.	
16. Neighborhood amenities	Library	Public/private transit
	Health clinic	Public/private transit
	Senior center	Private transit
	Fitness center	Private transit
	Grocery	Walk, public/private transit
	Pharmacy	Walk, public/private transit
	Beauty salon	Private transit
	Entertainment	Walk, public/private transit
	Transportation stop	Walk
	Hospital	Public/private transit

B. Services

1. Service Levels:

The regulations in the state of Florida do not distinguish different service levels or tiers and pricing of services are not based on levels once a person meets the criteria to become eligible to receive an ALE waiver. In order for a facility to be an ALE waiver provider, the facility must have an Extended Congregate Care (ECC) license or Limited Nursing Services (LNS) license.

A Standard ALF license enables a facility to provide housing, meals, and one or more personal services for a period exceeding 24 hours to residents. The ALF is able to provide individual supervision with all Activities of Daily Living (ADLs) and total assistance of up to one IADL. Medication self-administration and injections are included under this licensure category

A license to provide ECC or LNS services allows the ALF to retain residents who become frailer than would normally be permitted, in order for the resident to age at the facility. Services include nursing, development of a resident's service plan, monthly nursing assessments, and can include total help with up to four ADLs, including: bathing, dressing, grooming, and toileting. Services do not include 24-hour nursing supervision. Treatments can include: tube feedings, IV therapy, advanced ostomy care, stage 2 pressure sore care, amputation/fracture care, preventive and palliative skin care and TED hose care.

2. Services not Available (Chapter 58A-5.0181(1), F.A.C.):

Florida regulations prevent ALFs with standard, limited nursing, or limited mental health licenses from admitting or retaining individuals that do not meet the following criteria:

- a. At least 18 years of age;

- b. Free from symptoms of any communicable disease which is likely to be transmitted to other residents or staff; however a person with HIV may be admitted to a facility, provided that the person would otherwise be eligible for admission according to this rule;
- c. Able to perform the activities of daily living, with supervision or assistance if necessary;
- d. Able to transfer, with assistance of more than one person if necessary;
- e. Capable of taking his/her own medicine with assistance from qualified staff if necessary;
- f. Any special dietary needs can be met by facility; not a danger to self or others as determined by a physician or mental health practitioner licensed under Chapters 490 or 491, F.S.;
- g. Doesn't require licensed professional mental health treatment on a 24-hour a day basis;
- h. Not bedridden;
- i. Doesn't require 24-hour nursing supervision;
- j. Has been determined to be appropriate for admission to the facility by the facility administrator;
- k. Doesn't require any of the following services:
 - Oral or nasopharyngeal suctioning;
 - Assistance with tube feeding;
 - Monitoring of blood gases;
 - Intermittent positive pressure breathing therapy;
 - Skilled rehabilitative services as described in Rule 59G-4.290, F.A.C.;
 - Treatment of surgical incisions unless the incision and the condition which caused it have been stabilized and a plan of care developed;
 - Doesn't have any stage 3 or 4 pressure sores. A resident requiring care of a stage 2 pressure sore may be admitted provided that: the facility has a LNS license and services are provided pursuant to a plan of care issued by a physician, or the resident contracts directly with a licensed home health agency or a nurse to provide care; the condition is documented on the resident's record; and if the resident's condition fails to improve within 30 days, the resident shall be discharged from the facility.

Titusville Towers chooses to not provide care for dementia residents although Florida state regulations do permit the care of dementia and Alzheimer's residents with some increased regulation and training. In addition, Titusville Towers chooses not to provide two-person transfer assistance or wound care. Since Titusville Towers does not employ a LPN, only assistance with medication self-administration is provided.

Residents are able to arrange for services not provided by the staff to be brought in independently through hospice and home health care providers. In order to ensure that residents will be appropriate for the facility, the staff tries to identify residents who will have the best potential to age in place.

The consequences of not being able to provide some services include: limiting the market from which possible residents come from, creating a loss of revenue. Staff members also suffer consequences from unavailable services, such as frustration with the level of care offered to elders. Frustration may lead to staff members to make irrational decisions.

3. Staffing:

AL Facilities in the state of Florida are required to meet minimum staffing standards at all times. The minimum requirements are determined by the staff member's role in the facility.

- a. **Administrator (Chapter 58A-5.019(1), F.A.C.):** Every facility is required to be under the supervision of an administrator who is responsible for the operation and maintenance of the facility including the management of all staff and the provision of adequate care to all residents as required by Chapter 400, Part III, F.S. and Chapter 58A-5, F.A.C. Administrators may supervise a maximum of either three ALFs or a combination of housing and health care facilities or agencies on a single campus.

Administrators must meet the following requirements (Chapter 58-A-5.019 (1), F.A.C.): at least 21 years of age; if employed on or after August 15, 1990, have a high school diploma or GED, or have been an operator or administrator of a licensed ALF in the state of Florida for at least one of the past three years in which the facility has met minimum standards; Administrators employed after October 30, 1995, must have a high school diploma or GED; must be in compliance with Level 2 background screening standards pursuant to s. 400.4174, F.S.; successfully complete the ALF Core Training Program pursuant to chapter 58A-5.0191, F.A.C.

- b. **Manager (Chapter 58A-5.019(1), F.A.C.):** Administrators who supervise more than one facility shall appoint in writing a separate "manager" for each facility who must be at least 21 years old and complete the core-training requirement pursuant to Rule 58A-5.0191.
- c. **Staff (Chapter 58A-5.019(2), F.A.C.):** Staff members are to be assigned duties consistent with their level of education, training, preparation, and experience. Staff providing services requiring licensing or certification must be properly licensed or certified. All staff must exercise their responsibilities, consistent with their qualifications, to observe residents, to document observations on the appropriate resident's record, and to report the observations to the resident's health care provider in accordance with this rule chapter. All staff must comply with the training requirements of Chapter 58A-5.0191, F.A.C.

Newly hired staff members have 30 days to submit a statement from a health care provider, based on an examination conducted within the last six months, that the person does not have any signs or symptoms of a communicable disease including tuberculosis. Freedom from tuberculosis must be documented on an annual basis. A person with a positive tuberculosis test must submit a health care provider's statement that the person does not constitute a risk of communicating tuberculosis. Newly hired staff does not include an employee transferring from one facility to another that is under the same management or ownership, without a break in service. If any staff member is later found to have, or is suspected of having, a communicable disease, he/she will be removed from duties until the administrator determines that such condition no longer exists.

Staff provided by a staffing agency or employed by a business entity contracting to provide direct or indirect services to residents must be qualified for the position in accordance with this rule chapter. The contract between the facility and the staffing agency or contractor shall specifically describe the services the staffing agency or contractor will be providing to the residents.

- d. **Background Screening (Chapter 581-5.019(3), F.A.C.):** All staff hired on or after October 1, 1998, to provide personal services to residents must be screened in accordance with s. 400.4174, F.S., and meet the screening standards of Chapter 435, F.S.- Background Screening.
- e. **Staffing Standards (Chapter 58A-5.019(4), F.A.C.):** The following chart represents the minimum ALF staff hours required per week:

Number of Residents	Staff Hours/Week
0 - 5	168
6 - 15	212
16 - 25	253
26 - 35	294
36 - 45	335
46 - 55	375
56 - 65	416
66 - 75	457
76 - 85	498
86 - 95	539

For every 20 residents over 95, add 42 staffing hours per week

In addition to the minimum staff hours per week, ALFs are required to maintain the following staffing standards (according to Chapter 58A-5.019(4), F.A.C.):

- At least one staff member who has access to facility and resident records in case of an emergency shall be within the facility at all times when residents are in the facility. Residents serving as paid or volunteer staff may not be left solely in charge of other residents while the facility administrator, manager, or staff is absent from the facility.
- In facilities with 17 or more residents, there shall be one staff member awake at all hours of the day and night.
- At least one staff member who is trained in First Aid and CPR, as provided under Rule 58A-5.0191, shall be within the facility at all times when residents are in the facility.
- During periods of temporary absence of the administrator or manager when residents are on the premises, a staff member who is at least 18 years of age must be designated in writing to be in charge of the facility.
- Staff whose duties are exclusively building maintenance, clerical, or food preparation shall not be counted toward meeting the minimum staffing hours requirement.

- The administrator or manager's time may be counted for the purpose of meeting the required staffing hours provided the administrator is actively involved in the day-to-day operation of the facility, including making decisions and providing supervision for all aspects of resident care, and is listed on the facility's staffing schedule.
- Only on-the-job staff may be counted in meeting the minimum staffing hours. Vacant positions or absent staff may not be counted.

Notwithstanding the minimum staffing requirements specified above, all facilities, including those composed of apartments, shall have enough qualified staff to provide resident supervision, and to provide or arrange for resident services in accordance with the residents scheduled and unscheduled service needs, resident contracts, and resident care standards as described in Chapter 58A-5, F.A.C.

Titusville Towers chooses to exceed the staffing ratios by +5 hours per week in order to ensure that if an employee calls in sick, the facility will not fall below the required minimum staffing ratios.

- f. **Universal Workers:** Florida state regulations do not define, but do not prohibit the designation of universal workers, or of staff who are cross-trained to do multiple tasks.

Titusville Towers does not officially designate universal workers, but CNAs are cross-trained to help with laundry and some housekeeping in addition to being medication technicians. Dietary aides are also cross-trained to help with housekeeping duties.

- g. **Medication Aides/Technicians (Chapter 58A-5.019(3), F.A.C.):** For facilities which provide assistance with self-administered medication, either a nurse or an unlicensed staff member, who is at least 18 years old, trained to assist with self-administered medication in accordance with Rule 58A-5.0191, F.A.C., and able to demonstrate to the administrator the ability to accurately read and interpret a prescription label, must be able to assist residents with self-administered medications in accordance with procedures described in Section 400.4256, F.S.

Titusville Towers does allow medication technicians to assist with medication management, medication distribution, and supervise self-administration.

C. Services Available:

Service Type	Service Level or Frequency	Method of Service Provision	Payment
Meals	<ul style="list-style-type: none"> • 3/day • Snacks/drinks 	<ul style="list-style-type: none"> • In-house 	<ul style="list-style-type: none"> • In base rate
Housekeeping for Resident Unit	<ul style="list-style-type: none"> • Daily 	<ul style="list-style-type: none"> • In-house 	<ul style="list-style-type: none"> • In base rate
Monitored Emergency Pull Cords	<ul style="list-style-type: none"> • 24/7 	<ul style="list-style-type: none"> • In-house 	<ul style="list-style-type: none"> • In base rate
Staffing	<ul style="list-style-type: none"> • 24/7 	<ul style="list-style-type: none"> • In-house 	<ul style="list-style-type: none"> • In base rate
Resident Assessment & Service Planning	<ul style="list-style-type: none"> • As Needed 	<ul style="list-style-type: none"> • In-house 	<ul style="list-style-type: none"> • In base rate
Nursing Oversight	<ul style="list-style-type: none"> • 40 hr/wk • On-Call 24/7 	<ul style="list-style-type: none"> • In-house 	<ul style="list-style-type: none"> • In base rate
Assistance with Unscheduled Needs	<ul style="list-style-type: none"> • 24/7 	<ul style="list-style-type: none"> • In-house 	<ul style="list-style-type: none"> • In base rate
Supervision/ Cueing/ Protective Oversight	<ul style="list-style-type: none"> • 24/7 	<ul style="list-style-type: none"> • In-house 	<ul style="list-style-type: none"> • In base rate
Transferring	<ul style="list-style-type: none"> • Full Assist 	<ul style="list-style-type: none"> • In-house 	<ul style="list-style-type: none"> • In base rate
Toileting	<ul style="list-style-type: none"> • Full Assist 	<ul style="list-style-type: none"> • In-house 	<ul style="list-style-type: none"> • In base rate
Incontinence care	<ul style="list-style-type: none"> • Full Assist 	<ul style="list-style-type: none"> • In-house 	<ul style="list-style-type: none"> • In base rate
Feeding/Eating	<ul style="list-style-type: none"> • Full Assist 	<ul style="list-style-type: none"> • In-house 	<ul style="list-style-type: none"> • In base rate
Bathing	<ul style="list-style-type: none"> • Full Assist 	<ul style="list-style-type: none"> • In-house 	<ul style="list-style-type: none"> • In base rate (3/wk)
Dressing	<ul style="list-style-type: none"> • Full Assist 	<ul style="list-style-type: none"> • In-house 	<ul style="list-style-type: none"> • In base rate
Grooming	<ul style="list-style-type: none"> • Full Assist 	<ul style="list-style-type: none"> • In-house 	<ul style="list-style-type: none"> • In base rate
Ambulation/Walking	<ul style="list-style-type: none"> • As allowed by AL regulations 	<ul style="list-style-type: none"> • In-house 	<ul style="list-style-type: none"> • In base rate
Medications	<ul style="list-style-type: none"> • Self-Admin. • Supervised 	<ul style="list-style-type: none"> • In-house 	<ul style="list-style-type: none"> • In base rate
Healthcare	<ul style="list-style-type: none"> • High • Mod • Low 	<ul style="list-style-type: none"> • Coordinated 	<ul style="list-style-type: none"> • As arranged by resident with 3rd party provider
Housekeeping arranged or provided		<ul style="list-style-type: none"> • In-house 	<ul style="list-style-type: none"> • In base rate

Laundry arranged or provided		• In-house	• In base rate
Financial management arranged or provided		• In-house	• In base rate

Lessons learned: Transportation has been a serious issue for the facility. Titusville Towers does not own any facility transportation and can find no entity in the community to help provide transportation unless it is on some special occasion. Often, staff members volunteer their own time to drive residents to and from doctor's appointments.

D. Staffing categories and levels

Personnel Category	Total Number	FTE/week
Administration	3	110
Direct care workers (universal)	13	416
Registered Nurse	2	20
Licensed Practical Nurse	0	0
Certified Nurse Assistant/Med Techs	13	416
Activities Coordinator	1	32
Dietary		
• Cook	4 (cooks)	144
• Dietary aide	2 (aides/servers)	32
• Server		
Housekeeper	3	105
Maintenance	1	40

Lessons learned: Finding and keeping CNAs is a challenge that Titusville Housing Authority was forewarned about by MIA Consulting Group, Inc. The difficulty comes from affordable ALFs having to compete with other assisted living and skilled nursing facilities in the community that can offer better pay rates and benefits packages. Thus far Titusville Towers has experienced a low turnover rate (lost 3 CNAs in the past 2 years). Titusville Housing Authority attributes the low turnover to several factors: good background and drug screenings, decent hire rate with step increases in pay, and hiring new staff based on the recommendation of current staff members.

E. Residents

1. What percentage of the total residents are from the local community?	90%
2. What percentage of residents moved from <ul style="list-style-type: none"> • A private home in the community (lived alone) • A private home in the community (with family) • A nursing facility • Hospital • Another assisted living facility • Other [specify] 	42% 20% 29% 0% 9% 0%
3. What is the average age of residents?	83.5
4. What percent of total residents are female?	67%
5. What percent of residents receive Medicaid?	79% (37 out of the 47 current AL residents, with one additional resident on waiting list for ALE Med waiver and three on waiting list for NH Diversion)
6. What percent of residents receive other subsidies?	OSS: 3 residents (6%) SSI: 5 residents (11%) VA Housebound or Aid & Attendance Benefits: 3 (6%)
7. What percent of residents is private pay?	21% (10 out of the current 47 AL residents; the four on waiting lists for Medicaid programs are currently paying private pay rates)
8. Describe the percent of residents in each level of care category (if applicable)	Standard: 100% ECC: 0%
9. What percent of residents have a diagnosis of mild cognitive impairment or dementia?	8.5%

Lessons learned and typical resident description:

As a government facility operated on limited income from a large majority of med-waiver clientele some services offered by private pay facilities must be curtailed, including one on one activities, facility transportation services, appointment escort services, extensive menu selections (i.e. offer a primary and an alternate meal selection, or soup, sandwich, tossed salad, etc.). Moreover, being a government facility prevents a structured spiritual program on government property. Current ALF waiver funding only allows a \$200-\$300 per resident per month margin.

The average resident enjoys a continued life of significant independence while their health and well-being can be observed and with additional services provided as their physical needs require. The residents love having personal apartments. Some of the residents' favorite past-times are bingo, regular ice cream socials, and a monthly birthday party.

VI. Sponsor/ Developer/ Operator Description

The Titusville Housing Authority, which developed and operates Titusville Towers, began operation in 1951 in Titusville, Florida. The Titusville Housing Authority has been involved in providing and managing housing for low to moderate income people throughout the community through Section 8 housing and five housing projects throughout the community. HUD owns Titusville Towers under the name Titusville Towers/ Titusville Housing through Titusville Housing Authority.

The Titusville Towers facility is Titusville Housing Authority's first venture into providing affordable assisted living. The decision to develop an affordable assisted living facility was based on observations made by the administration of an independent living facility that has been in operation since 1967. Administrators were concerned that their residents were not able to age in place, thus the idea was formed to transition the independent units to affordable ALF units as the residents qualified, enabling the residents to remain in their home.

Titusville Housing Authority's mission statement is "to plan, implement and manage projects and activities which principally benefit low and moderate income persons by providing decent and safe housing and a suitable living environment; expanding economic opportunities; and strengthening partnerships among all levels of government and non-profit and for-profit organizations".

Lessons learned: Titusville Housing Authority learned that choosing development partners (MIA Consulting Group, Inc. and Management Innovative Associates, Inc.) that have practical experience made it possible for Titusville Housing Authority to try this new venture. MIA Consulting Group, Inc. able to provide document templates and checklists to guide the housing authority through pre-development processes, such as creating proformas, work plans, and connecting Titusville Towers with the Robert Wood Johnson Foundation and the Coming Home Program. Management Innovative Associates, Inc. aided in completing the steps to be licensed and in implementation.

VII. Project History

The Executive Director of Titusville Housing Authority Bob Lambert and the Chairman of the Board of the Authority-Wide Residents' Council attended a meeting in 1998 at a FAHRO convention along with members of MIA Consulting Group, Inc. where the inception of Titusville Towers took place. Prior to this convention, Mr. Lambert already had concerns for the residents of his Independent Living facility having to leave when independent living was no longer appropriate for them. He was especially concerned about having to actually evict the residents in order for Adult Protective Services (APS) to actually step in and help, but this could mean that the resident would be moved to a different part of the state depending on where there was an open nursing home bed.

Following the convention, Mr. Lambert had several meetings with the resident council, the staff, and the Board of Commissioners of Titusville to discuss the possibility of constructing an affordable AL facility. In addition, three roundtable discussions were held to discuss the idea further. The plan was to convert the pre-existing independent living units into assisted living units as they became

available or the residents became candidates to receive assisted living services. Utilizing this method allowed the residents to stay in their own home in order to age in place.

Although ALFs and nursing homes were present in Titusville prior to the construction of Titusville Towers, there were no affordable ALF options available. The Titusville Housing Authority realized that the only option for low-income older adults residing in independent living, but requiring services offered by assisted living, was to find a way to get a Medicaid nursing home bed, if there was one available.

Those involved with the development of the project believe it to be unique because residents are able to age in place with assisted living and independent living residents mixed throughout the 12 floors of the building. Originally, the AHCA asked Titusville Housing Authority to license entire floors as assisted living units, however, the Titusville Housing Authority eventually decided that enabling residents to age in place was the most important factor.

The location of the facility is on the Indian River, which is a rapidly developing area with skyrocketing real estate prices. Although the facility existed before this period of development, some residents in this area have taken exception to “the poor people” living in their neighborhood. During the rehabilitation of the building, it was almost re-zoned from a Mixed Use Commercial to a Congregate Meal Site, concerning several people in the surrounding community who feared the negative impact the change would have on housing prices. Titusville Housing Authority fought the re-zoning in order to maintain a friendly relationship with residents of the surrounding community.

Another unique feature of the facility is the blending of state and federal funding and regulations. An assisted living facility owned by a housing authority creates some special issues. Many agencies do not have policies or procedures in place for a housing authority to develop an ALF or the housing authority is not eligible to receive the funds that private ALF developers would be able to access. Mr. Lambert stated that the agencies had to figure out what to do with them.

MIA Consulting Group, Inc. was already familiar with the process of developing an affordable ALF as a housing authority in the Miami area. Titusville Housing Authority was able to develop a limited partnership with MIA Consulting Group, Inc. to mentor them through the process of finding and accessing funding, applications processes, and dealing with the different agencies. After April 2003, Management Innovative Associates, Inc. took over and guided Titusville Towers through licensing and implementation.

Rehabilitation began on the existing independent living building in April 2000 in order to repair the facility to house assisted living units. During this time, Titusville Housing Authority also applied for \$400,000 in SHIP funds, for which the facility was approved to receive \$450,000 in April 2001. In the same month, Titusville Housing Authority applied for \$35,000 in Community Development and Block Development Grant funding and received that money in April 2002. In August 2003, Titusville Towers began Medicaid certification, which was completed in October 2003. Rehabilitation ended and the facility received the certificate of occupancy in July 2003, which enabled the facility to receive licensure and open its doors in August 2003. It is important to note that residents did not have to leave their units at any time during the rehabilitation.

Lessons learned: Titusville Housing Authority learned that it is essential to forge partnerships with entities able to provide consulting based on experience. With experience in dealing with the housing side of development, Titusville Housing Authority did not experience difficulties in dealing with those agencies, but encountered difficulties dealing with agencies regarding ALF rules and regulations. Through the relationship with MIA Consulting Group, Inc. and Management Innovative Associates, Inc., Titusville Housing Authority was able to gain a better understanding of ALF rules and regulations and the agencies involved in those areas. MIA Consulting Group, Inc. and Management Innovative Associates, Inc. were also able to provide Titusville Housing Authority with document templates and sequencing checklists in order to successfully apply for and receive licensing.

VIII. Pre-development

The site for this project already existed as an independent living facility and was already owned by Titusville Housing Authority. An architect was selected following Titusville Housing Authority's rules, which required at least three bids on every contract with the lowest bid being selected. The architect was required to have experience in housing for older adults and low-income housing, references, knowledge of 504 regulations, which are associated with disabled persons residing in a Federal Public Housing Project, a good history, and local experience.

Formal market study and feasibility analyses were completed for the site. The Brevard Council for the Area Agency on Aging completed the geographic data for this market study. The market study emphasized aging in place and included the following information:

1. Geographic area from which the residents for this facility were to be drawn;
2. Current and projected growth of the population who were in the projected age, ability, and income levels to be served by the facility;
3. Information about other properties within the marketing area that would be competing with the facility;
4. A map indicating the location of facilities that would be competing with this facility;
5. A listing of each source used to collect data for the market study;
6. Analysis of how this facility would absorb the demand for units that were determined to be necessary for this market study.

The feasibility analysis served to firm up the resolve of Titusville Housing Authority to continue with the project. The building plan was to rehabilitate units as they became available and this did not change over the development period. There currently are no plans to build additional buildings on the Titusville Towers campus.

Lessons learned: Titusville Housing Authority realized that they needed consulting services before they began the pre-development phase of the project. They also believe that it is important for others to figure out zoning plans before beginning the process. Having the combination of familiarity with state and federal regulations, especially in the assisted living services side, is a tremendous help during this phase of development.

IX. Financing

Titusville Towers was financed for rehabilitation through several funding sources. The initial funding of \$815,000 for the beginning of the rehabilitation in 2001 came from capital funding out of the facility's reserve. Titusville Housing Authority applied for \$400,000 in SHIP funds in April 2000 and was approved for \$450,000 in April 2001. Titusville Housing Authority also applied for \$35,000 in CDBG funds in April 2001, which were approved in April 2002.

The development of Titusville Towers took five years, including all planning, permitting, funding, construction, and licensing. The following is an abbreviated schedule:

A. Development Timeline:

Sep 1998	Meeting that started idea for Titusville Towers ALF
Apr 2000	Capital funding available
Apr 2000	Applied for SHIP funding
Apr 2000	Rehabilitation begins
Apr 2001	Approved for SHIP funding
Apr 2001	Applied for CDBG funding
Apr 2002	Approved for CDBG funding
Jul 2003	Rehabilitation completed
Jul 2003	Certificate of Occupancy
Aug 2003	Licensing approved
Aug 2003	Facility open
Oct 2003	Received Medicaid certification

Titusville Towers Development Timeline

1997	1998	1999	2000	2001	2002	2003	2004	2005
	September FAHRO meeting idea conceived					August Facility open		
			April Capital funding available					
			April Applied for SHIP funding	April Approved SHIP funding				
			April Rehabilitation began			July Rehabilitation completed & certificate of occupancy		
				April Applied for CDBG funding	April Approved for CDBG funding			
						May-August Licensing approved		
						May-August Medicaid certification complete		

Lessons learned: As a housing authority, Titusville Housing Authority was excluded from applying for many funds that other ALF developers are able to utilize. A lack of knowledge of existing funding sources that Titusville Towers may have been eligible for prevented Titusville Housing Authority from applying to some funding sources that they could have accessed.

X. Construction

A. Construction Timeline:

39 months for rehabilitation of existing building

B. Contractor

Since Titusville Housing Authority developed Titusville Towers ALF, they had to operate under the rules of the housing authority. For every dollar that is spent on the facility, Titusville Housing Authority must have three bids and are required to take the lowest bid. Two contractors were chosen from the local community to work on the rehabilitation of the site: Watuga Construction and Capital Construction. The contractors did not have experience in providing senior housing, but did offer the lowest bids.

Lessons learned: The most difficult task faced during the rehabilitation was the retrofit of a sprinkler system. The walls were very thick reinforced concrete, which provided difficulties for the contractors and is a potential problem for future developers considering rehabilitation of an existing building.

Titusville Housing Authority had to employ WAM (walking around management) in order to ensure that the contractors were actually completing the work they had been hired for in a reasonable amount of time after experiencing some problems in this area. One problem Titusville Housing Authority experienced was that employees were not working when they were supposed to be, thus holding up the rehabilitation schedule.

Another problem Titusville Housing Authority faced was that many of the workers hired by the contractors were non-English speaking employees. As a housing authority, Titusville Housing Authority is responsible for ensuring that all employees (even those of the contractors) were getting paid following the fair employment guidelines. Titusville Housing Authority was unable to communicate with many of the employees, so had to find one bi-lingual employee to rely on to ascertain the information regarding fair employment.

XI. Marketing

Titusville Towers did not require much marketing because the facility was at 100% occupancy with independent living residents at the time it opened as an ALF. Titusville Housing Authority did sign up the current independent living residents who were in need of assisted living services. Most of the marketing to the independent residents took place during the resident survey conducted during the development of the ALF. During the resident survey, staff members talked to the independent living

residents about the plan to convert the facility to an ALF in order to keep the residents informed of what was happening and to answer questions and get feedback on the issue. Information was also printed in the residents' newsletter.

Prior to opening Titusville Towers ALF, Titusville Housing Authority notified service provider community resources of the ALFs development, asked public officials to visit the facility, offered tours, and placed a newspaper announcement in order to show the community the efforts the Titusville Housing Authority was taking to ensure affordable assisted living to low-income adults in their area. This also enabled Titusville Housing Authority to build a waiting list of persons outside of the facility who had Medicaid waivers and would be eligible for a unit when one became available.

The facility has not had an official grand opening despite the fact that it has been open for nearly two years, but do plan to have one at some point.

Lessons Learned: The current staff of Titusville Towers did most of the marketing within the facility during the resident survey. Titusville Housing Authority also found that vendors, community agencies, ombudspersons, and state surveyors are good sources of marketing. Although it would have been helpful to have a public relations person, the facility was able to get interest via word of mouth.

Titusville Towers did experience some problems with residents using eligibility for assisted living and Medicaid as a method to escape creditors. Once the resident was free from the debtors, they wanted to return to independent living. Following this experience, a rule was instituted restricting the number of times a person can leave assisted living and return to independent living to only one time.

XII. First Year of Operations

A. Regulations

1. List of regulating agencies

- a. **AHCA:** The Agency for Health Care Administration (AHCA) is responsible for licensing and surveying ALFs. AHCA administers funds for the Medicaid Waiver for ALE and Diversion and the ACS state plan benefit. AHCA champions accessible, affordable, quality health care for all Floridians and is committed to providing the best quality service to citizens.
- b. **DCF:** The Department of Children and Families (DCF) is responsible for determining financial eligibility of clients for ALE waiver, OSS/ACS, and Diversion programs. DCF also finances the OSS program. The mission of DCF is to protect the vulnerable, promote strong and economically self-sufficient families, and advance personal and family recovery.
- c. **DOEA:** The Department of Elder Affairs is responsible for monitoring the ALE and Diversion programs and ensuring that funds go to the Area Agencies on Aging to support ALE Medicaid Waiver specialists who certify ALFs for ALE Waivers for clients. CARES at DOEA conducts assessments of Medicaid Nursing Home, ALE, and Diversion clients. The mission of DOEA is to create an environment that provides choices, promotes independence and enables older Floridians to remain in their communities for a lifetime and to lead the nation in assisting elders to age in place, with dignity, purpose, security, and in an elder-friendly community.
- d. **Lead Agencies:** Lead Agencies provide case management and coordinate funded services under the Community Care for the Elderly (CCE), Alzheimer's Disease Initiative (ADI), Home Care for the Elderly (HCE), Assisted Living for the Elderly Waiver (ALE), and Aged & Disabled/Home and Community-Based Services Medicaid Waiver (MW) programs. The Area Agencies on Aging contract with these agencies to coordinate services under the federal Older Americans Act.
- e. **Local or State Fire Marshal:** The fire marshal is responsible for surveying ALFs to determine compliance with county fire safety codes.
- f. **Department of Health:** The mission of the Florida Department of Health is to promote and protect the health and safety of all people in Florida through the delivery of quality public health services and the promotion of health care standards. This mission is accomplished by identifying health risks in the community; maintaining a safe and healthful environment; detecting, investigating, and preventing the spread of disease; promoting healthy lifestyles; providing primary care for individuals with limited access to such care from the private sector, and ensuring that health care practitioners meet the requirements for providing adequate care; and informing the public on health issues.

2. Regulatory steps:

- a. **Plan review:** Began about 6-9 months into the process and is an ongoing task.
- b. **Licensure process:** Titusville Towers took four months to complete the licensure process. As a government operated facility, Titusville Towers was exempt from any licensing fees. The process of becoming a Medicaid/ACS provider began with applying for and obtaining a Medicaid Provider number, which took two months to complete. Once Titusville Towers had this number, they were able to apply for ACS certification, which also took two months to complete. Before the facility could begin Medicaid billing, however, the staff members were required to wait an additional two months in order to receive and complete training on the WINSAP2000 software. From the time of application through the actual first Medicaid billing, the process took a total of six months.
 - **Standard License:** The biennial license fee required of a facility is \$300 per license, with an additional fee of \$50 per resident based on the total licensed resident capacity of the facility, except that no additional fee will be assessed for beds designated for recipients of Optional State Supplementation payments provided for in s. 409.212. The total fee may not exceed \$11,048, no part of which shall be returned to the facility. The AHCA Assisted Living Unit shall adjust the per bed license fee and the total licensure fee annually by not more than the change in the consumer price index based on the 12 months immediately preceding the increase.
 - **ECC License:** In addition to the fee assessed for the standard license, the Agency for Health Care Administration requires facilities that are licensed to provide extended congregate care services to pay an additional fee per licensed facility. The amount of the biennial fee is an additional \$423 per ECC license, with an additional fee of \$10 per resident based on the total licensed resident capacity of the facility. No part of this fee shall be returned to the facility. The AHCA may adjust the per bed license fee and the annual license fee once each year by not more than the average rate of inflation for the 12 months immediately preceding the increase.
- c. **CON** (Certificate of Need) if any: N/A
- d. **First survey:** With the assistance of Management Innovative Associates, Inc., and a list of AHCA requirements for survey inspections, Titusville Towers spent approximately one month reviewing, identifying, prioritizing, delegating, and accomplishing preparations for the initial survey visit. In addition to this preparation, a representative from the Department of Elder Affairs visited the assisted living facility during the week of the first survey in order to conduct a dry run of what the staff members could expect on the day of the first survey. The survey visit itself lasted for about 5-6 hours, and was completed with zero deficiencies or findings.
- e. **Staff training:** Hired staff that already had long-term care experience and already knew the fundamentals, so little to no training was needed.

- f. **Staff certification:** Completed within 60 to 90 days, though most of the staff members were already certified when hired.

Lessons learned: It took almost the entire first year of operations for all agencies involved to learn the difference between a housing authority (government) non-profit and a private non-profit. The state had to figure out what to do with them at each step along the way.

B. Medicaid & Other Public Subsidies

1. Medicaid Certification

a. ALE Waiver

The Assisted Living for the Elderly (ALE) Waiver is a home and community-based services program for recipients who reside in qualified ALFs. The waiver covers three services: case management, assisted living, and (if needed) incontinence supplies. The components of assisted living that may be provided include: attendant call systems, attendant care, behavior management, chore, companion services, homemaker, intermittent nursing, medication administration (within ALF license requirements), occupational therapy, personal care, physical therapy, specialized medical equipment and supplies, speech therapy, and therapeutic social and recreational services.

Assisted living facilities wishing to become Medicaid providers should contact the Medicaid waiver specialist in their Planning and Service Area (PSA). Providers must complete a Medicaid Provider Enrollment Application and submit it to the respective area Medicaid office waiver specialist for pre-review. The area office will forward it to Medicaid Contract Management and on to Medicaid's fiscal agent for enrollment. The area Medicaid office can provide the appropriate forms, as well as training and assistance with the enrollment process. In order to qualify as a Medicaid waiver provider, an ALF must have a standard ALF license in good standing and have either an Extended Congregate Care license or Limited Nursing Services license.

The length of time for Titusville Towers to receive a Medicaid Provider number was 2 months.

b. ACS

Assistive Care Service (ACS) is a Medicaid-based state plan that provides care to eligible recipients who require an integrated set of services on a 24-hour per day basis. ACS includes four service components: assistance with ADLs; assistance with IADLs; assistance with self-administered medications; and health support.

A licensed ALF must be enrolled with Medicaid as an ACS provider. Providers must complete a Medicaid Provider Enrollment Application and submit it to the respective area Medicaid office for pre-review. The area office will forward it to Medicaid Contract Management and on to Medicaid's fiscal agent for enrollment. The area Medicaid office can provide the appropriate forms, as well as training and assistance with the enrollment process.

ACS is billed at a daily rate for days the recipient receives services in the facility. The provider must maintain service plans and daily service documentation on each ACS recipient. In addition, the provider must ensure that a new health assessment is completed on an annual basis and whenever there is a significant change in the recipient's condition.

The length of time for Titusville Towers to receive an ACS Provider Number was two months. ACS certification could not be completed until the AL facility had obtained a Medicaid Licensed Provider Number, which had taken an additional two months prior to the application for ACS.

c. Diversion Waiver

The Long-term Care Community Diversion Program is a Medicaid waiver program designed to provide community-based services to people who would otherwise qualify for Medicaid nursing home placement. The services provided by the Diversion Program include a variety of long-term care services and Medicaid-covered medical services. The objective of the Diversion Program is to provide frail elders with safe, appropriate community-based care alternatives in lieu of nursing home placement, at a cost less than Medicaid nursing home care.

Any licensed ALF in Florida may contract with a Diversion contractor.

2. Reimbursements rates:

a. ALE Waiver

Medicaid reimburses for assisted living services on a daily rate for each day the individual is receiving services in the facility, plus incontinence supplies if applicable. Currently, the maximum daily rate for assisted living services is \$28.00, and the monthly maximum for incontinence supplies is \$125.00. The daily rate is reduced if the resident has excess income or is eligible for Assistive Care Services. The ALE waiver does not reimburse facilities for room and board. The Department of Children and Families (DCF) determines the amount allowed for room and board for consumers who are served by Florida's OSS program.

b. ACS

ACS is billed at a daily rate for days the recipient receives services in the facility. The provider must maintain service plans and daily service documentation on each ACS recipient. In addition, the provider must ensure that a new health assessment is completed on an annual basis and whenever there is a significant change in the recipient's condition.

As of January 2004, the daily rate for ACS is \$9.28 per day, for a total of \$278.40 for a 30-day month. Together with the resident's payment for room and board (from his or her personal income and possibly the OSS), the reimbursement to the facility would be \$866.80 for a 30-day month.

c. Diversion Waiver

Managed care organizations and other qualified providers enter into contracts with the state and receive a capitated payment to provide, manage, and coordinate a qualified enrollee's full continuum of care. Generally speaking, the managed care organizations provide care through contracted providers, which can include home health agencies and ALFs. Each Diversion contractor sets individual rates with the ALFs.

3. Resident eligibility:

a. ALE Waiver

To be functionally eligible for the ALE waiver, an individual must be over the age of 65 or be between the ages of 60 and 64 and determined to be disabled according to Social Security standards. In addition, individuals must also meet one or more of the following criteria: require assistance with four or more ADLs; require assistance with three ADLs plus supervision or administration of medication; require total help with one or more ADLs; have a diagnosis of Alzheimer's disease or another type of dementia and require assistance with two or more ADLs; have a diagnosed degenerative or chronic medical condition requiring nursing services that cannot be provided in a standard ALF, but are available in an ALF licensed for limited nursing or extended congregate care; be a Medicaid-eligible recipient who meets ALF residency criteria, be awaiting discharge from a nursing facility, and be unable to return to a private residence because of a need for supervision, personal care, periodic nursing services, or a combination of the three.

To be financially eligible for the ALE waiver program, an individual must meet SSI, MEDS-AD, or Medicaid Waiver Assistance income and assets requirements. The income limit figures are modified annually based upon the federal cost of living adjustment granted to Social Security beneficiaries. The applicable income limit for 2005 is \$1,737 per month for an individual and the asset limit is \$2,000.

If a waiver is available, it generally takes a Titusville Towers resident 6 months to qualify for and receive the waiver.

b. ACS

To receive ACS, an individual must meet the following functional eligibility requirements: be at least 18 years of age; Medicaid eligible; assessed by a physician or other health care practitioner as needing at least two of the four ACS components; and residing in an ACS-enrolled ALF or Adult Family Care Home (AFCH).

Financial eligibility includes that the individual must be: eligible for Medicaid based on participation in the SSI Program or eligible for Medicaid through the MEDS-AD Program, which entitles certain aged or disabled individuals to receive ongoing Medicaid coverage if their income and resources are within the specified limits. According to the SSI-Related Programs Fact Sheet (July 2005), the current asset limit is \$2,000 for an individual and \$3,000 for a couple. The income limit changes from year to year and is currently \$579 per month for an individual and \$869 a month for a couple.

Individuals who reside in institutions such as nursing facilities, state mental hospitals, institutions of mental disease, or intermediate care facilities for the developmentally disabled and participants in any Medicaid managed care program in which the capitated payment is designated to cover all Medicaid long-term care services are not eligible to receive ACS.

Generally, it takes 30-45 days for residents of Titusville Towers to qualify for and receive ACS.

c. Diversion Waiver

According to the Florida Affordable Assisted Living website, to be financially eligible for the ALE Waiver Program, an individual must meet Supplemental Security Income (SSI), MEDS-AD or Medicaid Waiver Assistance income and asset requirements. The income limit figures are modified annually based upon the federal cost of living adjustment granted to Social Security beneficiaries. The applicable income limit for 2005 is \$1,737 for an individual. The asset limit is \$2,000. The Diversion Waiver does not reimburse facilities for room and board. The Department of Children and Families establishes the amount allowed for room and board for consumers who are served by Florida's Optional State Supplementation program.

In addition, individuals must meet the following criteria: be 65 years of age or older; reside in a Diversion Project service area; be a Florida resident; be a U.S. citizen or qualified non-citizen; file for any other benefits to which they may be entitled; disclose any rights to third party liability (i.e., health insurance); have a Social Security number or apply for one; and meet nursing facility level of care criteria as determined by the Department of Elder Affairs' CARES Unit.

C. Additional subsidies:

1. Federal Food Stamp Program

The Federal Food Stamp Program is an individual income-based program to promote the general welfare and to safeguard the health and well being of the nation's population by raising the levels of nutrition among low-income households.

In a single-person household, elders age 60 and over or disabled persons with less than \$716 net monthly income may be eligible for food stamps. In addition, persons in institutions must meet one of the following criteria: receive supplemental security income benefits under title XVI of the Social Security Act or Disability or Blindness payments under titles I, II, X, XIV, XVI of the Social Security Act; receive federally or state-administered supplemental benefits under section 1616(a) of the Social Security Act provided that the eligibility to receive the benefits is based upon the disability or blindness criteria used under title XVI of the Social Security Act; receive federally or state-administered supplemental benefits under section 212(a) of Pub.L. 93-66; or receive disability retirement benefits from a governmental agency because of disability considered permanent under section 221(i) of the Social Security Act.

Residents of federally subsidized housing for the elderly and disabled or blind individuals who are residents of group living arrangements (ALFs) are treated as a one-person household for food stamp purposes. Most residents are not eligible for food stamps if they receive the majority of their meals (over 50% of three meals a day) at an ALF.

Titusville Towers does not utilize food stamps in the facility.

2. Section 8

The Housing Choice Voucher Program (Section 8) is a Federal HUD program to assist low-income families, the elderly, and persons with disabilities to rent safe, decent, affordable housing in a community. Section 8 is administered by local public housing agencies (PHAs). Section 8 provides rental assistance only and may be used in ALFs, however, Section 8 cannot be used to pay for meals or services. The subsidy may be paid either directly to the owners as a project-based rental assistance subsidy or to the program participant/tenant as a tenant-based rental assistance subsidy.

Individuals are eligible for Section 8 vouchers if their income is at or below 50% of the Area Median Income of a community. Voucher eligibility does not include the limiting of assets, but any income accrued from assets over \$5,000 will be calculated as income towards the eligibility limits.

All past and current residents occupy Titusville Towers via public housing assistance administered by the Titusville Housing Authority. For this reason, Titusville Towers is not able to accept Section 8 vouchers for residents.

3. OSS

Optional State Supplementation (OSS) is a cash assistance program. Its purpose is to supplement a person's income to help pay for costs in an ALF, mental health residential treatment facility, and adult family care home.

To be eligible for OSS, a person must: be 65 years of age or older or 18 years of age or older and blind or disabled; be a US citizen or qualified non-citizen; be a Florida resident; have a Social Security number or file for one; file for any other benefits to which they may be entitled; disclose other third party liability; be certified by Adult Services or Mental Health case manager as needing placement in a licensed facility: AFCH, ALF, or Mental Health Residential Treatment Facility. The monthly income limit varies by the type of facility, but in an ALF or AFCH, the limit is \$657.40 for an individual and \$1,314.80 for a couple. The asset limit is \$2,000 for an individual or \$3,000 for a couple in an ALF.

4. Veteran's Benefits

The US Department of Veterans Affairs has two monetary or income-based programs that are based on service and non-service-connected disability or age.

The Aid and Attendance benefit requires that the veteran or widowed spouse need assistance with at least three ADLs, be determined nearly blind, or receive care in a nursing home.

The Housebound benefit requires that the veteran or widowed spouse need assistance with two ADLs, be determined nearly blind, or receive care in a nursing home.

Pensions are based on income less medical expenses in excess of 5% of the maximum benefit. Medical expenses include the cost of living in an ALF if it is for medical reasons and for out-of-pocket medical expenses.

As of December 1, 2004, according to the Veteran's Affairs website, the maximum Housebound benefit for a veteran with no dependents is \$12,419 annually and \$15,566 for a veteran with one dependent. The maximum Aid and Attendance benefit for a veteran with no dependents is \$16,955 annually and \$20,099 annually for a veteran with one dependent. Welfare benefits, SSI, and some wages earned by dependent children are not included in determining the maximum benefit amount.

Lessons learned: In general, Titusville Towers staff members did not feel that they knew how to proceed through the process of finding and utilizing resident funding sources, did not feel that they had the expertise to proceed, and could not find anyone within the agencies to help them answer questions. Despite these statements, Titusville Housing Authority has become a community resource for people who need to know about Medicaid because they have taken the time to do research and have developed useful and efficient tracking methods.

The application process for Medicaid and ACS for both the facility and residents is too time consuming and confusing. Once Titusville Towers was able to become certified to provide waivers and ACS (process took four months, plus an additional two months of software training for billing), the residents took an additional six to nine months to qualify for and receive the waivers. The residents were in the facility and receiving services during all of those six to nine months, but Medicaid would only retro-bill for 90 days. The facility ended up losing about \$75,000 to \$100,000 for the four months that Medicaid would not cover.

Another source of frustration about the Medicaid/ACS application process was that the exact same application was required for both licenses and ACS on behalf of Medicaid processed both. The ACS application could not be submitted until the Medicaid Provider Number was assigned and the billing software could not be ordered until both provider numbers were assigned. Especially frustrating for the staff was that, despite the fact that both application submissions were the same document, two different standards were utilized to evaluate the applications. In both instances, if any discrepancy was encountered, the application was returned as rejected without any further review for accuracy or acceptability. Each time the application was corrected and re-submitted the same process of evaluation started all over again.

Titusville Towers experienced difficulties with the call back response of the software installer and trainer. After numerous unreturned phone calls, the staff members began to feel discouraged and felt that the software installer failed to consider how the lengthy process impacted those involved.

As a housing authority, Titusville Towers is not permitted to have units empty for more than 30 days without incurring fees. This is a problem when residents are waiting more than 30 days to receive

waivers, which forces the facility to fill the units with residents even though waivers may not be available.

The process for becoming eligible for public subsidies is also frustrating for the residents. The residents are forced to spend down assets and must meet ADL impairment criteria in order to qualify. Once they do qualify, they are then told that there are no waivers available and they are put on a waiting list.

Staff members of Titusville Towers feel that people need to be aware of the problems associated with the development of affordable assisted living facilities. The staff feels there is instability in the programs and that there is insufficient money to support the poor. Also, the bureaucracy is the worst enemy of the elderly because many (not all) of the agencies and other people involved in these processes lack communication and compassion, thus hurting the elders and the people who are trying to help them.

C. *Housing Subsidies*

Housing subsidies: Since all past and current Titusville Towers residents receive housing assistance administered by the Titusville Housing Authority, residents are not able to receive additional Section 8 funding. By receiving Section 8, it would be considered that the residents are double dipping in housing subsidies.

D. *Rent-Up*

1. **Rent-up strategy:** The facility was at 100% occupancy with independent living residents at the time the assisted living component began operating. The administration identified residents who seemed to be potential candidates for assisted living service needs based on their health and financial status. They met with these residents one-on-one and asked them to consider changing their unit from independent living to assisted living.
2. **Lease-up reserve:** A \$360,000 reserve was allocated by a note from the Titusville Housing Authority for use during rent-up.

E. *Staff Hiring*

1. **Staff hiring schedule:** Titusville Towers followed the state required staffing ratios when they opened the facility. The day the facility opened, there were 15 staff members necessary to provide services for 15 med-waiver residents.

Lessons learned: Titusville Towers had already been alerted by MIA Consulting Group, Inc. that finding and keeping CNAs would be a potential challenge due to having to compete with others offering better pay packages and benefits. Anticipating this, Titusville Towers offered decent hire rates and step increases in pay in order to attract CNAs.

XII. Attachments

A. Development Pro forma

Sources

U.S. HUD	900,000
Florida Housing Finance Corporation - SHIP Grant	450,000
U.S. HUD/DOJ Grant -- Crime Prevention	35,000
CDBG	35,000
Titusville Housing Authority - Loan 0%, non amortizing, deferred	360,000
Total Sources	1,780,000

Uses

Hard Costs	
Construction - Rehabilitation Costs	1,420,000
Soft Costs	
Administrative, Accounting, Legal etc.	360,000
Total Uses	1,780,000

B. Project Images



Titusville Towers - Front



View from resident balcony
over Indian River



Common area



Dining room



Outside courtyard area