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HOUSE JOINT RESOLUTION NO. 580

Offered January 12, 2011

Prefiled January 10, 2011

Directing the Joint Legislative Audit and Review Commission to study third-party payments for assisted living services. Report.

Patron—O'Bannon

Referred to Committee on Rules

WHEREAS, the number of elderly and disabled Virginians is increasing rapidly, making it crucial to have resources and facilities that will protect their quality of life while providing assistance with their daily needs in place; and

WHEREAS, assisted living, a relatively new concept 25 years ago, is now the most preferred and fastest growing long-term care option for seniors; and

WHEREAS, according to the Virginia Assisted Living Association, there are currently 561 licensed assisted living communities in Virginia serving approximately 34,500 seniors and disabled persons; and

WHEREAS, auxiliary grants supplement the resources available to individuals who receive Supplemental Security Income (SSI) and other financial assistance for aged, blind, or disabled persons residing in assisted living facilities or adult foster care homes; and

WHEREAS, 80 percent of the funding for the auxiliary grant program comes from state general funds and 20 percent of the funding for the auxiliary grant program comes from local funds, and the rate that an assisted living facility may charge to provide services for an individual with an auxiliary grant is determined by the General Assembly and is administered by the Department of Social Services; and

WHEREAS, the growing demand for assisted living facilities and resources coupled with continuing cuts in state funding have increased the need for auxiliary grants to supplement the financial resources available to individuals in dire financial situations and to ensure such individuals are able to maintain a standard of living that meets a basic level of care; and

WHEREAS, just over 300 licensed assisted living facilities accepted individuals receiving auxiliary grants in 2009; and

WHEREAS, increased demand for services and the increased cost of care highlight the need for unique and innovative solutions to address the necessity for additional resources, including resources made available through the auxiliary grant program, for persons requiring assisted living care; now, therefore, be it

RESOLVED by the House of Delegates, the Senate concurring, That the Joint Legislative Audit and Review Commission be directed to study Virginia's third-party payments for assisted living services. Such study shall include review of basic contractual services provided by assisted living service providers, sources of payments for assisted living services including federal, state, and local benefits for residents and third-party payments for services provided to residents, and the potential impact of third-party payments for assisted living services on assisted living facility residents' eligibility for state auxiliary grants.

In conducting its study, the Joint Legislative Audit and Review Commission shall (i) identify sources of revenue for assisted living facilities providing care for residents, including federal and state benefits and third-party payments for services for residents, and other sources of revenue; (ii) identify those services for which assisted living facilities or assisted living service providers may accept third-party supplemental payments; (iii) determine the relationship between third-party supplemental payments for assisted living services and eligibility for Supplemental Security Income (SSI) and state auxiliary grants, and whether third-party supplemental payments could be accepted by a provider without affecting a resident's eligibility for SSI or auxiliary grant benefits; and (iv) recommend measures to encourage development of additional sources of revenue, including third-party payments, for providers of assisted living services.

All agencies of the Commonwealth shall provide assistance to the Joint Legislative Audit and Review Commission for this study, upon request.

The Joint Legislative Audit and Review Commission shall complete its meetings for the first year by November 30, 2011, and for the second year by November 30, 2012, and the chairman shall submit to the Division of Legislative Automated Systems an executive summary of its findings and recommendations no later than the first day of the next Regular Session of the General Assembly for each year. Each executive summary shall state whether the Joint Legislative Audit and Review

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59 Commission intends to submit to the General Assembly and the Governor a report of its findings and
60 recommendations for publication as a House or Senate document. The executive summaries and reports
61 shall be submitted as provided in the procedures of the Division of Legislative Automated Systems for
62 the processing of legislative documents and reports and shall be posted on the General Assembly's
63 website.