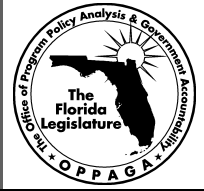




Office of Program Policy Analysis And Government Accountability



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Follow-Up Report on Assisted Living Facilities Serving Residents with Severe Mental Illnesses

Abstract

- Since our prior report, the Legislature has taken actions to avert the risk of displacing residents of assisted living facilities (ALFs) who have severe mental illnesses.
- State agencies involved with ALFs that serve mental health residents reported continuing concerns, some of which are currently the subject of further study or rule revision. These include the identification of mental health residents, the operations and impact of the program that provides partial financial support to mental health residents, and the adequacy of resources to support community placements for mental health residents.

Purpose

In accordance with state law, this follow-up report informs the Legislature of actions taken by the Department of Elder Affairs in response to our 1997 report.^{1,2} This report presents our assessment of the extent to which the department has addressed the findings and recommendations included in our report.

Background

Assisted living facilities (ALFs) provide housing, meals, and personal assistance to frail elders and persons with physical and mental disabilities who need support to live in the community but do not require institutionalization. As of September 1998, there were 2,182 licensed ALFs in Florida, providing a total of 70,339 beds. Most ALFs are relatively small with 16 or fewer beds, and many are in single family houses located in residential neighborhoods.

Three state agencies have a role in overseeing ALFs or providing services to mentally ill residents. The Agency for Health Care Administration (AHCA) licenses and regulates ALFs, investigates complaints, and imposes sanctions when required. The Department of Elder Affairs (DOEA) develops licensing rules and trains facility staff. The Department of Children and Families (DCF) contracts with community mental health centers to provide services to ALF residents with mental illnesses. DCF also provides payments to many mentally ill residents to enable them to pay for ALF services. These payments are made through the Optional State Supplementation (OSS) program, which is intended to prevent institutionalization by providing supplemental income to low-income individuals who are aged or disabled, including those disabled due to mental illness.

¹ Section 11.45(7)(f), F.S.

² *Review of Assisted Living Facilities Serving Residents with Severe Mental Illnesses*, Report No. 96-57, February 19, 1997.

Most ALFs have been able to deal with the challenges of serving mentally ill residents, and many community mental health workers consider them to be an important community-based placement resource. However, some communities have had concerns about ALFs because some residents engaged in unpredictable or socially unacceptable behavior such as public drunkenness, drug abuse, and panhandling. Such behavior often required law enforcement intervention.

To address these concerns, the 1995 Legislature enacted a law requiring ALFs that served mental health residents to obtain a limited mental health license in addition to the standard ALF licensing requirements. In 1996, agency officials and some ALF operators voiced concerns that the new requirement would limit the state's ability to provide community-based placements for individuals with mental illnesses.

As of June 1998, AHCA reported that there were 262 ALFs with a limited mental health license. AHCA estimated that these facilities could accommodate approximately 5,200 mental health residents.

Prior Findings

Our previous review addressed four questions regarding ALFs that serve residents with severe mental illnesses.

- Q. How many ALFs had residents with severe mental illnesses?
- A. We estimated that as of February 1997 there were between 170 and 300 ALFs serving between 2,000 and 3,600 residents with severe mental illnesses.
- Q. What types of services do ALF residents with severe mental illnesses receive?
- A. Mentally ill residents of ALFs received personal services from the facilities and also may have received mental health services from community mental health centers, such as case management, psychotropic medication, and day treatment.
- Q. To what extent did ALFs comply with license standards developed by AHCA?
- A. AHCA cited most ALFs for deficiencies. Facilities with poor compliance records may not be inspected often enough.

- Q. What is the potential impact of the state's limited mental health license on ALFs serving mental health residents?
- A. The then existing licensing requirements were likely to result in modest service improvements in ALFs that serve mentally ill residents, but could also result in the displacement of more than 550 residents. The loss of placement options could increase costs to state and local governments if individuals with mental illness were to become homeless, incarcerated, or institutionalized.

Our report presented three options for legislative action to address the issues related to the limited mental health license. These included leaving the current law intact, repealing the license law, and modifying the law or its implementing rules. Under the modification option, we suggested six potential changes for the Legislature to consider:

- better defining mental health resident;
- reducing regulatory costs for ALFs;
- requiring community mental health providers to place a higher priority on clients in ALFs;
- requiring more frequent inspections of ALFs that serve residents with mental illnesses and have poor records of compliance with licensing standards;
- phasing in eligibility requirements based on past sanctions; and
- providing additional financial support for ALFs that serve individuals with severe mental illnesses.

Current Status

Actions Taken

The 1997 Legislature made changes to the limited mental health license statute which averted the potential loss of placements for ALF residents with severe mental illnesses. These changes included:

- defining mental health resident to mean a person who receives either social security disability income (SSDI) or supplemental security income (SSI) due to a mental disorder and who also receives optional state supplementation (OSS) payments;
- eliminating the fee for the special license;

- eliminating most of the disqualifying conditions when applying for the special license;
- exempting ALFs with less than three mental health residents from the requirement to obtain a limited mental health license;
- revising the cooperative arrangements between ALF staff and mental health providers that are intended to provide mental health residents with emergency and after-hours care when required;
- transferring to DCF the responsibility to conduct mental health training for ALF staff; and
- clarifying DCF's role to ensure that mental health residents are identified and receive proper services.

Actions Not Taken

The Legislature did not act on two of our suggested policy options. No changes were made to the frequency with which ALFs are inspected. Also, although the Legislature provided additional financial support to individuals who receive OSS payments, that support is not channeled to ALFs through the community mental health providers.

Issues of Continuing Concern

The staff of state agencies that have a role in placing or serving mental health residents in ALFs raised continuing concerns about the program. These issues include the identification of mental health residents, the operations and impact of the OSS program, and the adequacy of resources available to provide community placements for mental health clients. These agencies are currently involved in activities that will address some of those concerns.

The definition of what residents would require placement in an ALF with a limited mental health license has been problematic, but a recent rule revision should help to resolve this issue. The Legislature's 1997 definition refers to someone who receives either SSDI or SSI due to a mental disorder and also receives OSS payments. That change was intended to simplify the process of identifying which residents would require placement in an ALF that had a limited mental health license. However, federal law prohibits releasing information on the reasons for which

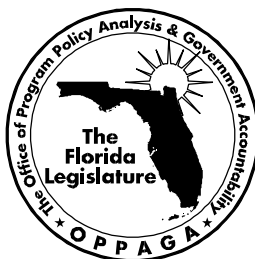
disability payments are made, so ALF staff and agency workers have sometimes been unsure about which ALF residents might qualify. To facilitate and improve identification of mental health residents, DOEA revised the Florida Administrative Code in October 1998 to clarify that DCF has the responsibility to provide documentation to the ALF that a resident qualifies as a mental health resident. The code revisions also specify several documentation options that may be available to DCF caseworkers through which the needed documentation may be established. Thus, it may be easier in the future to identify which ALF residents qualify as mental health residents for whom a specially licensed ALF is required.

Another issue raised by the agencies is the operation of the OSS program, which is the primary funding source through which ALFs are paid for residential services they provide to mental health residents. The 1998 Legislature directed DCF to organize a work group (which also includes representatives from AHCA and DOEA, as well as other stakeholders) to review the OSS program. The purpose of the work group is to evaluate the current operation and impact of the OSS program and to formulate recommendations for appropriate targeting to meet the needs of such clients and improve the efficiency of the program. The workgroup is examining program criteria and procedures for mental health residents, payment procedures, and current payment levels and future funding. The work group began meeting in August 1998 and is charged to submit its findings and recommendations to the legislature by January 1, 1999.

Staff of each of the agencies involved with placing or serving ALF mental health residents also raised concerns about the adequacy of resources that are available to support community placement options for individuals with severe mental illnesses. In particular, two agency heads indicated that the current OSS payments are insufficient to provide basic services to mental health residents. Since 1996, when the maximum payment level for OSS recipients in ALFs was \$598, the Legislature has raised it to \$659 as of late 1998. The workgroup will also review this issue.

The Florida Legislature

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