

**TESTIMONY TO THE SENATE COMMITTEE ON BANKING, HOUSING,
AND URBAN AFFAIRS**

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Good morning Mr. Chairman and distinguished members of the committee. I am Steve Proctor, President and CEO of Presbyterian Homes, Inc., headquartered in Camp Hill, PA, and am honored to have been asked to provide you with testimony today on behalf of Presbyterian Homes and PANPHA – Pennsylvania’s trade association representing non-profit senior services providers. The population we serve in Pennsylvania is among the nation’s oldest, and in many areas of the state, requires more care than average. We have 15 sites statewide. Some are located in the state’s largest urban/suburban areas. Others are located in regions that are among its most rural.

We provide the full continuum of care for Pennsylvanians in need of chronic care – seniors and, in some of our locations, younger residents with disabilities. Our world class staff--2600 strong--provide housing and services to more than 3000 residents statewide. We are extremely proud of our dedicated service and care providers without whom, providing the highest quality of care and services would not be possible.

I’ll admit that when first told about the intent of S 705 and asked to testify, I reacted with a degree of skepticism. Historically, proposals to initiate this type of council have been many – and solutions coming from them few. Then I read Sen. Sarbanes’ bill, and his comments during introduction of this piece of legislation. It is consistent with PANPHA’s strategic initiative on “Consumer Choice” – that is, housing and services alignment driven by consumer need, not the wishes of often well intentioned bureaucrats and funding agencies. We strive towards this goal because it’s the how consumers wish to and deserve to receive their services.

In short, this bill makes sense. The coordination proposed in S 705 is not only necessary – its long overdue, and will provide real enhancements in the delivery of housing and services to the people we serve.

As a provider of housing and services, I thought that my time before the distinguished members of this committee would be best spent discussing the daily challenges that the maze of statutory, regulatory, and funding requirements pose in providing housing and services for that resident.

PHI is a sponsor of Stadium Place, a model for senior housing located on the site of Memorial Stadium in Baltimore. This site currently contains HUD housing Tax Credit housing for seniors, with market rate and home ownership developments to follow. It also shares the site with a full service YMCA. It was developed to provide seniors with limited incomes many of the same options available to more affluent seniors of continuing care retirement communities. A recent editorial in the Baltimore Sun identified Stadium Place as the right model for senior housing. More importantly, many of the residents of Stadium Place describe it as the best place they have ever lived. If you haven't seen this project, I would encourage you to visit the site.

The key to fully realizing the dream of Stadium Place and other similar senior housing projects is the delivery of supportive services in an environment that can best be described as fragmented. The combination of case management, coordination of existing services, and flexible service delivery systems will enable this group of seniors to live more healthy and active lives. The timely intervention of health and social services will ultimately save money by helping residents of Stadium Place to age in place.

Aging in place is what people desire, if their needs can be met. PHI has a person in one of our senior housing projects that was admitted with her disabled husband in 1970. Her needs have changed – but her desire to remain in her “home” – since 1970 – has not. We provide her with the care and support services necessary in this setting, but it has become increasingly difficult to do so given the maze of regulatory requirements and prohibitions across programs and funding streams. Without better coordination among and across the agencies included on the proposed coordinating council in this bill – she may soon be forced to leave her “home” with us.

There are many examples of the housing and service needs of seniors not matching up with inflexible regulations and program requirements. The following are two recent illustrations in Presbyterian Homes’ experience:

The first scenario was an 80+ year-old man who lived in the community. He was receiving funding for services through the Office of Aging's Medicaid waiver. He was receiving meals-on-wheels and was having someone come in to assist him on occasion. PHI staff was called by the Office on Aging to do an assessment on this man. When they got there the following day, they discovered that he had fallen a day or two before, but Aging didn't have anyone to send out to see him, so PHI staff were the only ones to help him. They found garbage up to their shoulders with a path through the trailer. It was evident that the personal care services he needed had not been provided in quite a while. He was admitted to a PHI personal care facility.

In this case, the funding and oversight that he received through the Medicaid waiver was obviously not enough to provide him with the services that he needed to stay in his home in a dignified manner. We frequently see families

who are provided with the waiver money and then have to make the choice between food, utilities, medication and assistance.

The problem in this situation is that, while this man could no longer stay at home with the limited support systems available, when he was admitted to a PHI personal care facility, his funding COULDN'T follow him. He was not eligible for any waiver funds, he was a few dollars over the limit to receive the \$30/day personal care home supplement which Pennsylvania pays, but he didn't have nearly enough the pay for the cost of care in personal care. In addition, in the community, he was eligible for Medicaid health insurance (Access card), but once he was admitted to personal care, he was no longer eligible because the requirements were different. The only reason he was able to be cared for adequately was because we provided him with benevolent care.

The second situation was an elderly woman with mental health issues (schizophrenia) who was evicted by a personal care home because she had extremely limited income. In her case, she was eventually assisted by an inpatient program. The irony of this situation is that had she been admitted to a group home, another "community" setting or her own home, she would have received funding for mental health services and transportation. If she would have been admitted to personal care, she would have lost that funding because it is considered a medical facility and therefore the personal care facility is responsible for those costs/services.

In both of these situations, the funding follows the setting, not the person. The person's needs and income didn't change, just where they happened to live.

When placed in context by the challenges I just discussed as we provide housing and services for, the activities of the council proposed in S 705 take on even

greater importance. The timing couldn't be better for this effort. In Pennsylvania, the 65+ population is projected to grow by 195,981 between now and 2015 – encompassing a full 17% of Pennsylvania's population.

You will hear many “experts” tell you we won't feel any impact of the “Baby Boom” until the mid-2020s – that we have ample time to project, plan, and coordinate housing and services. It is true that's when the bulk of the “Baby Boomers” will begin hitting “care age”, but to say that we don't need solutions in place until then ignores the realities. In many states, including ours, the sheer volume of residents living past the age of 85 will fundamentally alter the need for coordinated housing and services. Pennsylvania's 85+ population will have more than doubled between 1990 and 2010, growing to 336,407 persons – almost 3% of Pennsylvania's total population. They are the highest users of the long-term care continuum – and don't have the luxury of waiting until 2020 for a solution to their immediate care needs.

In Pennsylvania we are feeling the pinch now in a rather difficult budget negotiation at the state level on Medicaid funding for facilities. One of the major causes of that battle, happening right now in many of your states as well, is a direct result of the fragmentation of the programs and funding for long-term care. The provisions in this bill that speak to developing best practices, identifying those barriers – statutory, regulatory, and fiscal – to providing seamless housing and services are our best hope to meet the needs of this growing population.

Thank you again for the opportunity to provide this testimony. I speak for PHL, PANPHA, and our national Association AAHSA in applauding your efforts in this bill. We look forward to help laying the groundwork for a delivery system

that makes more sense for providers and consumers alike. I would be happy to answer any additional questions you have at this time.