



## 2011 LeadingAge RI Principles

LeadingAge RI is proud to encompass the continuum of long-term care providers in Rhode Island, including not-for-profit nursing homes, assisted living residences, and senior housing providers, as well as adult day health centers. Every day, our members help thousands of older Rhode Islanders and their families by providing the services that individuals need, when they need them, in the place they call home.

We appreciate and support the focus of the new Administration and the General Assembly on economic development, especially the need to support small businesses in Rhode Island. Indeed, as employers of over 2,300 local people and care providers for thousands of older people and caregivers, the members of LeadingAge RI play an important role in the state's small business economy and in our society's commitment to assure quality care and dignity for our elders. Our members are loyal to and accountable to the needs of their local communities, caring for their frail citizens and employing local workers.

Many individuals receiving long term care are on Medicaid or other publicly-funded programs such as the Co-Pay program. While we recognize the financial situation of Rhode Island, adequate support of our publicly-funded long term care system is an investment in quality of care and an investment in our local economy.

As primarily non-profit organizations, LeadingAge RI members provide good wages and benefits to over 2,300 individuals in communities across Rhode Island. Indeed, a majority of their budget goes towards staffing expenses, particularly the nurses and direct care workers who care for our older population. For example, our non-profit nursing homes spend over 70 cents of every dollar on direct labor costs. Research from PHI, an advocacy group for direct care workers such as CNAs, indicates that support for such workers directly benefits the local economy, as their wages are promptly spent on local goods and services. In addition, other significant expenses include food and medical supplies, which are often purchased from local companies.

Of course, adequate funding is also critical to quality of care, as sufficient and stable staffing is a good proxy for quality. Nursing homes have experienced several funding cuts in recent years, which have had a direct effect on staffing. In fact, the homes that provide more staffing for their residents have been disproportionately impacted. Other providers such as adult day care and assisted living have struggled with funding issues as well, although there have been some promising developments in this area to better reflect their cost of care. Any cuts or service rollbacks for these home and community-based providers, however, would obviously translate to staffing reductions at these providers as well. Lastly, safe and affordable senior housing is a critical need, and support for ongoing development of such units is vital.

Overall, if we are to effectively rebalance our long term care system and ensure access and quality of care, we need to support providers across the spectrum. This is both good fiscal and public policy.