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New York State Assembly

Standing Committee on Health

Public Hearing on Commission on Health Care
Facilities in the 21st Century Report

Michael G. Breslin, Albany County Executive
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Distinguished members of the New York State Assembly, thank you for providing me the opportunity to testify about the recommendations of the State Commission on Health Care Facilities in the 21st Century.

I am here to strongly endorse the purposes and direction of the Commission report and the specific recommendations regarding long term care in Albany County. The report supports and strengthens our ability to accomplish what we in Albany County have already undertaken.

For over seven decades, Albany County has played an important role in providing long term care services for those in need. While our commitment remains clear and strong, the manner in which we do this needs to change. In order to support residents who can remain at home and in other community-based settings and to provide more appropriate services to County residents needing chronic care, Albany County has begun a new approach to improve services to residents requiring long term care services.

For far too long, we in New York have merely talked about developing and strengthening home and community-based services and reducing the need for institutional care. While we have acknowledged the personal, programmatic, and financial benefits of such home and community-based services, we have not matched our rhetoric with resources to effect the needed changes.

In my 2007 Budget, we set a new direction for long term care in Albany County and future budgets will reinforce what we are doing now.

- As a first step, I directed the Albany County Nursing Home to reorganize the placement of residents to maximize operational efficiencies in light of the decreasing census. We are now consolidating units. We will be consolidating facilities.
- We will build a much smaller new facility. Plans are being made to file the appropriate application to amend our current certificate of need (CON) to 150, a bed count consistent with the recommendations of the Commission. The Commission's directive as to Albany County facilities gives added impetus to the course we have already begun.
- We are creating a Long Term Care Council, comprised of representatives of various consumer groups, community-based and residential service providers and advocacy groups, which will act in an advisory role to ensure that we put in place the long term care system that fits our community needs and wants.
- We are planning a major effort to ensure that all the local parts fit and work well together. In this latter respect we are moving aggressively to organize and operate a Long Term Care Point of Entry (POE) system, to match the most helpful and appropriate services to those in need of long term care. Through the POE we will encourage the development, deployment and coordination of new and expanded alternative services and will facilitate the adjustment of resources as gaps in services are identified and the demands of those needing long term care change.
- We will support and encourage the creation and expansion of home and community-based services. I am committed to re-investing a portion of the savings we gain from reducing the size of our nursing homes in these alternative services.

I am pleased the Commission's report supports this new direction. With the report and other State support, we are excited that we can build a system that is at once more humane and effective for residents and their families, more efficient for the health care professionals serving them, and ultimately less onerous for the taxpayer. The Commission's report proposes the County operated Ann Lee Home and County Nursing home "merge, downsize by at least 345 RHCFC beds, rebuild a unified facility and simultaneously add or contractually provide financial support for non-institutional services."¹

We need to focus on the future. Nationwide and statewide, nursing home occupancy rates have been declining for more than a decade, despite our gradually aging population:

- Today's population is healthier and less in need of long term care than previous generations. Fortunately, today's and future generations will not require the same level of care.
- Medical and pharmaceutical advances enable us to better control and manage disease and disability and to maintain the health of residents who in an earlier time would have required nursing home care. Fortunately today's and future generations will not.
- Even for those individuals who require significant chronic care, new models of service have emerged that allow them to continue to live at home or less restrictive adult or assisted living facilities rather than in skilled nursing facilities. These alternative services are currently under funded and must be expanded to meet this growing need and reduce the reliance on skilled nursing facilities. Alternative services, including home health care, adult day care and assisted living, are particularly difficult to obtain for low income residents. In years past, most of our frail elderly had only one option for care, a nursing home. Fortunately today's and future generations will be able to choose many types of care.

With these changes at work, we would not be able to keep a large nursing home full regardless of how hard we tried. A recent report from the Lewin Group shows that nationwide the percentage of the oldest elderly (85 and older) using nursing home care has fallen dramatically in just the past 20 years (from 21.1 to 13.9 percent). These patterns are repeated in New York State, in Albany County, and Albany County's nursing facilities. The Commission's report confirms our experience and supports our expectation that change in the next 20 years will continue in the same direction and will be equally dramatic.

While the decline in nursing home use is something to be applauded and embraced, we also have responsibilities to the many nurses, aides, and other professionals who have cared for our residents for many years. We will not shirk those responsibilities either. Over the course of the several years it will take to plan, develop and construct the new facility and transition into it, the staff at our existing facilities will decrease through attrition as the resident census dwindles. As we reconfigure the long term care system in

¹ Albany County's two facilities currently have a certified capacity of 475 (300 at the Albany County Nursing Home and 175 at the Ann Lee Home). However, our understanding is that the Commission was working from the figure of 595 for which the facilities were built, yielding a maximum size of 250 for a new facility with the explicit recognition that the most appropriate capacity could be lower.

Albany County, many of our employees will remain at work in our new facility. We will re-deploy, and retain if necessary, others to work in home and community-based settings. In the meantime, our current requirement for temporary agency staffing and overtime will decline.

We also have a responsibility to the taxpayer. Maintaining our facilities under the existing structure requires a significant subsidy by property taxpayers. Taxpayers have been subsidizing our facilities since 2001. An additional \$15 million² has been required in County taxes to support services this year alone. We have been plagued by years of empty beds and chronic operating losses. This is not unique to Albany County, both public and private nursing homes largely operate at a loss – a loss that we cannot continue to sustain.

These losses are not only a burden on the taxpayer, they limit our ability to reinvest in much needed alternative community-based programs and to improve the quality of care provided to our residents.

In closing, I would like to restate my support of the Commission's report as it pertains to Albany County. The needs and preferences of our aging population are changing and the services we and others provide must reflect these changes. Non-institutional services that support independence will reduce the need of nursing home care. As a result, Albany County plans to ensure that there is a wide array of home and community-based services to serve our residents and to build a new, much smaller nursing home in which we can provide appropriate care to the reduced number who require it.

Thank you for allowing me to be part of this process.

² Not \$5 million as was erroneously reported by the Commission