January 18, 2023

*Insert Name(s)/Address*

Re: Letter of Support – Nevada HAND’s Affordable Assisted Living Communities

Dear *insert*:

Nevada HAND is the state’s largest affordable housing developer and a 501(c)(3) nonprofit organization dedicated to the development, construction, management, and preservation of high-quality affordable homes and supportive resident services for working families and seniors. There are currently 35 Nevada HAND communities that provide over 5,000 units of affordable housing to over 8,000 residents in Southern Nevada. Additionally, Nevada HAND is the only organization in Nevada who offers affordable assisted living communities. At Silver Sky and Silver Sky at Deer Springs, Nevada HAND provides 180 apartment homes for Nevadans. Their affordable assisted living communities offer a wide-range of services, such as: minimal to extensive assistance with activities of daily living (bathing, dressing, personal hygiene), medication management, meal service, transportation, housekeeping, laundry services, and coordination of care with various health-related entities.

Nevada HAND staff has presented to the Commission on Aging about their sustainability challenges as well solutions that they have identified as a long-term ‘fix’ to the challenges that they are facing. Ensuring the sustainability of Nevada’s only affordable assisted living communities is essential to addressing barriers that exists for the only provider of affordable assisted living in our State. The services that Nevada HAND provides are essential Nevada, and the sustainability challenges they face include:

* **Current Medicaid T57/T59 Rates**
  + Currently, Medicaid reimbursement only covers a fraction of the actual cost of providing 24-hour care that assists with residents’ daily living needs.
  + Nevada HAND conducted a daily cost analysis for care fee reimbursement from the Medicaid Waiver Program, and it was discovered the average daily cost of providing service to one resident is $68.75. The current daily reimbursement rate is $23.00.
  + For all Medicaid recipients at the two assisted living communities, the difference between the cost of providing the service and the current reimbursement rate has resulted in a year-to-date loss of $228,887.
  + Adjusting the Medicaid reimbursement rates to equitably align with the cost of providing the needed level of care, ensures that Nevada HAND is better positioned to maintain 24-hour in-home services that provide assistance to functionally impaired recipients with basic self-care and activities for daily living (ADLs).
* **Current Available Medicaid Slots** 
  + Currently, there are twenty- three assisted living residents living at Nevada HAND's communities whose status is 'pending' to get on the program.
  + Increasing the number of available slots for assisted living residents ensures that they are receiving the level of care that is needed.
* **Grant Dollars**
  + Previous legislation requires DHCFP to review Medicaid rates every four years via a survey to providers. The report reviews comparable state costs and survey responses on cost of care. The report indicates there are currently 180 providers for PT57 (Adult Group Care Waiver) and only 7 providers for PT59 (Assisted Living Waivers). Nevada HAND serves both PT57 and PT59. but primarily PT59.
  + The most recent report indicated that the PT59 Assisted Living Waiver is approximately 98% underfunded based on the survey results (~$818,899 NV increase in non-federal share). DHCFP is recommending a rate increase for Provider Type 59 and is proposing various increase scenarios in the Medicaid reimbursement rate at 5/10/15%; however, the rate increase scenarios do not close the gap of the need for Provider Type 59.
  + Given the need to continue funding affordable assisted living, we have proposed an increase of the grant from $200,000 to $1,000,000 from the Fund for a Healthy Nevada.
  + Increasing this grant and allowing the affordable assisted living (NRS 319.147) to utilize the funding for operations helps close the Medicaid funding gap. In addition, we have added language that prioritizes funding for facilities that meet the criteria of affordability in NRS319.147.

Nevada’s Commission on Aging offers this letter of support for the services that Nevada HAND provides and recommends that solutions to their sustainability challenges are explored and considered.

The Commission on Aging commends Nevada HAND for their continued effort to provide safe, high quality affordable housing to our community and supports efforts to identify solutions to the challenges that they face.

Sincerely,

*Insert*