Introduction

Twenty years after enactment of the Nursing Home Reform Law, concerns over quality in America’s nursing homes persist. The issues are multi-faceted—related to problems such as nurse staffing shortages, inadequate enforcement of standards and reimbursement disincentives.

No matter the reason, substandard quality in many nursing homes leaves consumers with a general impression that in their final years of life, nursing homes are not where they want to be. Couple this notion with certain demographic trends and the enormity of the issue is clear: by 2050 one in five people in the US will be 65 or older and 12 million of them will need long-term care. Those over 85, the cohort most likely to need long-term care, will total five percent of the population. (see chart, “Population Age 85 and Older” on page 2.)

What Do Older People Want?

If older people do not want nursing home care as they now know it, what do they want? According to a study by two respected analysts, “Determining older persons’ long-term care preferences is a necessary prelude to devising a system that honors their wishes.”

The study looked at the differences in long-term care for older populations. Researchers Rosalie and Robert Kane found that older people want, but do not get, the same chance that younger people have to choose autonomy in long-term care—“control, individuality and continuity of a meaningful personal life”—over safety. Older people want to live in a setting that is home-like and allows them to make decisions they are used to making for themselves—when to get up, eat breakfast, take a bath, and go to bed. They want to be able to choose activities that are interesting to them—reading a book, listening to music, taking a walk, dancing, telling stories.

They would prefer to stay at home or in a home-like environment and get care where they live, rather than live in an institution that focuses on care. They want to have personal items they have collected over a lifetime as part of their surroundings, and they would like to have a regular or consistent caregiver who knows and understands their preferences.

Culture Change Option to Improve Quality

Some providers, consumers and advocates think that cultural transformation—a paradigm shift in how we think about nursing homes—is needed to give people what they want. This requires transformation from an acute-care, medical model managed by physicians and nurses to a consumer-directed model.

This transformation or “culture change” de-emphasizes the institution and emphasizes person-centered care. It encourages thinking about long-term care facilities as places that people can call home, where people live and also can get good care, rather than primarily as places that deliver care. Facilities that oper-

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1 Though “nursing homes” may connote different things to different people and cover a wide range of care facilities, for the purposes of this paper it refers to long-term care facilities considered skilled nursing facilities for Medicare and Medicaid reimbursement. The term “nursing home” is used interchangeably in this publication with “nursing facility” and “long-term care facility.”
changing the nursing home culture

Population Age 85 and Older (as % of Total U.S. Population)


Dr. Thomas’ ideas then expanded to encompass the physical layout of long-term care facilities, called Green Houses. In this model, the campus or facility is comprised of small homes or units that house six to 10 residents each. All residents have a private room and bath. Residents come together for meals and recreation in a community space called the “hearth,” which contains a living room with a fireplace, an open kitchen and dining area.

Green Houses appear to be, and function as, homes first and foremost. Certified skilled nursing care is provided within this home-like environment. The first Green House homes were built in Tupelo, MS in 2003. In a 2007 study of this project, Rosalie Kane found that Green House residents experienced better quality of life than a comparison group in traditional nursing homes. In addition, the quality of care for Green House residents equaled or exceeded that of the comparison group.

Other culture change models that follow the principles of “resident first,” creating a home-like environment, and involving a transformation of staff roles, include Wellspring in Wisconsin, Meadowlark Hills in Kansas, and Otterbein Avalon communities in Ohio.

Implementation and Expansion

The Robert Wood Johnson Foundation is currently supporting a five-year initiative to develop Green House projects throughout the United States. The Green House Replication Initiative is in its third year and has 24 projects in various phases of operation and development. They are in 15 states across the country. NCB Capital Impact, which oversees the initiative for the foundation, plans to develop Green House homes with 50 or more organizations by providing technical assistance and pre-development loans to those entities.

Labor-Management Partnership

In addition to transforming physical space, transforming staff roles is an important approach to achieving quality care through culture change. Nurses, nursing assistants and aides, activities personnel, other direct care workers, and line staff who interact with residents—all are actively involved. The idea is to transform resident routines and programs.
A labor-management initiative in New York has shown that culture change does not have to start by changing the physical plant. The first of its kind, the Quality Care Committee, is the result of a contractual commitment between New York’s non-profit nursing homes and Local 1199 of the Service Employees International Union (SEIU).

Jay Sackman, consultant to SEIU, led the initiative when he was head of the Nursing Home Division of Local 1199. At the October briefing, he commented that both labor and management felt the need for fundamental changes in long-term care. The partnership’s motto is “Together we can—create a person-centered culture.” The program involves staff and leadership training through conferences and meetings, and organizational development consultation.

Early results are encouraging. In addition to a better quality of life for residents, staff in participating facilities are more satisfied with their work, teamwork and communication have been enhanced and staff turnover has been reduced. This may also provide a long-term cost advantage to the organization, making it a win-win for all. SEIU has plans to replicate this model throughout the country.

**Policy Implications**

Nursing homes are governed by federal legislation known as the Nursing Home Reform Law, which was part of the Omnibus Budget Reconciliation Act of 1987 (OBRA ’87). The law guarantees residents’ rights to care in a manner and environment that promote maintenance or enhancement of their quality of life.

Culture change homes offer new models for achieving the intent of the law. The Centers for Medicare and Medicaid Services (CMS) has recognized the value of these new models and has found no barriers that would prevent them from being certified as Medicare and Medicaid nursing homes under current federal law and CMS rules.

CMS supports the notion that culture change is the fulfillment of OBRA principles. Karen Schoeneman, project officer for CMS, told the briefing audience that “culture change has become institutionalized in the CMS administrator’s action plan.” She also noted that CMS has provided guidelines to survey agencies; held interactive videoconferences with Green House project leaders, CMS regional survey staff and state agencies; and organized a series of broadcasts on culture change topics in collaboration with the Quality Improvement Organizations.

**State Regulation**

States play an important role in carrying out the federal law. They also have their own laws, rules, regulations and codes that come into play in moving culture change forward or impeding its progress. Certificate-of-need laws sometimes prevent the building of new facilities. However, some states have a waiver process that promotes culture change. Washington State, for example, requires documentation identifying how the proposed design provides a home-like environment and promotes resident-centered care. Sometimes prescriptive laws prevent the flexibility needed to make small changes such as removing nursing stations or moving furniture around to a resident’s liking. In 2005, Florida enacted legislation changing an old rule that required beds to be a minimum distance from all walls.

**Reimbursement**

Public funding provides more than 60 percent of nursing home payments (Medicaid, 43.4 percent; Medicare, 16.7 percent). Green Houses and other innovative nursing home models are not different than traditional nursing facilities in this regard. Though these models call for private rooms, Medicaid reimbursement rates remain the same as for shared space in traditional nursing facilities. However, when Medicaid rates are significantly less than private-pay rates, this affects the number of Medicaid patients that a Green House can accept—a dilemma faced by traditional nursing homes as well.

There is a potential “catch 22” for culture change providers, warned Bonnie Kantor, executive director of the Pioneer Network. Under Medicare, the nursing home payment system is based on the level of care required by the residents. State Medicaid payment policies tend to encourage spending on nursing services and limit payments for other services. Since it has been shown that residents do better in culture change environments and their health improves, will providers then receive lower reimbursement rates and will this provide a perverse incentive? Policymakers need to be wary of actions that could “disincentivize” resident-directed care.

**Workforce Issues**

There is a great need for basic education, continuing education and training that emphasizes the way older people want to live when they require nursing home care, according to Dr. Kantor. “People have to learn about this in our schools,” she stressed.

Most nurses currently in the workforce have been trained in ways that make delivery of care in hospitals (i.e., institutions) safe and efficient. When nursing homes move away from this medical model and become deinstitutionalized, direct care staff will need re-education. So will nursing home administrators, medical directors, directors of nursing, activities pro-
The Alliance is a nonpartisan, not-for-profit group committed to the education of journalists, elected officials and other shapers of public opinion, helping them understand the roots of the nation’s health care problems and the trade-offs posed by various proposals for change.


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Websites

Alliance for Health Reform
Advancing Excellence in America’s Nursing Homes
Amer. Assn. of Homes and Services for the Aging
American Health Care Assn.
Centers for Medicare and Medicaid Services
Green House Project
National Commission for Quality LTC
Pioneer Network
Robert Wood Johnson Foundation

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Challenges

The briefing panelists noted several challenges for policymakers, providers and advocates. They agreed that there is a large stock of aging nursing facilities that were built to suit an institutional model. It will take some creativity and capital to transform these into home-like environments in a cost-effective way. If operating costs are no lower than in traditional facilities, will owners/operators make the required capital investment? Recent studies have looked at the business case for culture change, and Pioneers and other advocates are disseminating this information while gathering more evidence from their partner organizations and other stakeholders.

In addition, the speakers emphasized that there are administrators, professional staff and providers at all levels who need training in the new paradigm. In addition, state laws need an overhaul and perhaps also state and federal reimbursement mechanisms. As large a task as this seems, the charge is that it must be done to meet the needs and desires of our aging population and fulfill the intent of OBRA'87.