

# The News



of Cumberland County

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## Medicaid the blame Assisted living too costly for Millville

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MILLVILLE — The Millville Housing Authority (MHA) is cutting its assisted-living program due to rising costs and dormant Medicaid payments and outsourcing to solicit proposals from outside health organizations.

"This does not mean anybody has to move," assured Ed Dice, executive director of the MHA.

Dice said at the meeting Tuesday evening that he is seeking approval to outsource the assisted-living program.

In the last six to seven months, the program brought on 16 people, but only had a net increase of eight people.

In January 2007, Medicaid reimbursements went up from \$40 to \$50 per day per client, which has stayed steady.

"We aren't seeing any increase there," Dice said. "And we cannot make up that \$50 per day because the assisted living license limits who we serve and how."

The problem is that the costs of running assisted living are going up and since the assisted living program is not a federal program, they cannot use HUD monies for that, especially since there have been HUD funding cuts

in the operating subsidy, choice voucher.

"The situation of the rising costs is the fatal flaw here," Dice said. "This program only works if the Medicaid rates increase."

One full-time employee, Theresa Stiles, does not support the decision to cut the program.

"The housing authority should give the assisted program a second chance," Stiles said. "It's worth fighting for."

She attributes it to the hiring of per diem employees.

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## Assisted living

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"That made the program look bad because of the resident care," Stiles said. "Some of our residents could end up back in a nursing home, and we don't want that. We lost customer service when we went per diem."

"Taking care of people is in my heart. I love doing that. I will do anything for these residents."

Dice responded, "It's not a decision that came with a knee-jerk reaction. We tried to combine the program and reduce the overhead, but it didn't work."

"If someone like another company comes in, everything could be the same with community Medicaid options," Dice said.

"We've all had challenges. We've all tried to fight for it. We fought for over two-and-a-half years. This has been a priority of the board."

Dice added: "Medicaid rates are not going up and we don't have a way to generate additional revenue. I think Theresa is right about the employees."

After Dice spoke, Director of Resident Services Dorothy Conti also responded.

"In defense of Mr. Dice, he did fight for us," Conti said. "But it's the economy. The costs of everything goes up, but our salaries don't."

Dice also assured that, despite the rumor mill of who will take over the assisted living, "no one can take over until the board reviews the solicited proposals. No one is slated to take over."

Dice said he hopes to hear from bidders within the next 30 days from when the bidding proposal is published.