

Introduction

Over the past decade, there has been increasing interest among providers, consumer advocates, policymakers and researchers in how to design and implement culture change elements to transform traditional institutional long-term care settings. Although much of the culture change philosophy had already been articulated in the Omnibus Budget Reconciliation Act of 1987 (OBRA), it took a group of progressive providers, consumers and others concerned about the lack of attention to the resident and “home” to create the “Pioneer Movement” that began to raise this issue as a policy and practice priority. The early pioneers developed approaches to systematically change the culture and practice of their facilities. Their efforts led to a network in the 1990s that addressed the needs and issues of older adults and advanced the culture change movement.

The Commonwealth Fund provided a grant to the Institute for the Future of Aging Services (IFAS), housed at the American Association of Homes and Services for the Aging (AAHSA), to examine and document the extent to which and in what ways states have engaged in promoting, encouraging and supporting culture change activities in nursing homes. The project focused on seven states that have been proactive in supporting culture change through a variety of policy and practice initiatives. The premise for the project is that the state government can help promote and support culture change efforts because they are major players in financing and regulating long-term care.

The goal of this toolkit is to help other states initiate or expand upon their culture change activities. The toolkit includes information about the importance of the state’s role in culture change and the factors that helped states support these types of initiatives. Additionally, it includes information and resources (documents, links to Web sites, etc.) on a variety of initiatives from each state that were part of the case study, as well as a few additional resources outside the case study states.

How to Use the Toolkit

The State Investment in Culture Change project assessed how seven case study states—Georgia, Kansas, Massachusetts, Michigan, North Carolina, Oregon and Vermont—made financial and human resource investments to support culture change initiatives in nursing homes. The case study states developed programs and activities that can help guide other states interested in making similar investments. The research team has presented the findings from the case study at several conferences and meetings to share the lessons learned from these exemplar states. The presentations included representatives from the state government and educational institutions, providers and others involved in the different initiatives to share the experiences and how the state governments have invested and supported the activities. The goal is to provide other states with this information, so they can learn from these experiences, and to create a network among state governments and other key organizations. The profiled initiatives include a description to enhance awareness of the range of approaches and specific interventions that have been developed through state investments. Additionally, the initiatives include resources and contact information to help states initiate or expand on their culture change activities.

Each state initiative is outlined in a profile that provides:

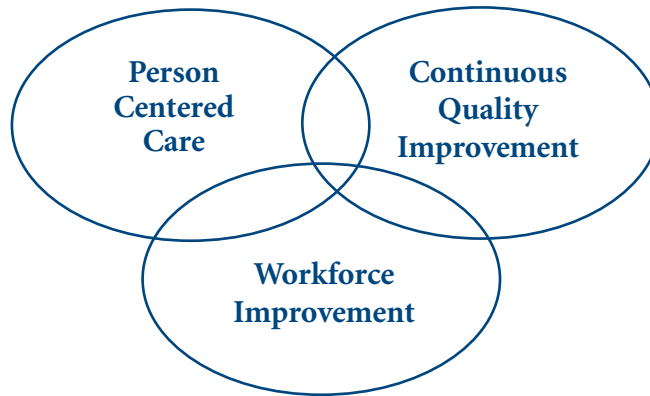
- ♦ A short description
- ♦ Resources, including Web sites and documents that provide more details about the program or activity
- ♦ Contact person

The toolkit also includes a list of contact people from each state. We encourage shared learning and the creation of a network across states. The list of key stakeholders are those who are part of the initiatives and are willing to share information about their programs and what they have learned through the process.

The *Appendix* provides additional tools and resources that were not included as part of the project but can be useful in the development of culture change programs.

What Is Culture Change?

Over the years, the definition of culture change and the activities subsumed under its banner have evolved. There is consensus that culture change requires substantial organizational transformation, and nursing homes cannot achieve it through any one intervention. The analytic framework for culture change is that it has three strategic objectives: person-centered care, workforce improvement and continuous quality improvement.



- ♦ **Person-centered care**, initiated by the Pioneer Movement, focuses on reclaiming the concept of “home” and ensuring that all care and supports are person-centered.
- ♦ **Workforce improvement** initiatives address improving the recruitment and retention of a quality, stable nursing home staff at all levels to improve the quality of care and life for residents.
- ♦ **Continuous quality improvement** emphasizes the organization and systems, focuses on the process rather than the individual and promotes the use of objective data to analyze and improve practice.

This definition incorporates similar attributes identified by a group of experts and stakeholders and described in *Measuring Culture Change: Literature Review report* (Colorado Foundation for Medical Care, 2006).¹ The panel identified the following elements of culture change expected to be found in a nursing home that is “100 percent culture changed”:

- ♦ Residents direct care and all resident-related activities.
- ♦ The living environment is designed to be a home rather than an institution.
- ♦ There are close relationships between residents, family members, staff and the community.
- ♦ Work is organized to support and empower all staff to respond to residents’ needs and desires.
- ♦ Management enables collaborative and decentralized decision making.
- ♦ Systematic processes for continuous quality improvement are comprehensive and measurement based.

¹ Colorado Foundation for Medical Care (Quality Improvement Organization for state of Colorado) (2006). *Measuring Culture Change: Literature Review*. Final report submitted to the Centers for Medicare and Medicaid Services, Baltimore, MD.

State Investment in Culture Change— How to Get Started

Important Role of State Government in Culture Change

The culture change movement has been led by providers, worker associations, consumer advocates and researchers. The state government has not played a significant role in many states. Given the fact that states are major players in financing and regulating long-term care, including their responsibility for ensuring the delivery of quality services in nursing homes and for the development of the workforce in the health sector, it is in their best interest to help promote and support culture change efforts. They are the primary funders (through the Medicaid program and their own funds); they regulate nursing homes, home health agencies and assisted living; they set the standards for nurse and nursing assistant training; and they administer the ombudsman programs. They also control the Workforce Investment Act funds, passed down from the U.S. Department of Labor, which many community colleges and providers use to train direct care workers in long-term care. Consequently, they have a major, ongoing role to play in ensuring the quality of care and life that people receive in nursing homes and other settings. This includes their current and potential role in encouraging and supporting culture change and person-centered care delivery.

States have the potential and the responsibility to make important administrative, regulatory and legislative changes that will increase opportunities for culture change. This includes using their buying power to create incentives for providers (e.g., including culture change and workforce improvement elements in pay-for-performance reimbursement schemes). *The Results of the 2007 National Survey of State Initiatives on the Long-Term Care Direct Care Workforce report* identified eight states that tie reimbursement rate enhancements to outcomes (PHI and the Direct Care Workers Association of North Carolina).² The increased payment rates are to workers in nursing homes or home health agencies. Some of these initiatives were legislated, while others were the result of departmental authority. On a less ambitious scale, state governments can provide grants to providers, worker associations and educational institutions interested in advancing culture change. Many already have invested in studies and commissions to examine problems and solutions and to raise public awareness of these issues.

Features of Successful Implementation

A number of issues emerged across the states. The seven case study states have common features in the successful implementation of culture change activities. These help facilitate the long-term sustainability of the initiatives.

Degree of Inter- and Intra-Departmental Coordination/Integration

The case study states varied in their level of integration across the different culture change programs and initiatives—workforce improvement, person-centered care and continuous quality improvement. In states with several compartmentalized and independent activities, it is not clear if and how the efforts work together. The different initiatives can diffuse the energy and focus among the agencies involved and the nursing homes.

Several states, however, have made efforts to examine the different activities and integrate the different objectives and goals to have a more unified approach. In addition, some states have used external grants to pull together diverse activities focused on the same type of issues. Better Job Better Care, for example, was a mechanism for North Carolina, Oregon and Vermont to coordinate various workforce initiatives. The competitive programs required that each state have a coalition of the key stakeholders to work together to initiate practice and policy changes as they related to direct care workers.

²Paraprofessional Healthcare Institute and the Direct Care Workers Association of North Carolina (October 2007). *Results of the 2007 National Survey of State Initiatives on the Long-Term Care Direct Care Workforce.*

Kansas demonstrated the most integrated approach to statewide culture change activity. This integration is due, in large part, to the executive branch's unique organizational structure. It is the only state the research team studied to

co-locate the regulatory, programmatic and financial functions related to aging services within the same department—the Kansas Department on Aging (KDOA). KDOA administers the Older Americans Act, the Medicaid program (including reimbursement) for nursing homes and home and community-based services and the regulatory oversight of all long-term care settings.

This move provided the opportunity for these two powerful influencers on nursing homes to collaborate in efforts to remove barriers and reward culture change. The secretary on aging has the ability to use the state Medicaid payments to nursing homes and the regulatory process to promote culture change. Although the intention of the move at the time was not to facilitate culture change, the creation of a unified agency played a key role in helping to create a broad culture change strategy in the state.

The Involvement of State and Local Workforce Development Funds

Two key resources to address long-term care workforce improvement issues are the Department of Labor (or equivalent state-level agencies responsible for workforce development) and local Workforce Investment Boards (WIBs). Workforce development agencies have both federal and state resources dedicated to identifying new workers to meet state and regional demands and developing training programs, career ladders and career lattices for new and incumbent workers. They are also the conduits of substantial funds to the local WIBs to support implementation of workforce development programs. Many are increasingly targeting the health sector, and a few have focused specifically on the long-term care field.

The WIBs connect workforce training and development to local and regional engines of economic growth. WIBs have the potential to support efforts to improve the long-term care workforce and may even be a catalyst for efforts to customize recruitment and improve entry-level training. They also can support efforts to redesign jobs and revamp training and credentialing systems for direct care work.

Rethinking Regulatory Approaches

One of the key impediments to culture change in nursing homes (often perceived, sometimes real) is the state regulatory process and the surveyors themselves. There is a perception that the field surveyors in particular do not value and understand culture change. In the research team interviews, some state agency staff and providers noted that while the director and upper management of the regulatory agency may be committed to culture change, the front-line surveyors and sometimes the middle managers have not been adequately educated about culture change and are not open to this type of transformation.

The relationship between state survey agencies and nursing homes has historically been contentious and, at times, adversarial. According to Walshe (2001)³ the current American approach to enforcing nursing home regulation is often characterized by deterrence. In this approach, some nursing homes are seen as out to get away with what they can and, therefore, the regulatory agency needs to have formal, written regulations and significant sanctions to minimize practices that may harm residents and jeopardize quality. A number of stakeholders, particularly providers but also some government representatives, expressed concerns about strained relationships between nursing home operators and regulatory bodies and the potential for stifling innovation.

The research team found that some providers are hesitant to initiate change because of fear they will be penalized for making modifications, particularly in the physical design and staffing areas. On the other hand, many providers and state staff felt that regulations were not barriers, but that providers were just using this as an excuse to avoid change. Several of the case study states are reviewing their regulations to determine if they conflict with culture change and how they can be more supportive of these efforts.

³Kieran Walshe, "Regulating U.S. Nursing Homes: Are We Learning from Experience," *Health Affairs*, November/December 2001; 20(6): 128-144

In response to these tensions, several states that we studied have begun to see their role differently and have added a new dimension to their regulatory approach. They have found ways to be both an enforcer of regulations and a provider of technical assistance to homes on how to implement culture change within the regulatory framework.

This assistance and education to nursing homes has focused on how to provide more person-centered care and how to develop a more empowered workforce. While not without its detractors, this complementary approach seems to be growing in momentum in the states that are exemplars in culture change.

Importance of Relationship Building across Stakeholders

Changing the culture in a nursing home involves not only the physical transformation of the home, such as creating neighborhoods or installing home-style dining, but also the transformation of relationships at all levels. This study found that state efforts to encourage culture change also involve changing relationships—between the state staff in different agencies, between state officials and providers, and between provider associations and consumer advocates. Many of the state respondents reported that expanding their relationships with multiple stakeholders has been integral to successful culture change efforts.

Building a different kind of relationship with providers and others played an important role in how successful the state was in encouraging nursing homes to adopt culture change initiatives. Whether the state or the providers were the primary motivators or whether it was a combination of the two, in almost all the case study states, it took both to move culture change into the state.

It was often in the many day-to-day activities when states and providers really began working together and forging more open communication. Whether it was planning for joint provider-surveyor training or working together to apply for a major grant to improve the workforce, these connections were just as important, and maybe more so, than formal coalitions.

This study found that the state presence at the “coalition table” is critical to successful culture change efforts. State representatives can offer access to multiple state programs that affect different aspects of culture change (regulation, rate setting and reimbursement, workforce development). They can also help to identify potential funding sources.

State investment in culture change cannot be achieved in isolation. Building sustained relationships with stakeholders is essential to moving culture change throughout a state. When all of the “players” are working together on common issues, there is a greater probability that each stakeholder group will contribute to an overall culture change effort rather than each working on their respective silo projects.

Funding Mechanisms

States can make significant financial investments in culture change activities using a variety of mechanisms, including Civil Monetary Penalty (CMP) dollars, legislative funding, Medicaid dollars and grants or contracts to outside organizations. Some states also have provided in-kind support that includes devoting part or all of a full-time equivalent position to this issue; allowing staff to participate in coalitions, taskforces etc.; providing office space for workshops and conferences; and other non-financial supports. In addition, some legislative efforts—while not tied to dollars—have mandated the state to conduct studies and/or modify policies to facilitate culture change practices.

Civil Monetary Penalties

Civil Monetary Penalties are “fines the Centers for Medicare and Medicaid Services can impose on Medicare and Medicaid-certified nursing facilities that are found to be noncompliant with federal safety and quality of care standards” (Levinson, 2005).⁴ This is one of the sanctions against nursing homes that resulted from the 1987 Nursing Home Reform Act. The federal and state regulatory agencies can issue these fines (The Commonwealth Fund,

⁴Levinson, D. (2005). *Nursing Home Enforcement: Collection of Civil Money Penalties*. Department of Health and Human Services, Office of Inspector General.

2006).⁵ Each state has rules on how to use the fines collected. One consideration is for states to require the CMPs be used for projects to improve the quality of care and life for nursing homes residents and staff. Within this quality context, many states have used this CMP mechanism to support culture change projects. The advantage of the CMP mechanism is that the fines represent a pool of available money to improve the quality of care and life in nursing homes. Perhaps the major disadvantage of this mechanism is the instability of the funding and, consequently, the inability of those receiving the funds to sustain projects that rely solely on this source of funding. In addition, the size of the funding pool may change depending on how the fines are calculated.

Legislative Efforts

The case studies found that several states employed a legislative route to both create and fund programs that promote culture change in nursing homes. Of all the case studies, Massachusetts is the best example of how a state legislature can ensure a long-term investment in culture change efforts. The legislature not only invested significant dollars in workforce improvement and culture change over an extended period of time, but also worked with the executive branch to make the initiative a line item in the budget. Although less ambitious, other state legislatures have supported various aspects of culture change.

Medicaid

Medicaid is the federal/state health care program for low-income individuals and the major public payer for services provided in nursing homes. States set the Medicaid reimbursement rate, and the methods for calculating this rate vary substantially from state to state, although most reimburse on a prospective basis. Several states have used Medicaid reimbursement to nursing homes as an incentive to improve the quality of care. In Michigan, for example, providers have received supplemental Medicaid dollars to implement culture change components in nursing homes. Georgia nursing homes receive a percentage increase in their Medicaid rates to support their standardized data collection and reporting. Kansas provides increased Medicaid reimbursement to nursing homes that have demonstrated improved quality of care and a healthy workplace.

Grants or Contracts

In addition to funds provided through the CMP pool, some state agencies have awarded grants or contracts to provider associations to administer programs or to individual providers and consultants for the development of products or implementation of culture change activities. These types of investments are most dependent on the funding available from the state agency and typically have a specified time.

In-Kind Support

Many state representatives have provided a significant amount of in-kind time toward the culture change initiatives. In most of the states, one or more staff persons represent their agencies on coalitions focused on workforce improvement and the development of person-centered care in nursing homes. In addition to the monetary value of the staff time, this participation from state agencies helps to guarantee that they will be a champion within the executive

branch to advocate for these activities, to help gain access to funds and to resolve regulatory and administrative challenges to program implementation.

State government representatives also are members of numerous steering committees, taskforces and workgroups that examine various culture change efforts and make recommendations to the executive and legislative branches. In addition, some state staff members have become trainers in person-centered care and have helped to expand the skills and knowledge of caregivers in the field. In a few cases, for example in Kansas, a full-time staff person has been dedicated to culture change efforts.

⁵ The Commonwealth Fund. (2006). *Funding for Innovation: A Review of State Practices with Civil Monetary Penalties. Opportunities to Improve Care with Recommendations for State and Federal Governments and Strategies for Stakeholders to Help Implement Recommendations.*