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Realty Group**

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CONGRESS ON A FAST TRACK TO "REPEAL AND REPLACE" THE ACA

Medi-Cal Funding Threatened by Significant Loss of Federal Funds

On Monday March 6, 2017, House Republican leadership and President Trump unveiled the American Health Care Act (AHCA) and announced a rush to pass the legislation through two committees without the usual step of attaching a Congressional Budget Office (CBO) score. CBO's job is to estimate the cost of legislation over a ten year period. This scoring exercise is set by Congress' own rules requiring proposed legislation to balance any new costs with offsetting savings (known as pay-fors). The AHCA legislation unwinds many of the cost saving and tax features of the ACA (Obamacare), which had been scored as cost-neutral.

How does this impact providers?

To make up for eliminating the individual tax penalty for not purchasing individual health insurance and the employer "cadillac" tax penalty on companies offering rich health plans, the legislation makes an offsetting \$360 billion in reductions to Medicaid (33% cut over 10 years). These reductions come from changing the Medi-Cal program from a 50/50 state/federal share to a fixed federal share, leaving the state to make up the difference in cost as it chooses.

Justice in Aging summarizes the impact on Medi-Cal this way:

The American Healthcare Act (AHCA) would be disastrous for the many older Americans who rely upon Medicaid for in-home assistance, nursing home care, and other health care services. The legislation calls for drastic funding decreases, virtually guaranteeing that state Medicaid programs will ration care.

<http://www.npr.org/2017/01/12/509441874/senate-takes-first-step-towards-repeal-of-obamacare>

SENIOR LIVING FACILITY EXPANDING IN OC

Oakmont on The City Drive, a three-story, 98-unit senior living community, was recently approved by the Orange Planning Commission. Officials say construction on the building could start in early June and be completed by August 2017. Construction could start as early as June on a three-story, 98-unit senior living community planned at 630 The City Drive South. Oakmont Senior Living is developing the complex and will run the facility, to be called "Oakmont on The City Drive" once it opens, which officials expect will be August 2017.

The project was recently approved by the Orange Planning Commission.

Featured Facilities



Desert Hot Springs

Vacant Facility For Lease
ARG125549983 -- \$2,600
3 Bed, 2 Baths,
13,504 Sqft Living Space, 13,504 Sqft Lot



Cypress

6 Bed RCFE For Lease
ARG125553278 -- \$4,000
\$18,300 Monthly Income
4 Bed, 3Baths, 1,818 Living Sqft, 5,940 Sqft Lot



Fountain Valley

6 Bed RCFE For Lease
ARG125553496 -- \$4,500
\$22,900 Monthly Income
6 Bed, 2 Baths, 1,773 Living Sqft, 7,624 Sqft Lot



Laguna Hills

6 Bed RCFE For Sale
ARG125554830 -- \$775,000
\$25,200 Monthly Income
5 Bed, 4 Baths, 1,997 Living Space, 7,227 Lot



North San Diego County

ARF Level 4I For Sale
ARG124550470 -- \$440,000
\$38,000 Monthly Income
5 Bed, 2 Baths, 2,275 Sqft Living Space



Long Beach

6 Bed RCFE For Lease
ARG125552141 -- \$3,500
\$12,500 Monthly Income
2,412 Sqft Living Space, 7,720 Sqft Lot



Los Angeles

70 Bed ARF For Sale
ARG124559511 -- 4,000,000
\$70,000 Monthly Income
ARF Facility -- for the Mentally ill

Of the 98 units, 27 will be part of a care unit for those with “advanced memory loss” due to illness such as Alzheimer’s. The other units are a combination of one- and two-bedroom assisted-living units.

The development will be a licensed residential care facility for the elderly, said Bill Mabry, a project development partner for the group. Oakmont on The City Drive will be the second Oakmont Senior Living location in Orange County. In 2013, it opened Capriana in Brea.

<http://m.ocregister.com/articles/living-703119-oakmont-senior.html>

EXPANSION UNDER WAY FOR ANAHEIM SENIOR LIVING COMMUNITY

Emerald Court, an Anaheim senior living community, is undergoing a \$22.5 million renovation and expansion that will add assisted-living residences, a new bistro, café and a wellness center.

Started several months ago, the 58,000-square-foot expansion is expected to finish in the fall.

Emerald Court, part of the Kisco Senior Living group, offers both independent and assisted living for seniors.

The new assisted-living residences are expected to be completed and filled by December.

<http://m.ocregister.com/articles/living-745265-facility-new.html>

THE DISABLED AND THE ELDERLY ARE FACING A BIG PROBLEM: NOT ENOUGH AIDES

Source: Judith Graham, Kaiser Health News

Acute shortages of home health aides and nursing assistants are cropping up across the country, threatening care for people with serious disabilities and vulnerable older adults.

In Wisconsin, nursing homes have denied admission to thousands of patients over the past year because they lack essential staff, according to associations of facilities that provide long-term care.

In New York, patients in rural areas have been injured, soiled themselves and gone without meals because paid caregivers aren’t available, according to testimony provided to state legislators in February.

In Illinois, the independence of people with severe developmental disabilities is being compromised as agencies experience severe staff shortages, according to a court monitor overseeing a federal consent decree.

The emerging crisis is driven by low wages - around \$10 an hour, mostly funded by state Medicaid programs - and a shrinking pool of workers willing to perform this physically and emotionally demanding work: helping people get into and out of bed, go to the bathroom, shower, eat and participate in routine activities, often while dealing with challenging behaviors.

Experts warn that this labor problem portends even worse difficulties as America’s senior population swells to 88 million people in 2050,

up from 48 million today, and requires more assistance with chronic health conditions and disabilities.

“If we don’t turn this around, things are only going to get worse,” said David Gifford, senior vice president of quality and regulatory affairs for the American Health Care Association, which represents nursing homes.

“For me as a parent, the instability of this system is terrifying,” said Cheryl Dougan of Bethlehem, Pennsylvania, whose profoundly disabled son, Renzo, suffered cardiac arrest nearly 19 years ago at age 14 and receives round-the-clock care from paid caregivers.

“We’ve gone through hundreds of ... workers, and there have been times I’ve found Renzo sitting in a recliner, soaking wet, because his diapers hadn’t been changed. And at times I wasn’t sure if he was being fed well or treated well,” Dougan continued. “It’s exhausting, mentally and physically. You live with a constant sense of crisis.”

For years, experts have predicted that a rapidly aging population’s demand for services would outstrip the capacity of what is called the “direct care” workforce: personal care aides, home health aides and nursing assistants.

The Bureau of Labor Statistics estimates that an additional 1.1 million workers of this kind will be needed by 2024 - a 26 percent increase over 2014. Yet the population of people who tend to fill these jobs, overwhelmingly women age 25 to 64, will increase at a much slower rate.

After the recession of 2008-2009, positions in Medicaid-funded home health agencies, nursing homes and community service agencies were relatively easy to fill for several years. But the improving economy has led workers to pursue higher-paying alternatives - in retail services, for example - and turnover rates have soared.

<http://www.newbernsj.com/news/20170425/disabled-and-elderly-are-facing-big-problem-not-enough-aides>



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