



Introducing the

Center for Assisted Living Innovation

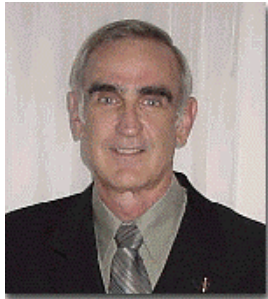


The Center for Assisted Living Innovation was recently established at Florida Gulf Coast University to improve the lives of the burgeoning number of frail elderly and otherwise physically or cognitively challenged people who require daily living assistance. In partnership with industry, the senior community, and other researchers, CALI will integrate advanced technology with the latest research on aging and disability to spearhead much-needed innovation in assistive environments, systems, and practices. Our mission is to enable people to live more independently and with greater dignity—while at the same time relieving burdens on families and caregivers.



Letter from the Founder

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In the summer of 2001, I led a terrific team of alumni, faculty, students, and administrators at Florida Gulf Coast University in founding the Center for Assisted Living Innovation. CALI is an FGCU institute that addresses the challenges faced by people who—because of age, injury or disease—require assistance with activities of daily living.

Several years ago my father suffered a debilitating stroke that left him dependent on my mother and I to bathe, dress, and move him. This occurred shortly after I recovered from severe injuries suffered in a car accident that had, for several months, rendered me just as dependent on assistance. These experiences marked a turning point in my life. I realized that millions face such challenges every day, and that nearly all of us have experienced them at some point within our families or circles of friends. I was determined to make a difference in this large and important community, and I started by examining its most pressing concerns.

- **A Growing Scarcity of Caregivers and Resources.** With the continued aging of the United States and many other countries, the assisted living community will grow. This means that the availability of caregivers—whether family or professional—will dwindle dramatically relative to the burgeoning number of people requiring care. (In the next twenty years or so, when the biggest waves of the [Baby Boom](#) reach retirement, the ratio of care givers to receivers will fall to one fourth of what it is today.) Another implication is that the cost of care promises to skyrocket at the same time that tax revenues shrink as Baby Boomers retire. This process is already under way; our healthcare and life care systems currently suffer chronic labor shortages and spiraling costs in many areas. These demographics impact growing numbers of people who fail to receive the level of care they deserve, either because their families are unable to provide it, or because the caregiving institutions they rely on are increasingly strapped by cost and manpower issues.
- **A Need to Ease the Burdens and Enhance the Lives of Care Givers and Receivers Alike.** My experiences as both care giver and receiver made me keenly aware that better assistive solutions were needed to preserve the independence, dignity, and well-being of older people and people with disabilities, and of those who care for them. I believe that much of the isolation, helplessness, drudgery, risk of injury, and unpleasantness involved in assisted living can be alleviated through:
 - ❖ Enlightened care practices based on the very latest research in age-related and other physical and cognitive disabilities;
 - ❖ Improved building, interior, and product design;
 - ❖ The development of residential alternatives to assisted living facilities that allow more people to avoid having to leave their own homes and communities;
 - ❖ The targeted application of advanced engineering, computerization, and robotics.

Recently there have been major advances in fields such as universal design, robotics, artificial intelligence, communication systems, and, most importantly, in our understanding of the physical, social and psychological aspects of aging and disability. It is now possible to design effective, affordable assistive environments and devices that enable high degrees of autonomy and self-sufficiency without sacrificing security, safety, privacy, and well-being. An important added benefit results from the reduction in caregiver hours devoted to menial tasks: it increases the quality of care provided while also helping to rein in costs and relieve the labor crunch.

- **A Need For Authoritative Information and Standards on Assistive Products, Services and Practices.** When it became apparent that my mother and I needed help caring for my

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father, we were frustrated by a lack of accessible, comprehensive information on the availability and quality of assistive services and products. My subsequent experiences and research confirmed that there exists no truly comprehensive, authoritative assisted living information source. The major impetus for CALI was the recognition that widespread improvement in the quality, affordability and availability of assisted living required the creation of a nationally recognized knowledge and standards authority serving both providers of services and those who use them.

CALI is an interdisciplinary research and service institute dedicated to promoting excellence in assisted living by serving as just such an authority. We will accomplish this through our own and affiliated research, government and industry alliances, and by working closely with all stakeholder groups to identify and address their needs. We will help identify, develop, certify, and implement solutions that span everything from building design to health monitoring, from intelligent household appliances to specialized mobility and communication devices. We will also spearhead lobbying and education efforts to promote the use of these innovations in the assisted living industry and community.

Our strategy involves a number of closely interrelated initiatives:

1. www.CALI-FGCU.org, an **electronic knowledgebase, information repository, clearinghouse, and community of interest in assisted living innovation**. We intend to create the leading online portal for research and information relating to assistive environments, technologies, and practices.
2. **The CALI Assisted Living Lifestyle Laboratory**. This unique laboratory will serve as a development, testing, demonstration, and training center for assistive technologies and practices, for both facility-based and residential environments. Lifestyle research will also encompass field studies in a variety of settings.
3. **The CALI Assisted Living Standards Program**. CALI will partner with the healthcare, life care, and building industries, with relevant government agencies, and with authorities in health and safety certification, to develop and integrate standards covering all aspects of assisted living environment design and operation within a single, comprehensive framework.
4. **The CALI Assisted Living Alternatives Incubator**. CALI will develop alliances with industry and government to promote commercially viable, affordable alternatives to traditional assisted living facilities. The primary goal will be to allow more people to remain in their own homes and communities throughout their lives.
5. **CALI Consulting**. We will conduct sponsored research, assistive needs assessment, assistive environment design, and assistive systems integration.

To achieve this ambitious vision, CALI will need to draw on the considerable resources of FGCU, the Southwest Florida community and industries, as well as their counterparts across the nation and around the world. With the support of individuals and organizations that share our goals, we intend to make CALI—together with FGCU and Southwest Florida—an internationally recognized center of excellence in assisted living.

Please contact us to learn how you or your organization can partner with CALI. Your personal contribution or participation, or that of your organization, will help improve the lives of millions—very likely including someone close to you.



Gary Kluckhuhn, CALI Co-Director

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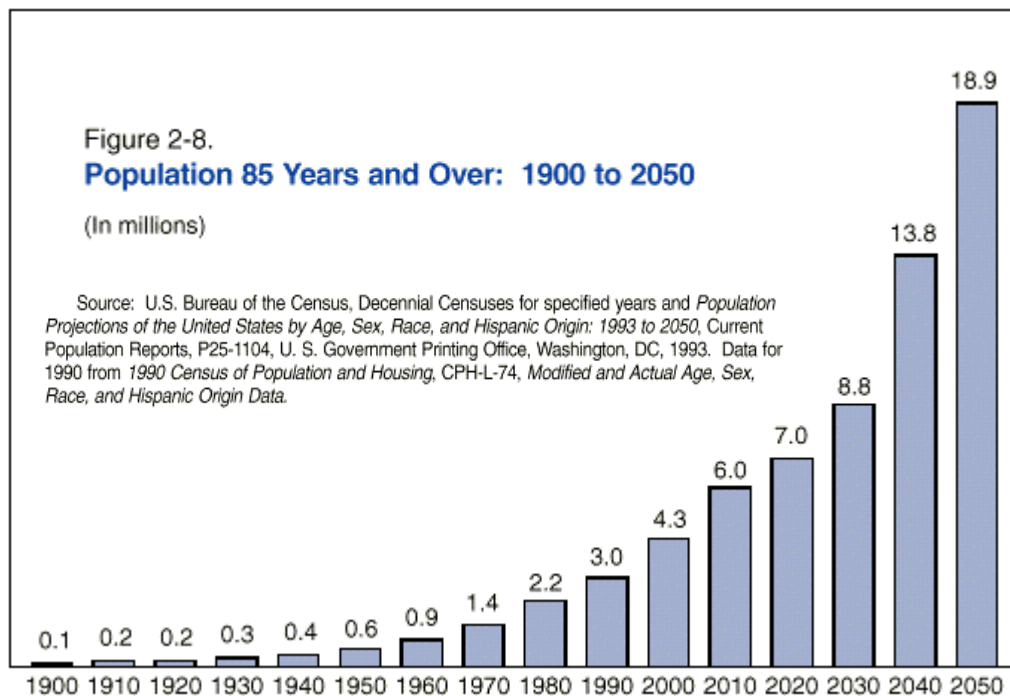
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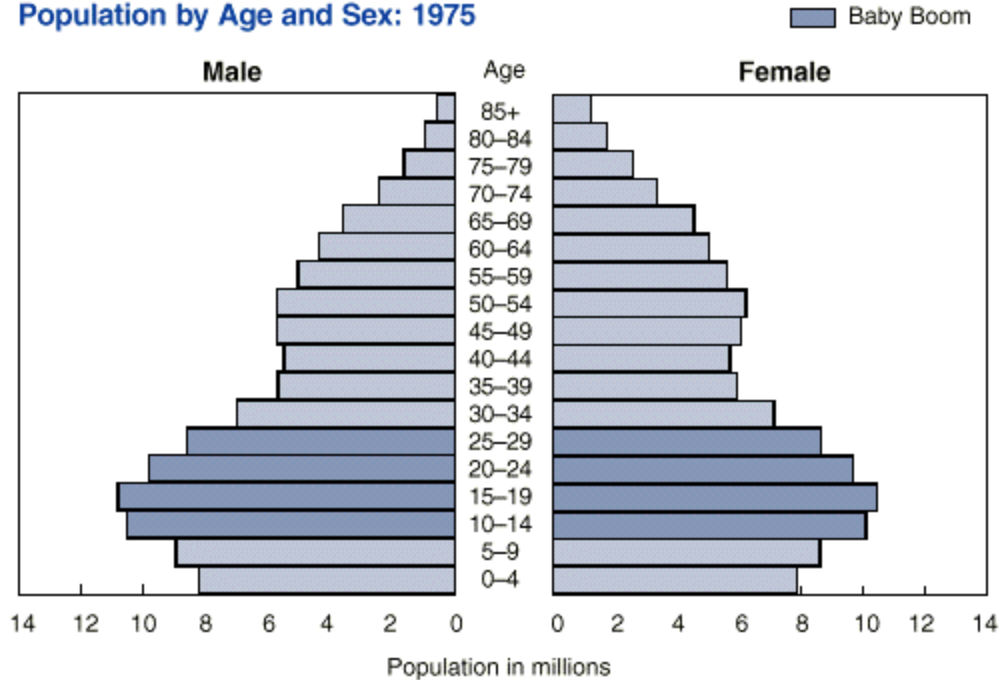
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Population by Age and Sex: 1975



Source: U.S. Bureau of the Census, *Preliminary Estimates of the Population of the United States, by Age, Sex, and Race: 1970 to 1981*, Current Population Reports, Series P-25, No. 917. U.S. Government Printing Office, Washington DC, 1982.

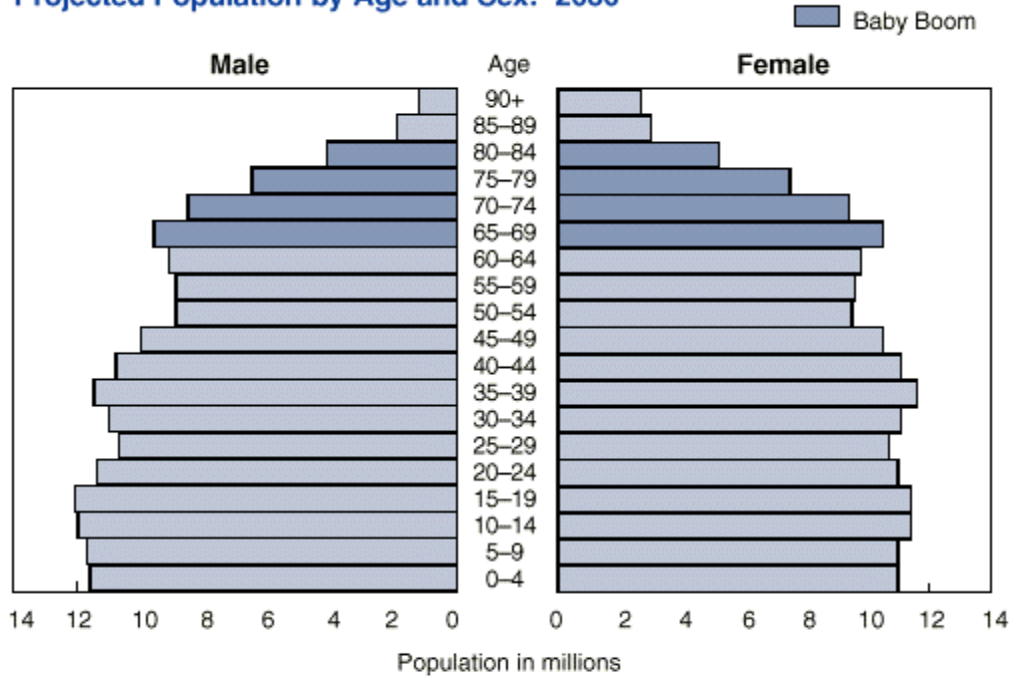
Figure 2-5.

Projected Population by Age and Sex: 2010



Source: Jennifer C. Day, U.S. Bureau of the Census, *Population Projections of the United States, by Age, Sex, Race, and Hispanic Origin: 1993 to 2050*, Current Population Reports, P25-1104. U.S. Government Printing Office, Washington, DC, 1993 (middle series projections).

Projected Population by Age and Sex: 2030



Source: Jennifer C. Day, U.S. Bureau of the Census, *Population Projections of the United States, by Age, Sex, Race, and Hispanic Origin: 1993 to 2050*, Current Population Reports, P25-1104. U.S. Government Printing Office, Washington, DC, 1993 (middle series projections).



CALI Mission and Vision

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CALI exists to improve quality of life for the burgeoning number of people in Southwest Florida and elsewhere who require assistance with activities of daily living. Its mission involves leveraging the latest research and technologies to:

1. Help enable people with age related and other physical and cognitive disabilities to live with greater dignity and independence through innovations and alternatives in assistive systems, environments, and practices;
2. Help society meet the challenge of caring for a rapidly aging population. In coming years an exploding demand for services has the potential to overwhelm health and life care systems. (See the [Baby Boom Tidal Wave](#) article at the end of this document.)

CALI seeks to address urgent issues like spiraling costs; quality of care and quality of life; a need to tap the underutilized productivity of seniors and people with disabilities; and limited resources—including a critical shortage of caregivers.



Mission Statement

CALI is dedicated to improving the quality of life of the assisted living community by promoting innovations—in housing, work and recreational environments, transportation and care—that incorporate advanced designs and technologies in tandem with enlightened practices and policies. These innovations should also help society more effectively provide for an aging population.



Vision Statement

CALI will serve as the epicenter of a vibrant community of interest in assisted living, conducting and facilitating research, education, advocacy, and solution-focused business development. As part of this vision, CALI will establish an assisted living:

- ❖ Knowledgebase and information repository and clearinghouse;
- ❖ Lifestyle Laboratory to develop, test, and demonstrate assistive environments, technologies, and practices;
- ❖ Market alternatives incubator, to develop commercially viable, affordable alternatives to traditional facility-based environments and care that allow more people to remain in their own homes and communities;
- ❖ Comprehensive certification system for assistive environments, products, and services;
- ❖ Consulting services providing assistive needs assessment, assistive environment design, and assistive systems integration, along with related research.



For more information

Please visit our website at www.cali-fgcu.org.

CALI Background

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Several CALI founders pause for a photo at CALI's unveiling

Founded in August 2001, CALI is the culmination of years of education and professional experience in health care, life care, and other human services; occupational safety; building design and construction; information sciences; robotics; mechanics; and materials sciences.

CALI is located within the [Center for Leadership and Innovation](#), the business development and community outreach arm of the [College of Business](#) at Florida Gulf Coast University.

Gary Kluckhuhn, CALI's co-director, initially conceived the idea while a graduate student at FGCU. Gary's concept, which grew out of his over twenty years involvement in assisted living, found enthusiastic support among fellow students, faculty, friends and associates. The convergence of common goals within this group of early contributors helped transform an ambitious vision into the University's newest institute.

This group included Al Slickers, hospitality manager at a premiere life care community; Dr. Linda Buettner, a leading gerontologist and authority on Alzheimer's; Dr. Zed Hezlar, an expert in occupational health with extensive knowledge of product safety and certification issues; undergraduate Wayne Pingel, an accounting and computer information systems (CIS) major who has been personally challenged with assisted living issues since a spinal cord injury in 1977; and Walt Weisel, CEO of a robotics company who for many years has helped develop and implement assistive technology for the disabled.

Others who played crucial roles in launching CALI include College of Business Dean Dr. Richard Pegnetter; Center for Leadership and Innovation Director Doug Steele; College of Health Professions Dean Dr. Cecilia Rokusek; CIS graduate students Joe Willingham and Robert Figueroa; and CIS undergraduate Warren Anderson.

From its humble beginning in brainstorming sessions among a small group of alumni, students, and faculty, CALI has quickly grown to become an integral part of the FGCU family and future. CALI's next goal is to become a vehicle for positive change in the assisted living community and industry, in Southwest Florida and beyond.

CALI Industry Partnership Program

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The following details a proposed multi-faceted partnership between:

- The healthcare, life care, building/real estate, and hospitality industries of Southwest Florida,
- and*
- The Center for Assisted Living Innovation at Florida Gulf Coast University.

The Purpose

1. **To improve quality of life** for the burgeoning number of people in Southwest Florida who require assistance with activities of daily living.
2. **To help avert a looming crisis** caused by a fast-aging population. The exploding demand for services could, within a few years, overwhelm our health and life care systems. Urgent issues include:
 - a. spiraling costs;
 - b. quality of care and quality of life;
 - c. a need to tap the underutilized productivity of seniors; and
 - d. a critical shortage of caregivers.
3. **To help ensure the economic future of Southwest Florida.** Leading high growth-dependent industries like residential construction are not sustainable at their current level, due to dwindling land availability coupled with environmental and quality of life concerns. In contrast, assisted living—defined broadly as the full spectrum of facility-based health and life care and in-home services—will remain a growth industry for decades to come. A central mission of this proposed partnership involves developing opportunities for the local building, hospitality, and related service industries to better tap into, and serve, the assisted living market.

The Partners

- **The Center for Assisted Living Innovation.** CALI is a newly established nonprofit research institute at FGCU dedicated to addressing the needs of people with age related and other disabilities. CALI is an interdisciplinary initiative of the colleges of Health Professions, Arts and Sciences, Professional Studies, and Business. It seeks to create research, service, and business development alliances with the Southwest Florida community and industry that further its mission while at the same time benefiting its alliance partners.
- **The Southwest Florida Healthcare Industry.** The Southwest Florida healthcare industry is a leading area employer and provides increasingly critical services to an aging populace. Care associated with assisted living represents a fast growing percentage of its service portfolio.
- **The Southwest Florida Life Care Industry.** Southwest Florida boasts some of the nation's premiere life care communities, and has a well-deserved reputation for excellence in full-spectrum (from early active to long-term care) retirement living. Yet the industry struggles with high costs and chronic caregiver shortages, among other issues. It therefore tends to cater to the affluent, leaving the less fortunate with quality of care that is inconsistent and more problematic.
- **The Southwest Florida Building/Real Estate Industry.** For many years the leading economic driver of the region, the building/real estate and related services industry is fast

approaching a crossroads. As available land dwindles, and the infrastructure becomes ever more strained (e.g., congested roads, overtaxed water and sewer systems), the high growth phase is set to give way to limited “smart growth” that is more sensitive to quality of life and environmental concerns. To continue to prosper, this vitally important industry must adjust to address these concerns and to serve a changing market.

- **The Southwest Florida Hospitality Industry.** Another leading local industry, yet one that suffers from a highly cyclical, seasonal, and economically sensitive market, the hospitality industry is well served by its relatively recent strategy of branching into assisted living services. Challenges include costs and caregiver shortages, as mentioned above, as well as the need to partner with the health care industry and experienced life care service providers to ensure quality assistance and care.

The Partnership

The three interrelated initiatives below require the underwriting support of industry partners. In exchange for their support, CALI industry partners will receive, on a negotiated basis:

- Intellectual property rights;
- Naming and recognition rights, including designation as a CALI Certified Partner (contingent on participation in the development and integration of—and subsequent adherence to—industry standards for assisted living products, services and practices);
- Special access to research information, facilities, faculty, and student resources.

Industry Partners will generally be required to make a commitment of at least five years to CALI, during which time they will designate an executive to be a member of the CALI Advisory Board. The council—which includes FGCU senior administrators and faculty, CALI co-directors and leaders from the assisted living community—meets quarterly to discuss the research agenda, to develop CALI policy and to assure adequate resources.

1. The CALI Assisted Living Lifestyle Laboratory

The Assisted Living Lifestyle Laboratory will be a development, testing, demonstration, and training center for assistive environments, technologies, and practices. The lab will incorporate both facility-based and residential environment research and development. It will test and demonstrate assistive architectural, interior, and product design, incorporating both universal and specialized design principles. It will feature fully functional, state of the art living areas that can accommodate actual residents. The lab will be a showcase for established and experimental technology, including communication, mobility, monitoring, and remote care delivery systems.

At an approximate 5000 square feet, The Lifestyle Lab will be located adjacent to the Health Sciences and WCI Green buildings within the new complex near the entrance to the campus that also features the new Sugden Welcome Center (first ground to be broken in 2002). Preliminary cost estimate for building, outfitting and launching the laboratory is \$2M. The operational cost estimate (first full year) is \$1M. (Please see the [CALI Budget and Funding Requirements](#) section of this document.)

2. The CALI Assisted Living Standards Program

With the assisted living Lifestyle Lab as its primary testing ground, CALI will, in close cooperation with its industry partners, develop and integrate standards covering all aspects of assisted living—including architectural and product design, building codes, operation and care practices—within a single, comprehensive certification framework. CALI will, therefore, become a nationally (and even internationally) recognized authority in assisted living, by virtue of:

- Its own and affiliated research into physical and cognitive disabilities and best care practices;
- Working in close conjunction with the assisted living community and its caregivers, to insure standards that truly meet their needs;
- Partnering with established authorities in health and safety standards and testing, including testing organizations, insurers, and government agencies and programs such as Medicare.

Estimated minimum startup costs for the standards project are \$500,000. The operational budget (first year) is estimated at \$500,000. (Please see the [Budget and Funding Requirements](#) section of this document.)

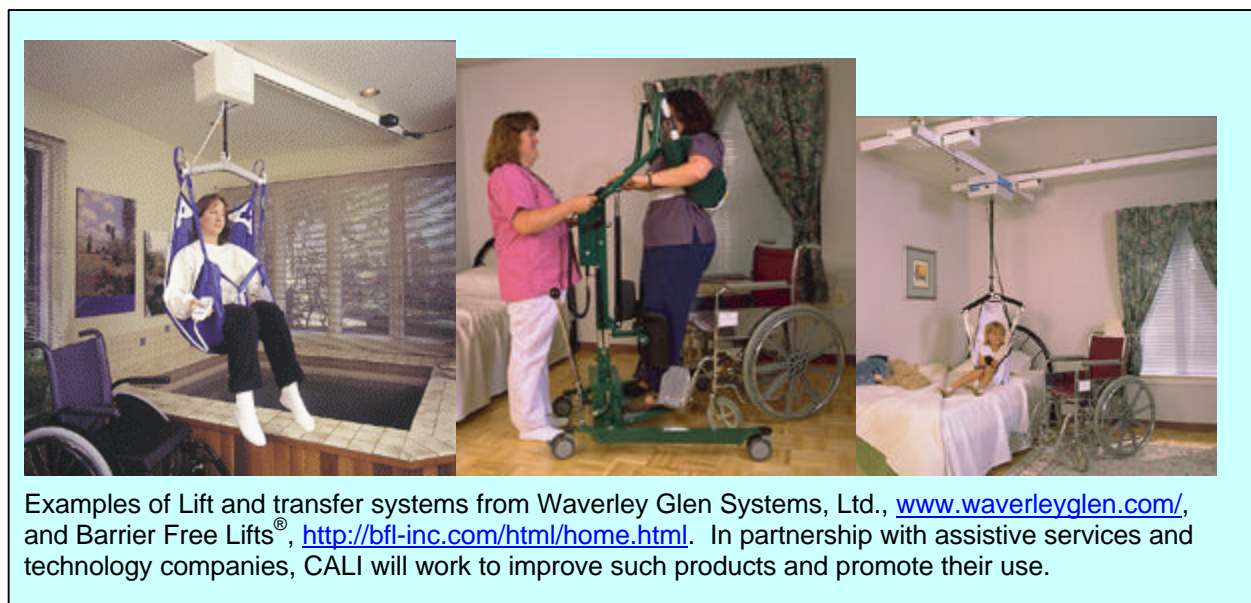
3. The CALI Assisted Living Alternatives Incubator

CALI will work with its industry partners and government agencies to develop and promote residential alternatives to traditional assisted living environments and services. Examples of these alternatives include:

- Assisted living annexes incorporated within residential developments;
- Grouped and shared “single family” homes with shared assistive services;
- Modular, self-contained, transportable assistive living units that can be connected to existing homes (i.e., “mother-in-law” units), or grouped to form highly flexible, expandable, affordable assisted living communities in virtually any location.

The fundamental goal is to allow more people to remain in their own homes and communities for their entire lives. Additional benefits include more efficient utilization of housing, more economical and flexible delivery of services (by separating the real estate from the services), and the creation of new or expanded markets for the building, life care, healthcare and hospitality industries.

Estimated minimum startup costs for the alternatives incubator program are \$500,000. The operational budget (first year) is estimated at \$500,000. (Please see the [Budget and Funding Requirements](#) section below.)



CALI Budget and Funding Requirements

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CALI anticipates funding from the following sources: gifts and donations; endowments; one time and renewable grants; industry research sponsorships; and fees from consulting, certification, education and other program services. Our goal is to be one third funded by endowments and renewable grants; one third by one-time grants, gifts, donations, and industry sponsorships; and the remainder by program fees.

CALI is currently raising funds to launch the five interrelated initiatives below. Once our full program is up and running, it will sustain itself primarily through revenue generated by educational, research, consulting, and certification services and arrangements, and through income from endowments and renewable grants.

I. Assisted Living Lifestyle Laboratory

❖ Estimated cost for building	\$2,000,000
❖ Estimated cost for equipment	\$1,000,000
❖ Estimated operational budget (administration, research & education)	\$1,000,000
Total startup and first year operations	\$4,000,000

II. Assisted Living Standards Project

❖ Estimated startup costs (administration, research, travel, etc.)	\$ 500,000
❖ Estimated operational budget (same as above)	\$ 500,000
Total startup and first year operations	\$1,000,000

III. Assisted Living Alternatives Incubator

❖ Estimated startup costs (administration, research, travel, etc.)	\$ 500,000
❖ Estimated operational budget (same as above)	\$ 500,000
Total startup and first year operations	\$1,000,000

IV. Online Assisted Living Knowledgebase / Information Portal / Community of Interest

❖ Estimated startup costs (administration, research, development)	\$ 500,000
❖ Estimated operational budget (same as above)	\$ 500,000
Total startup and first year operations	\$1,000,000

IV. Assisted Living Consulting Service

❖ Estimated startup costs (administration, development)	\$ 500,000
❖ Estimated operational budget (admin, research & professional services)	\$ 500,000
Total startup and first year operations	\$1,000,000

Funding Requirement Totals

Estimated startup and first year operation costs for all initiatives	\$8,000,000
Estimated ongoing operational budget for all initiatives	\$3,000,000
Endowment and renewable grant income to support operations (1/3 of above)	\$1,000,000

Contributions[return to TOC](#)

Your tax-deductible contribution will help launch CALI, and will ultimately help improve the lives of millions, very likely including someone close to you.

PRINCIPAL BENEFACTOR

Gift Amount	Recognition
\$1,000,000 and above	Member of the Majestic Eagle Society (Building, room, endowment fund naming possible)
\$500,000 – \$999,999	Member of the Eagle Society (Room, area, endowment fund naming possible)
\$100,000 - \$499,999	Member of the University Society (Room, area naming possible)

MAJOR DONOR

Gift Amount	Recognition
\$50,000 - \$99,000	Member of the President's Council
\$10,000 - \$49,999	Member of the President's Court
\$5000 - \$9900	Member of the President's Club

CONTRIBUTOR

Gift Amount	Recognition
\$1000 - \$4999	Member of the Gold Circle
\$500 - \$999	Member of the Silver Circle
\$100 - \$499	Member of the Bronze Circle
Up to \$99	Member of the Friends of FGCU

The CALI Team

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◆ MANAGEMENT (Initial)

Gary Kluckhuhn, CALI Co-Director and Project Manager for the Assisted Living Alternatives Incubator. *MS in Computer Information Sys., BS in Human Services, FGCU.*

Catherine M. Beise, Ph.D., CALI Co-Director. *Associate Professor of Computer Information Systems, FGCU.*

Robert Figueroa, CALI Assistant Director and Project Manager for www.cali-fgcu.org. *MS in Computer Information Systems, FGCU; BA in Literature & Writing, University of California at San Diego.*

Wayne Pingel, CALI Financial Manager. *BS in Accounting and Computer Information Systems, FGCU; pursuing MS in Accounting & Taxation.*

Zed Hejzlar, CALI Standards Program Manager. *PH.D. in Occupational Safety and Health Engineering, Columbia Southern University; MBA, Univ. of South Florida.*

Joseph Willingham, Project Manager for the CALI Assisted Living Lifestyle Laboratory. *BS in Building Construction and Business Administration, Univ. of Florida; completing MS in Computer Information Systems at FGCU.*

◆ ADVISORS & CONTRIBUTORS (Partial List)

Linda Buettner, Ph.D., Gerontologist, FGCU. *Associate Professor of Health Sciences. Extensive background in Alzheimer's research and care. Also directs the Southwest Florida Center For Positive Aging.*

Doug Morris, MOT, Occupational Therapist, FGCU. *Assistant Professor of Occupational Therapy. Extensive background in assistive technology.*

Guenther Gosch, CEO/President, The Moorings, Naples, FL. *Heads a premiere life care community.*

Al Slickers, MBA, Director of Hospitality Services, Shellpoint, Fort Myers, FL. *Director at one of the nation's largest and most prestigious life care communities.*

Walter Weisel, CEO/President, Robotic Workspace Technologies. *Experience includes incorporating computerization and robotics into assistive technology.*

Robert Herrmann, Architect. *Leading SW Florida architect with experience in disability-friendly facility and residential design.*

Roy Bonnell, Consultant and Educator. *Lead consultant for the FGCU Green Building Project, has extensive background in program development, project management, and community outreach.*

Innovative assisted-living research center plans unveiled

Thursday, November 8, 2001

By MARCI ELLIOTT, mrelliott@naplesnews.com

It didn't take Gary Kluckhuhn long to figure out there's a growing demand for helping disabled and elderly people.

He had first-hand experience when his father had a stroke, leading Kluckhuhn and his mother to become his dad's main caregivers. Then Kluckhuhn was in a near-fatal accident in 1996 and he needed to be taken care of.

Simple things like going from the bed to the bathtub and back became major challenges, Kluckhuhn learned from both experiences.

So Kluckhuhn, a certified general building contractor with a background in the construction industry, shifted his profession to devising facility plans and gadgets to help people achieve the simple things they face every day — and a whole lot more.

He has spent 20 years involved in the assisted-living industry, thinking up and designing high- and low-tech items to make life easier for people with special needs — and for their care-givers.

AT A GLANCE

For more information on FGCU's Center for Assisted Living Innovation, visit the CALI Web site, www.CALI-FGCU.org or, call Kluckhuhn at (941) 404-7481.

Tuesday night, Kluckhuhn and a team of colleagues unveiled the result of his 20 years of involvement in the fairly new field of assisted living, combined with partnerships among groups and agencies with similar goals and plans: the Center for Assisted Living Innovation, or CALI.

It's an interdisciplinary partnership between Florida Gulf Coast University and the assisted-living community and industry, and is part of the FGCU College of Business' Center for Leadership and Innovation.

"What we do is develop technology where many solutions for the disabled and the elderly can be found," said Kluckhuhn, CALI's founder and co-director.

Tuesday night, he explained CALI's history, mission, strategy and other information to a group of about 30 people, including some FGCU faculty and staff members and program administrators, agency representatives, community leaders and visitors, at the Center for Leadership and Innovation's suite at the Walden Center in Bonita Springs.

CALI officially was founded in August, after the common goals of Kluckhuhn and his group of early contributors came together and led to the transformation of an ambitious vision into an official university organization, according to the CALI home page on FGCU's Web site.

"We're looking not only at quality-of-life issues, but also in reducing costs of these services," said Wayne Pingel, who does CALI's financial business.

Pingel, a wheelchair user for more than 20 years as the result of a 1977 spinal cord injury, holds a bachelor's degree in accounting and computer information systems from FGCU and is pursuing a master's degree in accounting and taxation.

Kluckhuhn holds a master's degree in computer information systems and a bachelor's degree in human services from FGCU.

Other universities are researching and developing ways to develop assisted-living services, Kluckhuhn said. But what sets FGCU's CALI apart from the others is that it came through the computer information services and technology end rather than from the health professions divisions at the other schools.

Assisted-living services are becoming more and more in demand as the population shifts, with baby boomers getting closer to the "60 and over" age market, Kluckhuhn said. As that population segment becomes older, more assisted-living technicians will be needed, and more practical assistance items will likewise become more in demand.

CALI, as an organization looking to become a leader in the forefront of the rapidly growing assisted-living profession, wears three hats, said Robert Figueroa, head of communications and marketing. It's a research and service coalition, a solutions incubator and a certification authority.

"What we've talked about is a lot of ideas," Figueroa said. "But we've got a definite business plan. We want to promote a healthier industry for assisted-living technology."

CALI works closely with the Southwest Florida Center for Positive Aging and with the Center for Leadership and Innovation, two of FGCU's premiere community outreach programs.

CALI's mission is to improve the quality of life and related issues of the assisted-living community by developing innovations in housing, work and recreational environments, transportation and care. CALI will serve as the epicenter of a vibrant community of interest in the assisted-living industry by conducting research, advocacy, education and solution-focused business development.

CALI Co-Director Catherine Beise, associate professor of computer information systems and faculty liaison, said the new organization had its work already cut out.

"I'm very confident it's going to be a success," Beise said.

Figueroa said Southwest Florida had the demographics, population markets and other components that will make CALI successful.

"We couldn't be in a better place," he said. "We have an ideal situation in Southwest Florida."

Background Article: Looming Elder Care Crisis in Florida[return to TOC](#)**Naples** | Naples Daily News   [Naples front](#) | [Naples archive](#) | [help](#)

Florida works to confront the issue of long-term care for its aging population

Monday, January 7, 2002

By LIZ FREEMAN, epfreeman@naplesnews.com

A train wreck is in the works if baby boomers don't face reality about the costs of long-term care, AARP officials say.

Governments in states like Florida with its vast retiree population also need to face the ugly truth about how ill-prepared they are to care for their frail elderly, officials with the nation's largest lobbying group for people 50 and older say.

A recent AARP survey of 1,800 Americans found they are overwhelming ignorant about the expense of long-term care, and the majority have no idea of the cost of in-home care. A majority falsely believe Medicare covers long-term nursing home stays.

That comes as no surprise to insurance agents in Collier County who get inquiries about long-term care policies. Inquiries from baby boomers come in when they've faced sticker shock after putting a parent in a nursing home, agents say. Still, few boomers are buying long-term policies because their immediate focus is on college tuition for their children.

State Sen. Burt Saunders, R-Naples, is proposing to the state Legislature this year that a new office in state government be created to bring together long-term care services, now scattered among several different government entities. Saunders is chairman of the Senate Health, Aging and Long-Term Care Committee.

His idea is to designate a panel within Gov. Jeb Bush's office "as a standing commission to evaluate the long-term care needs in Florida," Saunders said. "Now long-term care is done by several agencies. We need to house it in one agency."

That's good news to AARP officials, who are using the survey to lobby congressional leaders and state governments to come to grips with the aging of America and to take a hard look at governmental policies toward long-term care, said Lyn Bodiford, AARP's lobbyist in Tallahassee. AARP has 2.5 million members in Florida, and 30 million members nationwide.

"The state of Florida, here is your wake-up call," Bodiford said of how she will use the survey results with state leaders. "You have lots of folks who are not prepared who should be and lots of folks who can't afford long-term care."

The federal government does not have a true picture of how much money is spent among its many agencies for long-term care programs and has no uniform policy, she said.

"We have the making of a catastrophe, frankly," she said. "We do not have a system to figure out what to do."

The national survey found 15 percent of respondents could identify the cost of nursing home care within 20 percent of the national average monthly cost of \$4,654. About 51 percent guessed the cost too low.

Worse, the survey found 58 percent of respondents mistakenly believe Medicare, the federal insurance program for people 65 and older, covers long-term stays in nursing homes. Regarding private insurance, 31 percent said they believe they have insurance that covers the cost of long-term care, when in reality, that probably isn't the case for many of them, AARP officials say. They base that on an estimate by the Health Insurance Association of America that 6 percent of Americans have truly purchased long-term care policies.

The national survey was conducted by telephone in July and August, and has a margin of error of 3 percent. In addition, statewide data was collected of 400 people 45 and older who were surveyed in Florida, and the same number of people were surveyed each in California, New Mexico, Washington and Wisconsin. The state surveys have a margin of error of 5 percent. Of the 400 Floridians surveyed, 54 percent guessed too low on the cost of the average monthly stay in a nursing home, three points more than the national respondents. On a slightly more positive note, fewer Floridians, 52 percent compared to 55 percent of the national group, falsely believe Medicare pays for long-term nursing home stays.

Medicare pays a portion of skilled nursing care in a nursing home for up to 100 days and a co-payment kicks in after the 21st day. The patient must have an acute condition in need of rehabilitation or skilled nursing care, Bodiford said. Medicare also requires proof the patient is improving.

"Medicare is not paying for long-term care," she said, adding that she was not surprised by how many of the people surveyed believed otherwise.

Terry White, executive director of Senior Solutions in Fort Myers, said, "The majority of folks think when they get old, the government will take care of them." Senior Solutions offices are located around the state and coordinate with the state's Department of Elder Affairs to keep the aging out of institutions and in their own homes as long as possible.

White said he was surprised by the survey results where a majority of respondents didn't know the cost of long-term care.

He believes insurance companies selling long-term care policies should start marketing to people in their 40s, when the policies are cheaper than when people reach their 50s and beyond. "I think that is where we will have to go eventually," he said.

The catch is finding a credible policy without escape clauses, he said. He advocates people look for policies with a reputable company, where the benefits are enhanced as the individual gets older, and which provides for custodial care in the home.

Because of shrinking budget dollars in state government, the state needs to "encourage people to take responsibility (for themselves) in the long run," he said.

Lois Jones, an insurance agent with Gulfshore Insurance Inc. in Naples, said most people she's encountered have the mistaken belief that Medicare provides long-term care. She's been selling long-term care policies in Florida for nearly four years, and like many local companies, conducts seminars in the community to help educate people about the realities.

She gets a few calls from people between 45 and 55 asking about policies, but most of the calls are from people 55 and older.

"A lot of our clients are 55 and just put mom in a nursing home and are shocked" at the cost, she said. The average daily rate in a Naples nursing home is \$120 to \$130. She said 45 is young to buy long-term care policies since that age group is generally worried about college tuition.

"The most ideal age to buy is 55 and 60," Jones said.

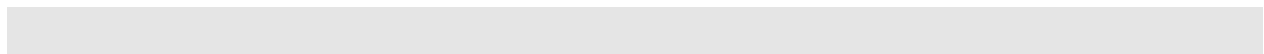
Rick Moss, an agent with John Hancock in Naples who similarly conducts seminars in the community on long-term care insurance policies, said he sells the most policies to people aged 55 to 75.

"Long-term care, if it strikes, can be catastrophic," he said.

People are living longer today and so they need to realize if they develop cognitive problems and physical infirmities, they will need custodial care, which is expensive. Long-term care policies can protect assets so individuals can get the care they need.

The question most often asked at seminars is the cost of long-term care insurance, and he said it is the hardest to answer.

"The premium roughly doubles every seven years one waits to buy a policy," he said. "That is the rule of thumb. It is age sensitive and health sensitive."



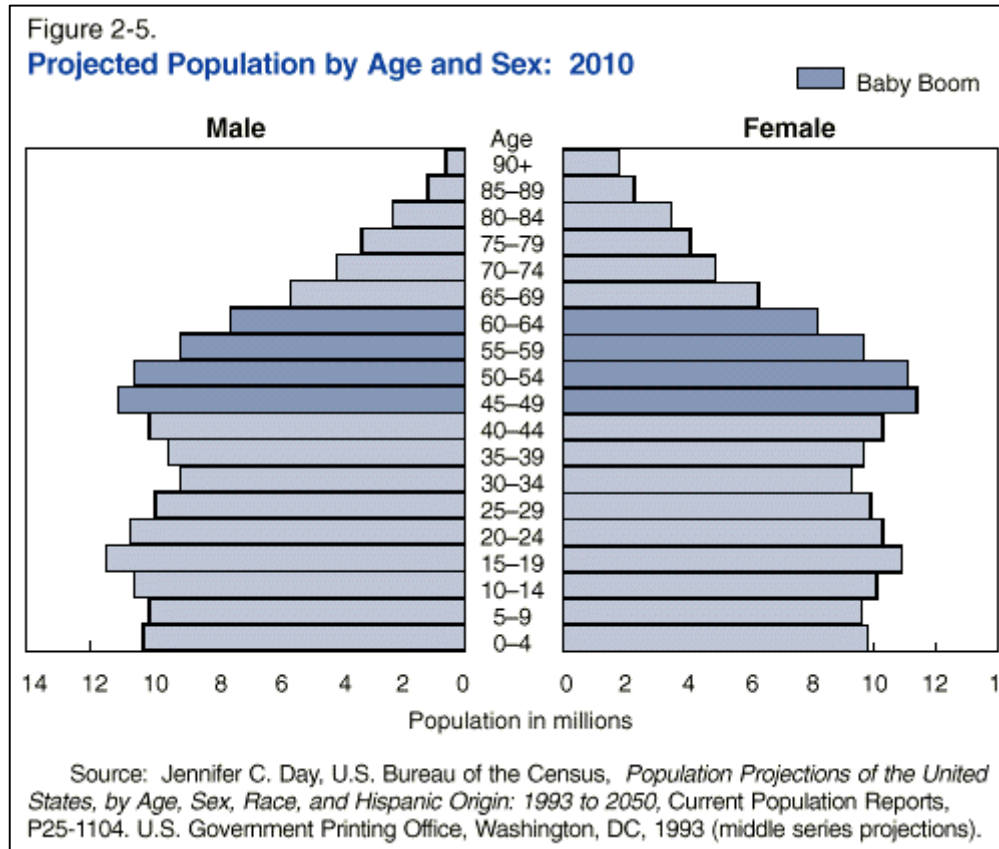
Background Information: The Baby Boom Tidal Wave

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(This article is from the [CALI website](#))

Crisis versus Opportunity

The ongoing aging of the US population is mirrored in many other countries, especially in Europe and parts of Asia. The most critical issue surrounds providing healthcare and related services to this burgeoning community, given a proportionately dwindling supply of caregivers and service providers, and a shrinking tax base.



By the time the biggest wave of the Baby Boom (illustrated by the darker bars in the graph) hits retirement, the ratio of potential caregivers to those requiring assistive care will be one quarter of what it is today—and there is already a chronic shortage in many places.

Crisis. This demographic time bomb ticking away in our midst won't detonate all at once. Instead its effects, signs of

which are already evident, will steadily build to a head over the next twenty to thirty years, with potentially dire consequences for the quality and cost of care.

Opportunity. Healthcare for the aging is often described along a continuum, with Assisted Care typically occupying an area between routine outpatient Primary Care and much more intensive and expensive Skilled Care and Acute Care (over 80% of healthcare costs occur in the last years of life). Though each of these areas carries its own serious resource and cost questions, the greatest opportunity to address such questions, and the greatest opportunity to improve quality of life, exists within Primary and Assisted Care.

One important example: innovations that prolong Assisted Care relative to Skilled will conserve scarce resources and improve the lives of tens of millions—not the least of which by allowing more people to spend most or all of their latter years in their own homes, those of their families, or within settings far less institutional than nursing homes and hospitals.