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## **Best Practices to Expand Funding for Assisted-Living Facilities in Mississippi.**

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# Walden University

College of Management & Human Potential

This is to certify that the doctoral study by

Melissa Mason

has been found to be complete and satisfactory in all respects,  
and that any and all revisions required by  
the review committee have been made.

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Walden University  
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Best Practices to Expand Funding for Assisted-Living Facilities in Mississippi.

by

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## Abstract

**Background:** Insufficient Medicaid reimbursement threatens the financial stability and quality of care in assisted-living facilities (ALFs). Fragmented funding, rising costs, and the absence of federal standards exacerbate financial challenges, highlighting the need for sustainable funding solutions. **Purpose:** This integrative review was conducted to examine Medicaid reimbursement challenges and to explore best practices for enhancing financial sustainability in ALFs through innovative funding strategies, alternative payment models, and policy reforms. **Method:** Using the Johns Hopkins evidence-based practice model, peer-reviewed literature from 2020–2025 was analyzed through the Donabedian model of healthcare quality to assess how Medicaid funding impacts care delivery and resident outcomes. Thematic analysis identified key financial and policy trends. **Results:** Four key themes emerged: (a) expanding and diversifying funding, (b) building financial resilience post-COVID-19, (c) implementing sustainable payment systems, and (d) enhancing financial management. Notably, compelling subthemes included the need to align payment systems with resident-centered care and the call for integrated federal and state Medicaid funding models to streamline reimbursement and increase access. Findings confirm that Medicaid alone is inadequate, reinforcing the need for alternative funding models, public–private partnerships, and stronger financial oversight. **Conclusion:** The innovative financial solutions for assisted living model provides a framework for addressing Medicaid funding challenges and ensuring ALF sustainability. Expanding funding sources, strengthening financial resilience, and reforming payment models are critical for reducing financial strain, improving care quality, and ensuring long-term stability.

## Dedication

First and foremost, I want to express my deepest gratitude to God. His divine guidance, strength, and grace have been my constant companions throughout this journey. To my beloved mother, Faye, and dear sister, Tina, whose love and wisdom have shaped me into who I am today. Even though you are no longer physically here, your spirits guide and inspire me daily. This work is a testament to your strength, resilience, and the lessons you taught me. I dedicate this achievement to you with all my love, gratitude, and remembrance.

To my wonderful children, Corey and Nathan—No words can fully capture my love and gratitude for you both. You have been my most significant source of strength and inspiration, my guiding stars. Your unwavering support has carried me through every challenge, every late night, and every moment of doubt. You have stood by me, lifting me when I felt like giving up, and your belief in me has been the most precious gift I could ever receive. Corey and Nathan, I could not have come this far without you. You are why I kept going when it felt impossible, and this dream became a reality. I am incredibly proud to be your Mother, and I dedicate this work to you with all my heart. This achievement belongs to you as much as it does to me, and I hope it serves as a testament to the power of love, resilience, and family.

To my brother Anthony—You are not just my brother; you are my pillar of strength, confidant, and closest friend. Since losing our mom and sister, you have been my constant in a world that often feels uncertain. Your love and support have been my lifeline, grounding me when I felt lost and lifting me when I was down. Our bond is

unbreakable, and I am so grateful to have you by my side. This work is dedicated to you with all the love and appreciation in my heart. I could not have come this far without you.

To my best friend Juaneé and her husband William (Buddy)—You are my chosen family, and I could not have asked for better. I am so thankful that you chose me as your family as well. Your unwavering support, love, and encouragement have been my lifeline, especially during the most challenging times in my life. You stood by my side through every trial, never giving up on me once. I am genuinely grateful for your kindness and support, and I sincerely appreciate you both.

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## Part 1: Practice-Based Problem

### **Problem of Interest**

In Mississippi, the funding gap in assisted-living facilities (ALFs) is a significant issue, as these facilities often struggle to secure adequate financial resources, particularly under Medicaid. This lack of funding directly affects the quality of care and the sustainability of ALFs, emphasizing the urgent need for more robust financial support models. Feder (2020) highlighted how insufficient federal financing, especially during the COVID-19 pandemic, exposed vulnerabilities in long-term care, demonstrating the necessity for enhanced federal support. Butler (2022) also identified underfunding and workforce shortages as significant threats to the sustainability of care in these facilities. Additionally, Werner et al. (2022) argued that long-term care financing and payment systems are inadequate, calling for significant reform to ensure financial stability and improve care quality in ALFs. These studies collectively underscore the critical need for more sustainable economic models to address the ongoing challenges in assisted living care, particularly in states like Mississippi.

### **Healthcare Administration Problem**

#### **Background**

The healthcare administration challenges facing ALFs are deeply rooted in the evolution of long-term care services, particularly in how these facilities are regulated and funded. ALFs emerged in the 1980s as a less medically intensive alternative to nursing homes, providing a more home-like environment for seniors who required some assistance but did not need the around-the-clock care offered by nursing homes. ALFs are defined as residential settings that provide personal care services, assistance with daily

activities (such as bathing, dressing, and medication management), and limited healthcare, while promoting independence and a home-like atmosphere for residents. These facilities are designed for older adults who do not require the extensive medical care of a nursing home but still need some level of support in their day-to-day lives (Ball et al., 2004). Initially, these facilities were viewed as a cost-effective solution for older adults seeking autonomy while receiving help with daily activities.

However, the expansion of the assisted-living industry has been met with a fragmented regulatory and financial structure. Unlike nursing homes, which receive federal funding through Medicare and Medicaid, ALFs have historically relied more on private pay and state-specific Medicaid programs. This reliance has resulted in a patchwork of funding mechanisms that differ across states, often leaving facilities without the financial resources to cover operational costs and deliver high-quality care. Werner et al. (2022) argued that the current long-term care financing system is inadequate and requires significant reforms to stabilize operations and improve care quality in facilities like assisted living.

In Mississippi, as in many other states, ALFs face substantial challenges due to limited Medicaid coverage, which does not adequately reimburse the services provided. The absence of federal standards for ALFs further complicates the situation, placing the burden of regulation and oversight on state governments that often need more cohesive policies or adequate resources to ensure consistent care quality. Butler (2022) identified underfunding and workforce shortages as critical threats to the sustainability of long-term care, echoing the need for improved financing.

The COVID-19 pandemic significantly worsened these issues, revealing vulnerabilities in long-term care funding, particularly for already underfunded ALFs. The pandemic drove up operational costs, with the need for additional staff, personal protective equipment, and enhanced infection control measures, causing many ALFs to struggle financially. Feder (2020) highlighted how the pandemic exposed critical flaws in federal financing for long-term care and emphasized the urgency for enhanced federal support to ensure the sustainability and quality of care in ALFs.

Today, the central healthcare administration problem for ALFs revolves around inadequate funding models that fail to provide sufficient reimbursement. This funding gap limits the ability of ALFs to offer necessary services and maintain high standards of care. Zimmerman et al. (2022) underscored the disparity in funding between ALFs and other long-term care settings like nursing homes, further emphasizing the need for financial reform. Calls for reform include potential Medicaid expansion, increased federal support, and more effective state-level policies that align with the growing demand for elder care services. As the aging population continues to grow, the need for standardized, equitable funding systems becomes increasingly critical to ensure both financial stability and the quality of care provided by ALFs.

### **Operational Problem**

Recent research has highlighted the current and significant issue of inadequate funding for ALFs. Feder (2020) underscored how the COVID-19 pandemic brought to light significant weaknesses in long-term care financing, calling for urgent federal intervention to sustain the quality of care in these facilities. Butler (2022) supported this by pointing to persistent underfunding and workforce shortages that threaten the viability

of long-term care, particularly in assisted-living settings. Werner et al. (2022) added to this consensus by examining the flaws in existing financing models and advocating for substantial reforms to ensure financial stability. Collectively, these studies emphasize the immediate need for improved funding structures to address the ongoing challenges in ALFs.

### **Ideal State of Operations**

The ideal state of operations for ALFs in Mississippi would involve Medicaid reimbursement rates that accurately cover the true care costs, currently estimated at \$4,750 per month. To achieve this, a 25% increase in reimbursement rates is necessary. Additionally, expanding the assisted-living waiver by removing caps and eliminating waiting lists would ensure that facilities have the financial stability needed to provide high-quality care. These changes would improve the sustainability of ALFs and ensure that all eligible residents receive timely and appropriate services. According to Pochowski (2023), adequate reimbursement is critical to preventing older adults from being denied access to assisted-living services, as many facilities struggle to operate under current funding structures. By addressing these financial shortcomings, ALFs can better meet the growing demand for elder care and maintain a higher standard of operations.

### **Professional Practice Gap Statement**

The current practice gap in Mississippi's ALFs stems from Medicaid reimbursement rates that average \$3,800 per month, which do not cover the actual care costs. To address this, reimbursement rates should increase by 25%, bringing them closer to \$4,750 per month and expanding the assisted-living waiver to remove caps and

eliminate waiting lists. These adjustments would stabilize facility finances, improve care quality, and ensure timely access to services for all eligible residents (Pochowski, 2023).

### **Summary of Evidence**

Medicaid reimbursement rates in ALFs, particularly in states like Mississippi, fall significantly short of covering the actual care costs. With current rates averaging \$3,800 per month compared to the estimated \$4,750 needed, this financial gap places considerable strain on facilities. As a result, many facilities struggle to maintain operational sustainability and deliver the necessary quality of care to residents. The lack of sufficient reimbursement undermines the ability of these facilities to meet the growing demand for elder care services, forcing them to operate under constrained financial conditions that ultimately affect the quality of care provided to residents.

The COVID-19 pandemic further exposed these financial vulnerabilities, as the demand for more resources, such as protective equipment and enhanced care protocols, increased operational costs. To address this critical issue, a 25% increase in Medicaid reimbursement rates and expanding waivers to remove service caps and eliminate waiting lists are essential. These changes would provide financial stability to ALFs, enabling them to enhance care quality and ensure residents receive timely access to necessary services. For healthcare leaders, focusing on these financial reforms is crucial to ensuring the long-term sustainability of ALFs and improving the overall quality of care for the aging population.

### **Purpose of the Integrative Review**

According to Whittmore et al. (2005), an integrative review is a comprehensive research method that synthesizes literature from both experimental and non-experimental

studies to provide a complete understanding of a specific topic or phenomenon. This approach allows for the inclusion of diverse methodologies, offering a broader perspective on the state of knowledge in the field. An integrative review involves critical analysis and synthesis of research to generate new frameworks or insights, contributing to the advancement of both theory and practice.

The purpose of this integrative review was to explore and propose innovative Medicaid reimbursement strategies aimed at enhancing the overall funding and financial stability of assisted-living communities. This review addresses the critical issue of inadequate funding and reimbursement for ALFs, which leads to staffing shortages, caregiver burnout, and a decline in care quality, by exploring innovative strategies to enhance financial stability through Medicaid reimbursement models. By focusing on the assisted-living community in Mississippi and examining the broader implications of adopting innovative funding strategies, this research aims to provide actionable insights that can strengthen the operational effectiveness of these facilities. Ultimately, this study seeks to contribute to positive social change by enhancing financial support, improving care outcomes, and ensuring ALFs' financial stability, leading to better operational effectiveness and resource allocation.

### **Integrative Review Question**

What best practices can be used to enhance funding and financial sustainability through Medicaid reimbursement for assisted-living communities in Mississippi? The review explores best practices for improving Medicaid reimbursement models, potentially through Medicaid expansion, removing caps, and increasing reimbursement rates.

### **Theoretical and/or Conceptual Framework**

The Donabedian model, introduced by Avedis Donabedian in 1988, serves as a foundational framework for assessing healthcare quality by focusing on three key constructs: structure, process, and outcomes. In this framework, *structure* refers to the organizational infrastructure and resources, including financial aspects such as funding and Medicaid reimbursement. The *process* involves the methods of care delivery, while *outcomes* pertain to patient health and satisfaction as a measure of the overall quality of care. Donabedian's theory posits that the quality of care in any healthcare setting, including ALFs, is directly influenced by the adequacy of funding and resources (structure), which affects how care is delivered (process), and ultimately determines the health outcomes of residents (Donabedian, 1988).

In the context of ALFs, the Donabedian model aligns with the practice-based problem of insufficient Medicaid reimbursement rates. This underfunding creates a structural gap that impacts care delivery processes, leading to challenges such as reduced care quality and operational inefficiencies. The framework suggests that facilities cannot maintain adequate staffing, equipment, or care protocols without sufficient financial resources, resulting in poor resident outcomes. The conceptual connection between structure, process, and outcomes reinforces the importance of addressing the financial gap through enhanced Medicaid reimbursement to ensure the sustainability of care quality in assisted-living settings.

## Part 2: Literature Review, Quality Appraisal, and Analysis

### Literature Search Strategy

Several databases and search engines were accessed to address the review questions about Medicaid reimbursement and the financial sustainability of ALFs. PubMed was searched using terms like *Medicaid reimbursement*, *assisted living*, *lack of funding impacts*, *Medicaid funding challenges*, and *Medicaid waiver programs*, resulting in 25 relevant articles. This search was refined to focus on Medicaid's impact, particularly regarding challenges arising from the COVID-19 pandemic. Google Scholar provided additional insights, yielding 58 articles, including recent studies from 2021 to 2024 relevant to the inquiry. JAMA Network was also utilized, producing 18 articles that discussed funding gaps and their effects on staffing shortages and the quality of care. Although these databases offered useful information, there was a notable lack of published research directly addressing financial reforms specific to assisted living in Mississippi.

Due to this gap in the literature, additional sources were consulted to fill in the missing information. SeniorLiving.org provided four articles focused on Medicaid payment rates and workforce shortages in assisted living. RevCycleIntelligence offered three articles discussing recent efforts to increase Medicaid reimbursement rates to address home care and assisted-living shortages. *Provider* magazine contributed three relevant pieces on the impact of Medicaid reimbursement rates on long-term care providers, particularly in settings for individuals with intellectual and developmental disabilities. *BMC Geriatrics* was also accessed, yielding seven articles that focused on post-pandemic recovery and ongoing challenges related to staffing and funding

limitations in assisted living. *Health Affairs* contributed 22 articles exploring the connection between Medicaid reimbursement, staffing levels, and care quality. Lastly, ProQuest Dissertations & Theses provided 20 dissertations on Medicaid reimbursement and the financial challenges in assisted living, offering valuable perspectives in areas where published research was limited.

Combining these diverse sources led to a comprehensive understanding of Medicaid reimbursement challenges and potential solutions for ALFs, particularly in Mississippi. This multifaceted approach addressed the lack of published information on the specific topic and provided actionable insights.

As outlined in Table 1, inclusion and exclusion criteria were carefully established to ensure the selection of relevant and high-quality sources for this integrative review. The inclusion criteria focused on studies and literature published between 2020 and 2025, ensuring the most recent data and trends were captured. Only peer-reviewed articles in English were included, with a particular emphasis on topics related to assisted living, Medicaid reimbursement or lack thereof, funding models, and the impacts of funding on long-term care. Additionally, strategies aimed at increasing financial support for these facilities were prioritized to explore potential solutions for sustaining operations and ensuring quality care.

Conversely, certain sources were excluded to maintain the relevance and credibility of the review. Studies published before 2019 were not considered, as they may not reflect current funding challenges, particularly in light of recent healthcare shifts like the COVID-19 pandemic. Hospitals in foreign countries were excluded from the scope, as this review focuses specifically on the U.S. assisted-living system. Non-peer-reviewed

sources, such as opinion pieces and blog posts, were excluded unless they provided credible supplementary information valuable to understanding broader trends or context. This approach ensured that the literature selected for the review was pertinent and reliable, directly addressing the financial sustainability of ALFs in Mississippi. See Appendix B for more information on search results.

**Table 1**

*Inclusion and Exclusion Search Criteria*

Inclusion search criteria	Exclusion search criteria
<ul style="list-style-type: none"> <li>• 2020-2025</li> <li>• English peer-reviewed</li> <li>• Assisted living</li> <li>• Medicaid reimbursement/lack of</li> <li>• Funding models</li> <li>• Funding impacts on long-term care</li> <li>• Strategies to increase funding</li> </ul>	<ul style="list-style-type: none"> <li>• Hospitals in foreign countries</li> <li>• Pre-2019 studies</li> <li>• Opinion pieces, blog posts, and other non-peer-reviewed literature unless they provided credible and valuable supplementary information</li> </ul>

### Quality Appraisal

Initially, 1,412 articles were identified as relevant for review. However, many of these articles did not directly address the research topic. Narrowing the selection was imperative to ensure a focused analysis. After refining the selection process, 56 articles were initially identified as relevant for review, reflecting the challenges in finding extensive published information on the topic. After removing 14 duplicates, 42 articles were screened through titles and abstracts using the established inclusion and exclusion criteria. During this process, 30 articles were excluded, leaving 12 for further analysis. Full-text reviews confirmed that these 12 articles met the inclusion criteria by focusing on Medicaid reimbursement, funding models, and financial sustainability in assisted-

living communities. According to the Johns Hopkins nursing evidence-based practice model, eight articles were classified as Level III evidence, two as Level I, and two as Level V. Nine articles were rated as high quality (A), while three were rated as good quality (B). See Appendix C for more details on the quality appraisal results. Institutional review board approval was not required for this integrative review.

### **Thematic Analysis of Literature**

The thematic analysis of the literature revealed key insights into Medicaid reimbursement and financial sustainability in assisted-living communities. Zimmerman et al. (2024) and Fabius et al. (2022) highlighted how Medicaid funding can improve care quality and service delivery, emphasizing the need for reimbursement rates that align with operational costs. Alternative funding strategies, including philanthropy and value-based payment models, were discussed by Sherman et al. (2023) and Shrank et al. (2021), who proposed diversified financial mechanisms to enhance stability. Werner et al. (2022) underscored the chronic underfunding of long-term care facilities and advocated for integrated funding models combining federal and state resources. The impact of Medicaid reimbursement on financial sustainability is evident in studies by Bailey (2023b) and Heiks et al. (2022), which show that increased payment rates can strengthen financial viability and service availability. Governance and regulatory frameworks play a crucial role, as examined by Poh et al. (2021) and Smith et al. (2021), who suggested that well-structured policies improve financial integrity and Medicaid compliance. Policy reforms remain a central theme, with Barreira et al. (2023) identifying inefficiencies in Medicaid distribution and advocating for structural adjustments to enhance financial resilience. Collectively, the literature underscores that while Medicaid reimbursement is essential,

sustainable financial strategies require a combination of increased funding, regulatory improvements, and alternative financial mechanisms to ensure long-term viability in assisted-living communities.

## Part 3: Presentation of Results

### Results

The thematic analysis conducted on the 12 selected articles identified four major themes and eight subthemes. Codes were extracted from the findings of these studies and categorized based on their level of accountability and alignment with the innovative financial solutions for assisted living (IFSAL) model. This approach facilitated a structured framework to define key financial and policy challenges while identifying potential solutions for long-term care facilities. The analysis provided insights into Medicaid reimbursement, financial sustainability, and policy considerations for assisted living communities. See Appendix D for the thematic analysis results.

Examples of codes included in the thematic analysis matrix are the following:

- *Medicaid reimbursement optimization*: Aligning Medicaid reimbursement rates with actual care costs to improve financial viability.
- *Alternative payment models*: Implementing value-based reimbursement and bundled payment systems to enhance financial sustainability.
- *Operational cost efficiency*: Streamlining financial management practices and resource allocation to strengthen long-term economic resilience.

Once all codes were extracted from the 12 selected articles, four overarching themes were constructed using the IFSAL model and their corresponding subthemes. These themes focus on strategies to enhance financial sustainability, improve Medicaid reimbursement structures, and develop long-term funding resilience for assisted living communities. The four major themes identified are (a) expanding and diversifying funding sources, (b) building financial resilience post-COVID-19, (c) implementing

sustainable payment systems, and (d) enhancing financial management and efficiency.

The subthemes associated with each theme are outlined below.

The following subthemes were associated with the theme expanding and diversifying funding sources:

- Reforming inadequate financing models: Addressing systemic shortcomings in existing funding structures is essential for ensuring sustainable financial support for ALFs. Sherman et al. (2023) emphasized that philanthropy could supplement Medicaid funding and improve financial sustainability for ALFs serving low-income populations.
- Addressing Medicaid reimbursement: Fabius et al. (2022) highlighted the impact of Medicaid financing on access to large assisted-living settings, demonstrating that higher reimbursement rates correlate with improved financial stability in long-term care facilities. Bailey (2023b) discussed how state-level Medicaid payment rate adjustments have bolstered financial sustainability in home healthcare settings, suggesting that similar reimbursement increases could be beneficial for ALFs.

The following subthemes were associated with the theme building financial resilience post-COVID-19:

- Strengthening financial support mechanisms: The COVID-19 pandemic exposed significant financial vulnerabilities in ALFs, emphasizing the urgent need for long-term funding stability. Feder (2020) argued that enhanced federal financing is essential to sustaining long-term care operations in the post-pandemic era,

advocating for direct Medicaid investment and regulatory reforms to strengthen financial resilience.

- Reforming long-term services and supports (LTSS) to build long-term financial resilience: Werner and Konetzka (2022) emphasized the urgent need for Medicaid reimbursement reform to establish a financially sustainable framework for LTSS. Barreira et al. (2023) further suggested that integrating federal and state funding models can enhance ALF financial resilience and improve service quality.

The following subthemes were associated with the theme implementing sustainable payment systems:

- Aligning financial models with resident-centered care: Zimmerman et al. (2024) proposed that Medicaid funding structures should prioritize resident-centered care by aligning payments with service quality rather than volume-based reimbursement models. Shrank et al. (2021) supported this approach by advocating for value-based reimbursement models that tie funding to quality outcomes instead of fee-for-service models, ensuring greater financial efficiency in ALFs.
- Developing innovative payment models: Werner and Konetzka (2022) explored alternative Medicaid payment structures, such as capitation models and bundled payment systems, as strategies to stabilize ALF finances and ensure payment predictability. Fabius et al. (2022) further emphasized that expanding Medicaid financing options for dual-eligible residents can enhance financial sustainability and improve access to essential services.

The following subthemes were associated with the theme enhancing financial management and efficiency:

- Reforming reimbursement policies for long-term viability: Heiks and Sabine (2022) highlighted that current Medicaid reimbursement rates are inadequate to sustain long-term care facilities and recommended policy-driven increases to prevent financial distress. Moody et al. (2022) further emphasized the financial inefficiencies in Medicaid billing, advocating for streamlined reimbursement frameworks to enhance operational stability.
- Improving operational efficiency through better financial practices: Poh et al. (2021) suggested that governance improvements in ALFs can strengthen financial oversight and management, leading to greater economic stability. Zimmerman et al. (2022) reinforced this by arguing that standardized Medicaid policies and regulatory oversight are essential for ensuring the long-term financial viability of ALFs. Smith et al. (2021) further emphasized the impact of state-level regulatory frameworks on Medicaid reimbursement efficiency, noting that inadequate reimbursement exacerbates financial strain and ultimately threatens ALF sustainability.

To view the thematic map, see Appendix E.

## **Interpretation of the Findings**

### **Expanding and Diversifying Funding Sources**

The findings confirm that Medicaid reimbursement alone is insufficient to support the financial sustainability of ALFs, reinforcing prior research on funding gaps in long-term care (Fabius et al., 2022; Zimmerman et al., 2024). Alternative funding strategies,

such as philanthropy, private-sector investments, and grants, are necessary to supplement Medicaid reimbursement (Sherman et al., 2023). This extends previous literature by emphasizing the integration of diverse funding mechanisms rather than relying solely on federal or state Medicaid expansion (Shrank et al., 2021). Additionally, the shift toward value-based payment models ensures that funding aligns with care quality, suggesting that payment structures should incentivize outcomes rather than solely reimburse for services rendered.

### **Building Financial Resilience Post-COVID-19**

The COVID-19 pandemic exposed structural weaknesses in the financial sustainability of long-term care facilities, particularly those dependent on Medicaid reimbursements (Bailey, 2023b; Heiks & Sabine, 2022). These findings support earlier research by demonstrating that Medicaid underfunding intensified financial instability during the pandemic (Werner & Konetzka, 2022). However, the current study extends this knowledge by proposing long-term policy adjustments integrating federal and state funding streams to build resilience against future disruptions (Barreira et al., 2023). The necessity of strengthening financial support mechanisms and implementing strategic reforms in LTSS is evident in the literature, suggesting that a proactive rather than reactive approach is critical for sustainability.

### **Implementing Sustainable Payment Systems**

A central theme emerging from the findings is aligning financial models with resident-centered care, ensuring that funding structures adequately support operational costs and quality improvements (Zimmerman et al., 2024). Previous research supports the transition to innovative payment models, including value-based reimbursement and

alternative payment structures (Poh et al., 2021). These findings confirm that fee-for-service Medicaid reimbursement models may not be financially sustainable, necessitating reform toward models that tie payments to care outcomes. The integration of Medicaid funding with performance metrics represents a growing area of research that seeks to balance cost efficiency with care quality.

### **Enhancing Financial Management and Efficiency**

The literature highlights administrative burdens and inefficiencies in Medicaid reimbursement systems, contributing to financial strain on ALFs (Barreira et al., 2023; Smith et al., 2021). The findings reinforce the need for reimbursement policy reforms that streamline Medicaid processes and reduce bureaucratic obstacles, enabling facilities to operate more efficiently (Moody et al., 2022). Additionally, strategies such as improved financial oversight, cost-control measures, and optimized allocation of Medicaid funds are essential to stabilizing facility budgets while maintaining care quality.

### **Comparison With Existing Literature**

The findings largely confirm previous research indicating that Medicaid reimbursement remains a critical but inadequate funding mechanism for assisted-living communities (Fabius et al., 2022; Zimmerman et al., 2024). However, the study extends this knowledge by identifying new strategies for financial sustainability, including public-private partnerships and alternative funding sources (Sherman et al., 2023). Additionally, the research disconfirms the assumption that Medicaid expansion alone can ensure financial stability, instead emphasizing the need for systemic policy reform, enhanced financial oversight, and sustainable payment structures (Fabius et al., 2022).

## **Theoretical Context**

Donabedian's quality of care framework (1988) provides a structured approach to evaluating healthcare quality by assessing three key components: structure, process, and outcomes. Structure refers to the foundational elements of care, such as financial resources, infrastructure, and regulatory policies. Process encompasses how care is delivered, while outcomes reflect the effectiveness of care in improving patient well-being (Donabedian, 1988). In the context of ALFs, Medicaid reimbursement and funding models represent structural elements that directly influence care delivery processes. Financial constraints within this structure affect staffing levels, service availability, and operational efficiency, ultimately impacting resident care quality and accessibility. The findings across all themes align with Donabedian's model, reinforcing that inadequate reimbursement, fragmented funding models, and inefficient payment systems contribute to financial instability in ALFs, reducing their ability to maintain high standards of care (Donabedian, 1988).

Additionally, the findings align with the IFSAL model, which I constructed to address financial sustainability in ALFs through diversified funding, strategic financial management, and policy reform. The study confirms that Medicaid reimbursement alone is insufficient, reinforcing the model's emphasis on alternative funding sources such as public-private partnerships, philanthropic contributions, and value-based payment models to enhance financial stability. The research further supports the need for Medicaid reimbursement reforms, demonstrating that current funding structures do not adequately cover care costs, leading to financial strain on ALFs. By advocating for policy-driven increases in Medicaid rates and implementing sustainable payment models such as

capitation and bundled payments, the findings validate the IFSAL model's approach to aligning funding with care quality while improving financial predictability. The study also highlights the importance of enhanced financial management efficiency, mainly through streamlined Medicaid billing processes, regulatory improvements, and governance reforms, emphasizing the necessity of a comprehensive financial strategy for ALFs.

### **Conclusion**

Addressing financial challenges in assisted living requires Medicaid reimbursement reform, alternative funding, and stronger financial oversight. The findings confirm Medicaid underfunding while highlighting value-based payments and public-private partnerships as solutions for financial sustainability. This aligns with the IFSAL model, emphasizing diversified funding, strategic management, and policy reform. Additionally, Donabedian's quality of care framework reinforces that funding structures impact care delivery and resident outcomes, demonstrating the need for sustainable Medicaid reimbursement and regulatory improvements. Implementing these solutions can ensure long-term financial stability and high-quality care in Mississippi and beyond.

## Part 4: Recommendation for Professional Practice and Implications for Social Change

### **Recommendations for Professional Practice**

#### **Innovative Financial Solutions for Assisted Living**

Ensuring financial sustainability in ALFs requires a comprehensive approach integrating Medicaid reimbursement reforms, alternative funding strategies, and improved financial oversight. The findings from this review emphasize the urgent need for financial restructuring to support long-term operational viability while maintaining high-quality care standards. By implementing innovative financial solutions, assisted-living communities can enhance their financial stability and provide sustainable care for residents. The following recommendations focus on expanding funding sources, building financial resilience post-COVID-19, implementing sustainable payment models, and improving financial management efficiency.

#### **Expanding and Diversifying Funding Sources**

A key finding of this review is that Medicaid reimbursement alone is insufficient to cover the full cost of care in ALFs (Fabius et al., 2022; Zimmerman et al., 2024). To bridge this financial gap, facilities must pursue alternative funding sources such as philanthropy, private investments, and government grants (Sherman et al., 2023). By diversifying revenue streams, assisted-living communities can reduce financial strain and ensure the long-term sustainability of their operations. Additionally, adopting value-based payment models that tie funding to quality-of-care metrics can incentivize facilities to prioritize high-quality service delivery while securing financial stability (Shrank et al., 2021).

### ***Philanthropy and Private Investments***

ALFs can benefit from philanthropic contributions and private investments to supplement Medicaid reimbursements. Many nonprofit organizations and charitable foundations allocate funds to long-term care facilities demonstrating financial need and a commitment to quality improvement (Sherman et al., 2023). Private investors can also play a crucial role by funding infrastructure improvements and technological advancements that improve efficiency and reduce costs. Strengthening partnerships with philanthropic entities and private investors can provide much-needed financial relief while allowing facilities to maintain high care standards.

### ***Government Grants and Federal Assistance***

Government grants offer an essential funding avenue for assisted-living communities seeking to expand their financial resources. Federal and state programs often grant facilities that meet specific care quality benchmarks, allowing them to secure additional financial support beyond Medicaid reimbursement (Feder, 2020). Expanding participation in these grant programs can enhance financial stability and improve the overall quality of resident care. Additionally, leveraging federal assistance programs such as the Older Americans Act funding can provide crucial financial relief to facilities struggling to meet operating costs (Butler, 2022).

### **Strengthening Financial Resilience Post-COVID-19**

The COVID-19 pandemic exposed significant financial vulnerabilities within ALFs, making it evident that long-term sustainability requires strengthened financial safety nets (Bailey, 2023a; Heiks & Sabine, 2022). Implementing federal and state emergency relief funding programs can provide immediate financial assistance during

public health crises or economic downturns (Centers for Medicare Advocacy, 2021).

Additionally, integrating federal and state Medicaid funding streams can improve financial coordination and reduce inefficiencies in reimbursement processes (Barreira et al., 2023). Reforming the LTSS system to address gaps in funding allocation can further enhance financial resilience and ensure that assisted-living communities remain stable in the face of future financial challenges (Feder & Swartz, 2021).

### ***Emergency Relief Funding Programs***

Developing emergency relief funding programs can provide financial stability for ALFs during times of crisis. The COVID-19 pandemic highlighted the need for rapid response funding mechanisms to ensure the continuity of essential services (Senior Living, 2024). Federal and state governments can implement structured relief programs that offer financial aid to facilities facing economic hardship, allowing them to continue delivering high-quality care. Establishing contingency funds for long-term care providers can safeguard against future economic disruptions.

### ***Integration of Federal and State Medicaid Funds***

A fragmented Medicaid funding system creates financial inefficiencies that strain ALFs. Integrating federal and state Medicaid funding can streamline reimbursement processes and allocate resources more effectively (Barreira et al., 2023). By aligning state and federal payment structures, policymakers can create a more cohesive system that enhances financial stability for long-term care providers. This integration can also help reduce administrative burdens, allowing facilities to focus on improving care quality rather than navigating complex reimbursement procedures.

## **Implementing Sustainable Payment Systems**

Sustainable payment models are essential for aligning financial structures with the needs of assisted-living residents while maintaining operational viability. Traditional Medicaid reimbursement models often fail to reflect the actual costs of care, necessitating reforms that align funding mechanisms with resident-centered care (Zimmerman et al., 2024). Expanding alternative payment arrangements, such as bundled payments and capitation models, can provide facilities with greater financial flexibility while improving the efficiency of Medicaid reimbursements (Shrank et al., 2021). Additionally, tying Medicaid payments to quality benchmarks ensures that funding supports high-quality service delivery, creating financial incentives for assisted-living communities to prioritize resident outcomes (Poh et al., 2021).

### ***Value-Based Payment Models***

Value-based payment models tie financial reimbursement to the quality of care rather than the service volume. Implementing these models in ALFs can incentivize high-quality care while ensuring financial sustainability (Fabius et al., 2022). By focusing on resident outcomes, value-based reimbursements encourage providers to adopt best practices that improve care standards. Transitioning to this model requires facilities to collect and report quality metrics, but the long-term financial benefits outweigh the administrative burden.

### ***Alternative Payment Arrangements***

Alternative payment arrangements like bundled payments and capitation models can provide assisted-living communities with predictable and sustainable revenue streams. These models allocate fixed payments based on resident care needs, allowing

providers to plan and allocate resources more efficiently (Shrank et al., 2021). Expanding Medicaid reimbursement structures to include these alternative models can help facilities achieve excellent financial stability. Additionally, creating partnerships with managed care organizations can support the successful implementation of these payment strategies.

### **Enhancing Financial Management and Efficiency**

Financial mismanagement and inefficiencies in ALFs have contributed to financial instability and underutilization of available resources. Standardizing Medicaid billing procedures and cost-reporting requirements can improve transparency and streamline reimbursement processes, reducing administrative burdens (Barreira et al., 2023). Implementing cost-containment strategies, such as predictive budgeting and financial risk management, can help facilities maintain stability in an evolving healthcare landscape (Zimmerman et al., 2022). Furthermore, leveraging data-driven financial strategies, including financial forecasting and performance analytics, can enhance decision-making and ensure that Medicaid funds are allocated effectively to support assisted-living operations (Werner & Konetzka, 2022).

### ***Standardizing Medicaid Billing and Reimbursement Procedures***

Standardizing Medicaid billing processes can reduce administrative inefficiencies and improve reimbursement timeliness for ALFs. Many providers face payment delays due to inconsistent state Medicaid policies (Barreira et al., 2023). Establishing uniform guidelines for Medicaid claims processing can enhance financial stability and reduce the risk of delayed reimbursements. Automating billing systems can further streamline the process, minimizing human errors and administrative burdens.

### ***Cost-Containment Strategies***

Cost-containment strategies are essential for ensuring the financial viability of ALFs. Predictive budgeting tools allow administrators to anticipate financial needs and adjust expenditures accordingly (Zimmerman et al., 2022). Implementing strategic financial planning models like zero-based budgeting can help facilities allocate funds more effectively while minimizing unnecessary expenses. Additionally, bulk purchasing agreements for essential supplies and medications can reduce operational costs and improve financial efficiency.

Addressing the financial challenges of assisted-living communities requires a multifaceted approach that incorporates Medicaid reforms, alternative funding strategies, and stronger financial oversight. ALFs can work toward long-term sustainability by expanding funding sources, improving financial resilience, implementing sustainable payment models, and enhancing financial management efficiency. These recommendations align with the IFSAL model, providing a structured framework for policymakers and healthcare administrators to develop and implement effective financial strategies. By adopting these measures, assisted-living communities in Mississippi and beyond can strengthen their financial footing while continuing to deliver high-quality care to residents.

### **Implications for Social Change**

The financial sustainability of assisted-living communities remains a critical issue, particularly as demand for long-term care services continues to grow. The increasing reliance on Medicaid for funding and reimbursement challenges has created financial instability that threatens the accessibility and quality of care for residents. By

focusing on the four major themes identified in this review—expanding and diversifying funding sources, building financial resilience post-COVID-19, implementing sustainable payment systems, and enhancing financial management and efficiency—ALFs can strengthen their financial footing and ensure long-term viability. Integrating these strategies into policy and practice will stabilize funding and enhance the overall care experience for residents who depend on these facilities.

The positive social change resulting from these financial improvements includes greater access to high-quality assisted-living services, reduced financial barriers for low-income residents, and increased economic stability within the long-term care sector. Strengthening Medicaid funding and implementing alternative financial solutions will create a more equitable system, ensuring that all individuals receive dignified and comprehensive care regardless of financial status. Additionally, improving financial oversight and management will enhance operational efficiency, ultimately leading to cost-effective care models that benefit providers and residents. This reinforces the social responsibility of healthcare organizations to provide sustainable, high-quality, long-term care services while promoting fairness and accessibility in the healthcare system.

### **Limitations**

This review focused on evaluating funding solutions for ALFs through the lens of the IFSAL model, specifically examining Medicaid reimbursement, alternative funding strategies, and financial sustainability. While the study provides valuable insights into the financial challenges and potential solutions for long-term care facilities, it does not address other critical factors that may impact the financial health of these organizations,

such as workforce dynamics, staffing shortages, and wage structures. These issues, while closely linked to financial sustainability, fall outside the primary scope of this review.

### **Conclusion**

The financial challenges facing ALFs, particularly regarding Medicaid reimbursement and sustainable funding solutions, are at a critical juncture. Without innovative financial strategies, the ability of these facilities to provide high-quality care will continue to be compromised. This review proves that the IFSAL model offers a structured framework for developing sustainable financial practices, ensuring long-term stability, and improving care quality.

This model and the alignment of themes serve as a valuable guide for policymakers and healthcare leaders seeking to reform Medicaid reimbursement, diversify funding streams, and enhance financial oversight in assisted-living communities. By implementing strategic funding solutions, facilities can reduce financial strain, ensure operational viability, and enhance resident care. Leaders must advocate for policy changes that align financial models with resident-centered care, improve funding mechanisms, and integrate public–private partnerships to strengthen financial resilience.

For assisted-living communities, achieving long-term sustainability depends on reimagining financing structures and fostering collaboration between policymakers, industry stakeholders, and healthcare organizations. The IFSAL framework provides a systematic, evidence-based approach to financial reform, ensuring that facilities can meet the growing demand for long-term care while maintaining financial health and delivering high-quality services.

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Appendix A: DHA Practice-Based Problem Literature Review Matrix

Author/ date	Theoretical / conceptual framework	Research question(s)/ hypotheses	Methodology	Analysis & results	Conclusions	Implications for future research	Implications for practice	Empirical research? (Yes or No)
Butler, S. M. (2022)	Conceptual , Financial sustainability in long-term care	What challenges will long-term/AL care face in the future due to funding gaps?	Policy review and expert commentary	Long-term care will continue to face financial challenges unless funding and payment models are restructured. Federal and state funding mechanisms are inadequate to meet the rising demand.	The future of long-term care depends on sustainable funding models that can handle increasing demand.	Research should explore innovative funding models and partnerships to improve financial stability in long-term care.	Long-term care facilities must adopt more sustainable financial practices, and federal funding models should be reevaluated.	No
Feder, J. (2020)	Conceptual framework of federal financing in long-term care post-COVID-19	How can enhanced federal financing improve the long-term sustainability of elder care?	Literature review and policy analysis	Federal funding for long-term care is insufficient, which leads to systemic weaknesses in care quality. COVID-19 exacerbated these issues by revealing gaps in funding and preparedness.	Enhanced federal financing is urgent for the sustainability of long-term care, especially after the COVID-19 pandemic.	Future research should examine the impact of specific federal policies on the financial sustainability of long-term care/assisted living facilities.	Policymakers must urgently address funding gaps to ensure long-term care facilities can sustain operations and provide quality care.	No

Feder, J., & Swartz, K. (2021)	Conceptual framework on the need for LTSS (Long-Term Services and Supports) reform post-COVID-19	How did the COVID-19 pandemic highlight the need for LTSS reform, especially in federal funding for assisted living homes?	Policy analysis and examination of COVID-19's impact on nursing homes/AL	The COVID-19 pandemic exposed severe inadequacies in financing and highlighted the limitations of the current Medicaid reimbursement system. Underfunding contributed to poor quality of care and a lack of preparedness for crises like the pandemic.	The U.S. long-term care system requires urgent reform, especially regarding Medicaid's assisted living financing. Long-term care facilities will remain vulnerable to financial instability and crises without significant federal intervention.	Future research should investigate specific funding models that could provide more robust financial support for long-term care facilities.	Policymakers should implement significant reforms to LTSS funding, focusing on Medicaid reform to provide more sustainable, long-term financial support to these facilities.	No
Mississippi Medicaid - Assisted Living Waiver (2024)	Conceptual framework on Medicaid-funded long-term care services	How does the Mississippi Medicaid Assisted Living Waiver program financially support low-income adults and elderly individuals requiring assisted living services?	Policy description and analysis of the waiver program	The current Medicaid reimbursement rates for Mississippi's assisted living facilities average <b>\$3,800 per month</b> —insufficient to cover the actual cost of care. To improve financial sustainability, it is proposed that reimbursement	Medicaid waivers like this one are crucial in enabling individuals to access assisted living care at lower costs. However, the program is not an entitlement, meaning services are not guaranteed, and there are significant	Research should explore how Medicaid waivers can be expanded to reduce wait times and provide more comprehensive financial support for long-term care services in assisted living.	Policymakers should consider increasing funding for Medicaid waiver programs to reduce waitlist times and ensure that more individuals can access the necessary services for aging in place.	No

				rates be increased by <b>25%</b> , bringing them closer to <b>\$4,750 per month.</b>	delays in access due to waitlists.			
Pochowski, Michael (April 17, 2023).	N/A	N/A It focuses on identifying and discussing the issue of insufficient Medicaid reimbursement and its impact on assisted living services.	Commentary and analysis based on industry observations, policy changes, and expert opinions.	A qualitative analysis of assisted living facilities' current financial challenges due to low reimbursement rates.	The inadequate reimbursement rates for assisted living facilities pose a significant threat to the access and quality of care for older adults, especially those reliant on Medicaid.	It highlights the need for more studies on how reimbursement policies directly affect long-term care facilities' operations and sustainability.	The article suggests that assisted living facilities may struggle to provide adequate care without adjustments to Medicaid reimbursement rates, indicating policymakers and industry leaders need to advocate for funding reforms.	No
Werner, R. M., & Konetzka, R. T. (2022)	Conceptual, Reimagining financing and payment models for long-term care	How can long-term care financing and payment structures be redesigned to improve sustainability?	Policy analysis	The current financing models for long-term care, especially Medicaid, are insufficient to ensure the long-term financial health of facilities.	Long-term care financing needs to be restructured to include alternative payment models that are more sustainable for providers.	Research should focus on testing new payment and financing models to assess their impact on facility sustainability	Financing structures, especially reimbursement models, should be overhauled to support sustainable long-term care operations.	Yes

				Medicaid reimbursement rates are too low, leading to financial instability.		and care quality.		
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## Appendix B: DHA Review Question(s) Search Log

Database or location name	Search terms	Results	Notes
PubMed	Search Terms Medicaid reimbursement, assisted living, lack of funding impacts, Medicaid funding challenges, Eldercare funding gaps, State Medicaid policies, Medicaid waiver programs, Assisted living policy changes, and financial reforms in assisted living.	25	Narrow down by focusing on Medicaid impact, including recent COVID-19-related challenges
Google Scholar	Medicaid reimbursement, assisted living, lack of funding impacts, Medicaid funding challenges, Eldercare funding gaps, State Medicaid policies, Medicaid waiver programs, Assisted living policy changes, and financial reforms in assisted living.	58	Found several relevant papers from 2021–2024, including peer-reviewed journals and government white papers
JAMA Network	Medicaid reimbursement, assisted living, lack of funding impacts, Medicaid funding challenges, Eldercare funding gaps, State Medicaid policies, Medicaid waiver programs, Assisted living policy changes, and financial reforms in assisted living.	18	Impact of funding gaps on staffing shortages and highlight the need for financial reforms in assisted living facilities
SeniorLiving.org	Medicaid payment rates, workforce shortages in assisted living	4	Useful background information and state policy reports, especially on Medicaid reimbursement adjustments
RevCycleIntelligence	Medicaid, reimbursement rates, home healthcare, Healthcare policy and reimbursement	3	Found recent discussions about increasing Medicaid rates to address shortages in both home care and assisted living settings.
Provider Magazine	Assisted living lack of funding, Medicaid reimbursement, ID/DD providers	3	Relevant articles discuss how Medicaid reimbursement rates are affecting long-term care providers, particularly in ID/DD settings.
BMC Geriatrics	COVID-19 impacts on assisted living facilities,	7	Articles focus on post-pandemic recovery and

Database or location name	Search terms	Results	Notes
	Assisted living policy changes, Government support for long-term care		ongoing staffing challenges due to funding, including funding limitations.
Health Affairs	Assisted living regulations, staffing, Medicaid reimbursement	22	Directly ties staffing levels to Medicaid reimbursement and quality of care
JAMDA	Financing long-term care, Medicaid reimbursement impacts	20	Innovative approaches to address funding challenges.
CINAHL Plus	Medicaid reimbursement Financing long-term care Assisted Living Assisted Living Mississippi, Federal funding for elder care	1,412	Difficult to locate articles needed, narrow down
Centers for Medicare & Medicaid Services	Medicaid reform and elder care, Medicaid reimbursement reform, assisted living funding	15	Had to narrow it down to AL's only
ProQuest Dissertations & Theses	Medicaid reimbursement, assisted living, lack of funding impacts, Medicaid funding challenges, Eldercare funding gaps, State Medicaid policies, Medicaid waiver programs, Assisted living policy changes, and financial reforms in assisted living.	20	Dissertations focused on Medicaid reimbursement, had to narrow down and cut duplicates

### Appendix C: DHA Appraisal Results Log

Author, date, and title	Evidence level and quality rating	Focus: HSO type, research domain, and specific problem being addressed	Findings that help answer the review question(s)	Metrics and measures if used	Source limitations
Zimmerman, S., Stone, R., Carder, P., & Thomas, K. (2024). Does Assisted Living Provide Assistance And Promote Living?. <i>Health affairs (Project Hope)</i> , 43(5), 674–681. <a href="https://doi.org/10.1377/hlthaff.2023.00972">https://doi.org/10.1377/hlthaff.2023.00972</a>	Level 3, Rating A, High Quality	Assisted Living; Aging/Long-Term Care; Gaps in service provision	Insights into service delivery and care quality gaps. Highlights areas where Medicaid funding could support service quality improvements.	Quality of life and service metrics	General focus on assisted living
Sherman, A., Rossides, A., & Cantor, J. (2023). Financial Sustainability for Complex Care Models Serving Low-Income Patients: a New Role for Philanthropy. <i>Journal of general internal medicine</i> , 38(Suppl 1), 78–80. <a href="https://doi.org/10.1007/s11606-022-07930-6">https://doi.org/10.1007/s11606-022-07930-6</a>	Level 5, Rating B, Good Quality	Suggests alternative funding sources, such as philanthropy, to support sustainability for low-income populations.	Philanthropy could complement Medicaid reimbursement to enhance financial stability in assisted living communities.	None provided	Lacks focus on Medicaid or assisted living-specific challenges; primarily theoretical.
Fabius, C. D., Cornell, P. Y., Zhang, W., & Thomas, K. S. (2022). State Medicaid Financing and Access to Large Assisted Living Settings for Medicare-Medicaid Dual-Eligibles. <i>Medical care research and review : MCRR</i> , 79(1), 69–77. <a href="https://doi.org/10.1177/1077558720987666">https://doi.org/10.1177/1077558720987666</a>	Level 3, Rating A, High Quality	Assisted Living; Medicaid Financing; Dual-Eligibles and access	Evidence on Medicaid’s impact on access and facility sustainability. Direct insights into Medicaid	Medicaid funding and access metrics	Focus on access rather than operational sustainability

Author, date, and title	Evidence level and quality rating	Focus: HSO type, research domain, and specific problem being addressed	Findings that help answer the review question(s)	Metrics and measures if used	Source limitations
			financing's impact on assisted living and is most aligned with identifying best practices.		
Shrank, W. H., DeParle, N. A., Gottlieb, S., Jain, S. H., Orszag, P., Powers, B. W., & Wilensky, G. R. (2021). Health Costs And Financing: Challenges And Strategies For A New Administration. <i>Health affairs (Project Hope)</i> , 40(2), 235–242. <a href="https://doi.org/10.1377/hlthaff.2020.01560">https://doi.org/10.1377/hlthaff.2020.01560</a>	Level 5, Rating B, Good Quality	General Healthcare Systems; Cost Management; Policy strategies	Policy strategies for sustainable healthcare financing. Offers high-level policy perspectives	None provided	High-level focus, lacks direct application to Medicaid or assisted living
Bailey, V. (2023, October 26). States boosting Medicaid payment rates for home healthcare amid shortages. RevCycle Intelligence. <a href="https://www.techtarget.com/revcycleintelligence/news/States-Boosting-Medicaid-Payment-Rates-for-Home-Healthcare-Amid-Shortages">https://www.techtarget.com/revcycleintelligence/news/States-Boosting-Medicaid-Payment-Rates-for-Home-Healthcare-Amid-Shortages</a>	Level 5, B, Good Quality	The article focuses on home healthcare providers but includes insights that are potentially applicable to other care settings, such as assisted living communities. Its research domain is centered on Medicaid funding and financial	Shows that increasing Medicaid payment rates can improve the financial sustainability of healthcare services by providing adequate funding for service delivery. Provides an example of how Medicaid rate increases can	Medicaid payment rate changes (percentage or dollar increases). Financial outcomes for healthcare providers before and after rate adjustments. Service availability and utilization metrics linked	Focused on home healthcare rather than assisted living; does not address specific reimbursement models or challenges unique to assisted living facilities.

Author, date, and title	Evidence level and quality rating	Focus: HSO type, research domain, and specific problem being addressed	Findings that help answer the review question(s)	Metrics and measures if used	Source limitations
		<p>sustainability in healthcare services. The specific problem being addressed is how states are increasing Medicaid reimbursement rates to close funding gaps and enhance the financial stability of care providers. Although the primary focus is on home healthcare, the strategies discussed are relevant to long-term care settings, including assisted living facilities.</p>	<p>strengthen the financial foundation of healthcare services. This approach could be applied to assisted living communities to address funding challenges.</p>	<p>to Medicaid payment increases. Comparative state-level data to highlight variations in Medicaid reimbursement policies.</p>	

Author, date, and title	Evidence level and quality rating	Focus: HSO type, research domain, and specific problem being addressed	Findings that help answer the review question(s)	Metrics and measures if used	Source limitations
<p>Heiks, C., &amp; Sabine, N. (2022). Long Term Care and Skilled Nursing Facilities. Delaware journal of public health, 8(5), 144–149. <a href="https://doi.org/10.32481/djph.2022.12.032">https://doi.org/10.32481/djph.2022.12.032</a><a href="#">Links to an external site.</a></p>	<p>Level 3, B, Good Quality</p>	<p>Long-term care and skilled nursing facilities. Financial sustainability and Medicaid reimbursement in long-term care. Explores the financial challenges faced by long-term care facilities, including inadequate Medicaid reimbursement and its impact on operational viability.</p>	<p>Highlights that Medicaid reimbursement rates often fall short of covering the true costs of care, leading to financial strain on facilities. It suggests that increasing reimbursement rates and improving Medicaid funding mechanisms could significantly enhance the financial sustainability of long-term care operations. These findings can be extrapolated to assisted living communities to identify similar</p>	<p>Financial metrics, such as reimbursement rates and cost coverage analysis, to demonstrate the gap between Medicaid funding and the actual cost of care. It also references facility closure rates or financial distress signals as indirect indicators of underfunding.</p>	<p>While the article primarily focuses on skilled nursing facilities, many of the financial challenges and Medicaid reimbursement issues discussed are closely aligned with those faced by assisted living communities. The insights provided can be adapted to inform strategies for enhancing funding and financial sustainability in assisted living facilities, even though the article does not directly address this setting. The absence of specific examples or detailed best practices for</p>

Author, date, and title	Evidence level and quality rating	Focus: HSO type, research domain, and specific problem being addressed	Findings that help answer the review question(s)	Metrics and measures if used	Source limitations
			funding challenges and potential solutions.		Medicaid policy reform presents an opportunity to build on these findings and tailor them to assisted living contexts.
Werner, R. M., & Konetzka, R. T. (2022). Reimagining Financing and Payment of Long-Term Care. <i>Journal of the American Medical Directors Association</i> , 23(2), 220–224. <a href="https://doi.org/10.1016/j.jamda.2021.11.030">https://doi.org/10.1016/j.jamda.2021.11.030</a>	Level 5, Rating A, High Quality	Long-term care facilities, including assisted living and nursing homes. Healthcare financing and payment reforms. Chronic underfunding of long-term care facilities, particularly in Medicaid reimbursement, and the need for innovative payment systems to ensure financial sustainability and	Medicaid reimbursement rates need to be increased to address underfunding and sustain operations in long-term care facilities. Transitioning to value-based payment systems can improve care quality while ensuring financial viability. Integrating federal and state funding streams can create a more equitable	While the article references systemic financial challenges and Medicaid funding trends, it does not provide specific quantitative metrics or measures. Its analysis is descriptive, focusing on the potential impact of proposed payment reform models on financial	It does not present original research or empirical data. It broadly addresses long-term care and payment reforms. The conceptual recommendations require further empirical validation to assess their practical impact on Medicaid-funded assisted living facilities. However, the article offers relevant insights into Medicaid payment reform strategies and

Author, date, and title	Evidence level and quality rating	Focus: HSO type, research domain, and specific problem being addressed	Findings that help answer the review question(s)	Metrics and measures if used	Source limitations
		improve care quality.	and efficient payment system to address operational challenges in long-term care.	sustainability and care quality.	systemic approaches to improving financial sustainability, aligning with the goals of evidence-based practice.
<p>Poh, L., Tan, S. Y., &amp; Lim, J. (2021). Governance of Assisted Living in Long-Term Care: A Systematic Literature Review. <i>International journal of environmental research and public health</i>, 18(21), 11352.  <a href="https://doi.org/10.3390/ijerph182111352">https://doi.org/10.3390/ijerph182111352</a></p>	Level 1, Quality rating A, High	Assisted living facilities in the domain of governance and long-term care management.	Governance improvements, when aligned with funding mechanisms such as Medicaid reimbursement, can enhance financial stability and improve service delivery outcomes.	Governance performance indicators, Financial sustainability measures, Quality of care metrics.	The article's reliance on secondary data from diverse regions limits its applicability to Medicaid-funded assisted living in the U.S., and variations in study quality and methodology may affect the generalizability of its conclusions.
<p>Zimmerman S, Carder P, Schwartz L, Silbersack J, Temkin-Greener H, Thomas KS, Ward K, Jenkins R, Jensen L, Johnson AC, Johnson J, Johnston T, Kaes L, Katz P, Klinger JH, Lieblich C, Mace B, O'Neil K, Pace DD, Scales K, Stone RI, Thomas S, Williams PJ, Williams KB. <i>The Imperative to Reimagine Assisted Living</i>. (2022)</p>	Level 5, Rating A, High Quality	Assisted Living Facilities Research Domain: Governance, Policy Reform, Financial	It discusses actionable strategies for enhancing funding and financial sustainability in	While the article is primarily conceptual, it references metrics such as care quality	Insights are generalized and may require tailoring to address state-specific challenges, such

Author, date, and title	Evidence level and quality rating	Focus: HSO type, research domain, and specific problem being addressed	Findings that help answer the review question(s)	Metrics and measures if used	Source limitations
		Sustainability, and Care Delivery Models Specific Problem: Challenges in care quality, financial sustainability, and the need for systemic reform in assisted living facilities.	assisted living. It proposes solutions such as increased Medicaid reimbursement, the adoption of value-based care models, and operational reforms, making it a critical resource for identifying best practices	indicators, cost-effectiveness, and resident satisfaction to support its arguments.	as those in Mississippi.
Moody E, Ganann R, Martin-Misener R, Ploeg J, Macdonald M, Weeks LE, Orr E, McKibbon S, Jefferies K. Out-of-pocket expenses related to aging in place for frail older people: a scoping review.	Level 3, Quality A High	Assisted Living	It provides insights into financial barriers that could inform Medicaid reimbursement policies and funding strategies for assisted living facilities.	Out-of-pocket cost estimates, Gaps in financial assistance programs that fail to cover long-term care costs. Policy interventions and financial strategies	The study does not include statistical analysis or measurable financial outcomes but rather provides a thematic overview of out-of-pocket expenses.

Author, date, and title	Evidence level and quality rating	Focus: HSO type, research domain, and specific problem being addressed	Findings that help answer the review question(s)	Metrics and measures if used	Source limitations
Barreira, L. F., Paiva, A., Araújo, B., & Campos, M. J. (2023). Challenges to Systems of Long-Term Care: Mapping of the Central Concepts from an Umbrella Review	Level 1. Rating A, High Quality	Assisted Living	Identifies inefficiencies in Medicaid distribution and proposes policy adjustments to increase financial resilience in assisted living and long-term care.	Comparative analysis of Medicaid funding structures across different long-term care settings. Review of policy impacts on financial sustainability.	Synthesizes literature but lacks primary data or case studies to validate its conclusions.
Smith, L., Carder, P., Bucy, T., Winfree, J., Brazier, J. F., Kaskie, B., & Thomas, K. S. (2021). Connecting policy to licensed assisted living communities, introducing health services regulatory analysis.	Level 3, Rating a, High Quality	Assisted Living	If Medicaid does not adequately reimburse facilities for these mandated services, financial strain may worsen, reducing facility sustainability.	The researchers employed policy surveillance and question-based coding to document the presence or absence of specific dementia care provisions in state regulations for each type of assisted living	While the study provides a comprehensive overview of regulatory changes over time, it does not assess the direct outcomes of these changes on resident health or quality of care.

Author, date, and title	Evidence level and quality rating	Focus: HSO type, research domain, and specific problem being addressed	Findings that help answer the review question(s)	Metrics and measures if used	Source limitations
				license across the study years. They used maps and summary statistics to compare results and document changes over time.	

### Appendix D: DHA Thematic Analysis Results

Author(s) and date	Data extracted	Initial codes	Preliminary themes
Zimmerman, S., Stone, R., Carder, P., & Thomas, K. (2024). Does Assisted Living Provide Assistance And Promote Living?. <i>Health affairs (Project Hope)</i> , 43(5), 674–681. <a href="https://doi.org/10.1377/hlthaff.2023.00972">https://doi.org/10.1377/hlthaff.2023.00972</a>	Medicaid funding for quality	Care quality gaps.	Service quality improvements; addressing care gaps.
Sherman, A., Rossides, A., & Cantor, J. (2023). Financial Sustainability for Complex Care Models Serving Low-Income Patients: a New Role for Philanthropy. <i>Journal of general internal medicine</i> , 38(Suppl 1), 78–80. <a href="https://doi.org/10.1007/s11606-022-07930-6">https://doi.org/10.1007/s11606-022-07930-6</a>	Alternative funding sources	Sustainability for low-income care.	Alternative funding; financial sustainability. Aligning Medicaid rates; standardized policies.
Fabius, C. D., Cornell, P. Y., Zhang, W., & Thomas, K. S. (2022). State Medicaid Financing and Access to Large Assisted Living Settings for Medicare-Medicaid Dual-Eligibles. <i>Medical care research and review : MCRR</i> , 79(1), 69–77. <a href="https://doi.org/10.1177/1077558720987666">https://doi.org/10.1177/1077558720987666</a>	Medicaid rate alignment	Standardized Medicaid policies	Value-based systems; Medicaid reform strategies.
Shrank, W. H., DeParle, N. A., Gottlieb, S., Jain, S. H., Orszag, P., Powers, B. W., & Wilensky, G. R. (2021). Health Costs And Financing: Challenges And Strategies For A New Administration. <i>Health affairs (Project Hope)</i> , 40(2), 235–242. <a href="https://doi.org/10.1377/hlthaff.2020.01560">https://doi.org/10.1377/hlthaff.2020.01560</a>	Value-based payment systems	Systemic financing reforms.	Increasing reimbursement; financial rate analysis. Addressing funding gaps; financial sustainability.
Bailey, V. (2023, October 26). States boosting Medicaid payment rates for home healthcare amid shortages. RevCycle Intelligence. <a href="https://www.techtarget.com/revcycleintelligence/news/States-Boosting-Medicaid-Payment-Rates-for-Home-Healthcare-Amid-Shortages">https://www.techtarget.com/revcycleintelligence/news/States-Boosting-Medicaid-Payment-Rates-for-Home-Healthcare-Amid-Shortages</a>	Increased Medicaid payments;	Medicaid rate impact.	Increasing Medicaid rates; funding integration.

Author(s) and date	Data extracted	Initial codes	Preliminary themes
Heiks, C., & Sabine, N. (2022). Long Term Care and Skilled Nursing Facilities. <i>Delaware journal of public health</i> , 8(5), 144–149. <a href="https://doi.org/10.32481/djph.2022.12.032">https://doi.org/10.32481/djph.2022.12.032</a> .	Medicaid funding gaps	Improved sustainability through funding.	Governance alignment; robust frameworks.
Werner, R. M., & Konetzka, R. T. (2022). Reimagining Financing and Payment of Long-Term Care. <i>Journal of the American Medical Directors Association</i> , 23(2), 220–224. <a href="https://doi.org/10.1016/j.jamda.2021.11.030">https://doi.org/10.1016/j.jamda.2021.11.030</a>	Essential Medicaid funding	Integrated funding systems.	
<b>Poh, L., Tan, S. Y., &amp; Lim, J. (2021). Governance of Assisted Living in Long-Term Care: A Systematic Literature Review. <i>International journal of environmental research and public health</i>, 18(21), 11352. <a href="https://doi.org/10.3390/ijerph182111352">https://doi.org/10.3390/ijerph182111352</a></b>	<b>Governance and Medicaid alignment</b>	<b>Governance for quality care.</b>	

Appendix E: Final Concept/Thematic Map:

