Mentally ill, retarded face exile from nursing homes

By Sam Newlund
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Several hundred mentally ill and retarded Minnesotans may be forced to move from nursing homes in the next few years because of a federal law that took effect Jan. 1.

The law is intended to encourage treatment in other community-based facilities.

Pamela Parker, long-term care manager for the state Department of Human Services, said about 300 mentally ill people and 275 people who are retarded will have to move. Others in those categories who had intended to enter nursing homes, mostly mentally ill people, will be unable to do so, she said.

In 1987, Congress passed a law requiring nursing homes to refuse admission to people who are mentally ill or retarded, but who have no physical problems requiring medical care. The law took effect Jan. 1, and current nursing home residents who fit that description must move out by April 1990 unless they have been in the home for 30 months or more.

But the department has applied for, and expects to get, an extension of the deadlines until 1992. "It's putting the states in a real bind, and they (federal officials) realize it," said Thomas Fields, a department program manager.

The problem differs from one faced by boarding care and nursing homes, mostly in Hennepin County, that are known as institutions for mental diseases. If a majority of residents are mentally ill, the facility is considered an institution for mental diseases. Medicaid has dropped residents of those facilities between the ages of 22 and 64 from its rolls.

A state program that will replace Medicaid pays only about half of what homes were paid under Medicaid.

Last month, the County Board agreed to prevent those people from being forced to move — at least for three months — by making up the lost Medicaid money, in hopes that the Legislature would agree to reimburse the county for that expense.

The purpose of the 1987 federal law was broader than the Medicaid ruling. It was meant to encourage states to establish community-based residences and treatment programs for the retarded and mentally ill and to minimize the use of all nursing homes — not just the institutions for mental diseases — for those purposes. Nursing homes generally are not equipped to provide treatment for those groups.

By reversing a long-standing practice and refusing to allow use of Medicaid and Medicare to pay for nursing home care of the mentally ill and retarded, Congress wanted to pressure states to establish halfway houses and group homes.

Three states have sued the federal government to forestall enforcement of the new rules.

Minnesota already is faced with a huge task in developing new community group homes for retarded people moving out of state regional treatment centers. If the Legislature approves the state Department of Human Services plan, almost 1,400 retarded people will move out by mid-1995.

The federal law will produce still more people looking for community placements, but department officials are optimistic that such care facilities can be developed in time.

Minnesota nursing homes now house about 5,000 mentally ill people and 850 who are retarded, officials said. But most of them will be unaffected by the new law either because they have been there 30 months or more, or because they have other needs that require nursing care. Many of them