



# LB1178 | Create the Intergenerational Care Facility Incentive Grant Program

Policy Brief | 2024 | Amended into LB904

## □ Key Points

- ▶ Nebraska currently faces a worsening shortage of both elder care and child care options as programs deal with rising operational costs and a shrinking supply of workers.
- ▶ Co-locating elder care and child care services in the same facility can create more efficient, sustainable programs and grow the workforce needed to support these industries.
- ▶ LB1178 would make grants available to nursing homes and assisted living programs interested in co-locating child care services on-site.

## ■ Background

The decreasing supply of quality care options for our state's eldest and youngest residents is an escalating challenge in Nebraska. Among the key factors contributing to this problem are the expense of maintaining sustainable programs and a lack of available professionals to staff them. Regulatory requirements, the rising costs of goods and services, personnel costs and other expenses make it increasingly difficult for both elder care and child care programs to deliver services without operating at a loss.

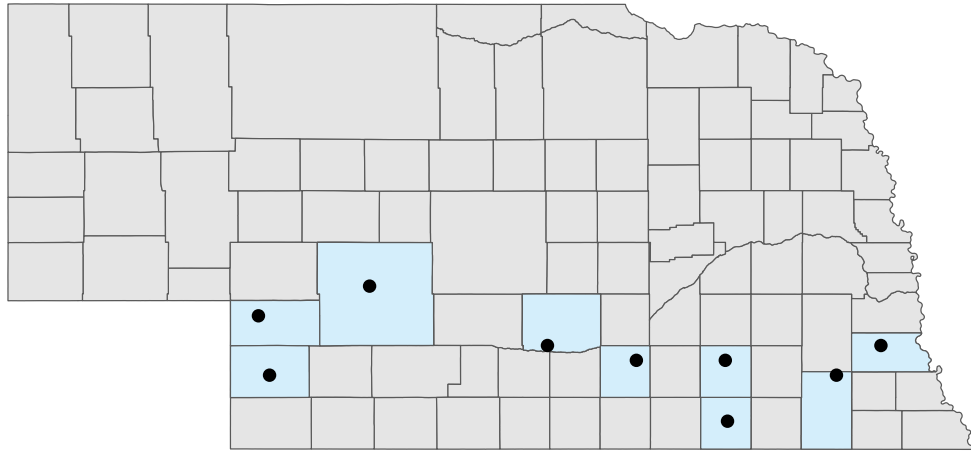
Further, the level of compensation these professions typically offer does not reflect the heavy mental and physical demands placed on the workers needed to staff these programs—driving talent into other areas of employment. According to the Nebraska Health Care Association, our state's long-term (elder) care workforce has decreased 11% from pre-pandemic staffing levels,<sup>1</sup> closely mirroring an 11% decrease in the Nebraska child care workforce since 2018.<sup>2</sup>

## ■ Benefits of intergenerational care models

In recent years, interest has grown in intergenerational care as an innovative model for addressing the challenges facing both elder care and child care programs simultaneously.

- ▶ **Cost Efficiencies:** Co-locating essential functions such as food preparation, dining, recreation, housekeeping and other maintenance services common to both elder care and child care in the same facility can result in significant cost efficiencies for the operators of these programs.
- ▶ **Workforce Development:** Like other areas of the health care industry, elder care programs face competition from employers in other industries offering less demanding and better paid positions. The availability of on-site child care in elder care facilities can be a powerful incentive for recruiting new employees to grow the workforce needed to serve an increasing number of aging Nebraskans.
- ▶ **Quality of life:** Intergenerational care options can significantly improve the experience of persons who receive services through these programs as well as those who purchase those services. Evidence shows that intergenerational care models stimulate skill development, cognition and social connectivity for both older adults and very young children.<sup>3</sup> For adults responsible for obtaining care for their aging parents as well as their own children, the availability of co-located services can be a valuable resource that ties more families to Nebraska communities, especially in rural areas.

### Locations of Intergenerational Care Programs Currently Operating in Nebraska



#### □ LB1178: Increasing Nebraska's supply of elder and child care services

Efforts to introduce Nebraska legislation promoting intergenerational care facilities began with Senator Wishart's introduction of LB1051 in 2020, but were stalled by the onset of the pandemic. LB1178 expands upon the intent of that bill with the following provisions:

- ▷ Appropriates \$300,000 from the Medicaid Managed Care Excess Profit Fund to the Nebraska Department of Health and Human Services to provide grants for intergenerational care programs.
- ▷ Specifies that the grants may be awarded to nursing homes or assisted living facilities that have been certified for participation in Medicare or Medicaid.
- ▷ Specifies that the grants will be used to cover one-time start-up costs, make capital improvements and purchase equipment or supplies necessary to provide child care services. Applicants may receive a grant award up to \$100,000.
- ▷ Prioritizes grants awarded to rural communities.
- ▷ Requires grant recipients to have a plan for enrolling the child care program in Step Up to Quality, Nebraska's child care quality rating and improvement system, within three years of the grant award.

#### References

- <sup>1</sup> Nebraska Health Care Association. (2023). Nebraska Health Care Association: Don't Leave Seniors Behind. <https://nehca.org/NEHCA/NEHCA/News/23.01.25News.aspx>. Accessed 1/29/24.
- <sup>2</sup> Bureau of Labor Statistics. 2022. Occupational Employment and Wage Statistics, Nebraska, May 2018-May2022. Accessed 9/12/2023.
- <sup>3</sup> Norouzi, N., Angel, J.L. Intergenerational Day Centers: A New Wave in Adult and Child Day Care. *International Journal of Environmental Research and Public Health*. January, 2023. Accessed 1/29/24.

