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A Visit to On Lok

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On Tuesday afternoon of the 2002 SOA Spring Meeting in San Francisco, about 15 actuaries took advantage of the opportunity to visit one of the original On Lok senior health facilities. These facilities provide a broad program of medical, chronic and social needs designed to allow seniors to remain independent as long as medically, socially and financially possible. Although a presentation by a facility administrator provided great background on the development of the facilities, actually seeing the facility layout and operations in person provided a unique perspective for field trip participants.

On Lok means “peaceful, happy abode” in Cantonese. The On Lok centers are more than just “facilities.” They provide a gathering place for seniors — a place with a social atmosphere. On Lok’s emphasis is on prevention of poor health and accommodation of limitations. This leads to a lot of program flexibility. A very broad range of services is provided in one location, including:

- Primary medical and specialty care
- Nursing care
- Adult day health
- Social services
- Prescription drugs
- Physical, occupational and recreational therapies
- Home health care and personal care
- Nutrition services and meals as necessary, including special dietary needs
- Transportation and emergency medical transport
- Acute hospital and nursing home care
- Medical specialists such as audiology, dentistry, optometry, podiatry and speech therapy

I was impressed with the sheer breadth of services provided on-site, particularly the medical specialists. In addition, some particular services really made an impression on participants. The kitchens prepare and serve hundreds of meals each day — not just on-site, but also to be taken home by members — all the while balancing the special dietary needs of their challenging membership.

Also, because of the lack of transportation services available for the frail elderly, On Lok essentially created their own transportation company. There were only two companies that could even handle On Lok’s frail members and they charged normal fees plus \$1 per step for moving wheelchair-bound individuals up and down in buildings without elevators. John Timmerberg of the CONSECO companies related, “You could just envision these van drivers hauling these people in wheel chairs up and down four

flights of stairs every day.” Interestingly, van drivers are part of the multi-disciplinary team that provides personalized care to each On Lok member.

To be eligible for the program, members must require a nursing home level of care as required by the State of California. However, consistent with On Lok’s objective of allowing members to remain in their homes as long as possible, only sevenpercent of members actually live in nursing home settings. Ninety percent of members need help with instrumental activities of daily living like shopping, meal preparation and housework. Eighty percent of members need help with bathing, while roughly 50-60 percent need help with other activities of daily living other than eating (24 percent).

Eric Stallard of Duke University observed, “Considering that all of these people were nursing home certified, they seemed quite active, inquisitive and alert.” Given the uniqueness of the On Lok program, participants got the impression that On Lok members see a lot of visitors to the center, but the residents generally expected to be ignored. “When I started saying ‘Hi’ to people,” Timmerberg recounted, “they seemed surprised, but very responsive.”

On Lok was the model for the Program of All-inclusive Care (PACE) for the Elderly, which The Health Care Financing Administration (HCFA) authorized in 1986 to be replicated in other states. Over 40 states have established PACE programs to date. On Lok members who are eligible under both Medicare and Medi-Cal (California’s Medicaid program) pay no premiums, co-payments or deductibles. On Lok requires fixed monthly fees from those who are Medicare-only beneficiaries and from those who qualify as “medically needy only” under Medi-Cal.

Rivaling the breadth of services was the breadth of the activities for members as they whiled away the time, waiting for their van rides home. From the clatter of tiles of the ancient game of mahjong to the soft whirring of disk drives on computers, there seemed to be a certain serenity. Stallard concluded, “Overall, it seemed to be a pleasant, even desirable, set of surroundings.” And that is what one would hope for in a “peaceful, happy abode.”

It was interesting to note that part of On Lok’s general information packet contains a review of a television show about On Lok by David Steinberg, “a journalist and author who is ‘more interested in the actual than the actuarial.’” Hopefully Mr. Steinberg would appreciate all of us getting out of our actuarial sessions long enough to experience a little of the ‘actual’ that is On Lok. ☺