

SENATOR JOHN BREAUX
Opening Statement
AGING COMMITTEE HEARING

"Shopping for Assisted Living: What Consumers Need to Make the Best Buy"
April 26, 1999

Thank you all for joining us today to learn more about a new industry that could enable our elders to remain independent and institution-free. Assisted living has grown rapidly over the last decade because it offers an alternative to nursing homes. For individuals who need some assistance on a daily basis, but do not require a great amount of care, these facilities can offer a home away from home; a pleasant place to grow old. However, this industry--like many others--has some problems that must be examined. The General Accounting Office report released today will tell us just that. The study shows that 25 percent of the facilities surveyed in four states had five or more problems with quality of care or consumer protections. And while we don't know the national magnitude of the problems in assisted living facilities, we do know that things could be better. There is no excuse for poor care in these facilities. And whether the problems are isolated or pervasive, we must work together with the state regulators and the assisted living industry to solve them.

The trail that the assisted living industry blazes will set a precedent for other industries that will soon get into the "business of aging." Wall Street has already discovered that there are a myriad of new opportunities to be had as the population ages. Graying Baby Boomers will have money to spend on new products to meet their changing needs. Assisted living sprouted from this mentality, and other industries are sure to follow as the senior population swells. That is why it will become even more crucial for Congress, state governing bodies and local communities to watch out for the best interest of our seniors. New services and products can be exciting and useful, but they also can create a marketplace ripe for consumer abuse if not monitored carefully.

Thank you, Chairman Grassley, for holding today's hearing. I look forward to listening to the experts, consumers and industry representatives about their concerns. Thank you all for joining us, particularly Ms. Patricia Fleischmann Johnson and Ms. Collette Appolito, who have come to share their personal stories. All the testimony heard today will be tremendously useful to the Aging Committee, as we continue our efforts to protect America's elders.