THE FIERCE URGENCY OF NOW:
The State of Long-Term Services & Supports

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The Pepper Commission: A Call for Action

“Families exhaust themselves and their resources to provide care at home; long stays in a nursing home consume the savings of a lifetime. As the population ages and technology extends life for young and old Americans alike, these burdens will only increase.”

Public support, primarily through welfare-based Medicaid program, comes only after people have exhausted their resources. Consequently, most Americans face the risk of impoverishment should they need long-term care.”

“Growth in the numbers of people likely to need long-term care makes improvements in the nation’s financing of this care imperative for the well-being of all Americans.” -September 1990
CALL TO ACTION

Individuals and families rarely have sufficient resources (either savings or private insurance) to pay for an extended period of LTSS...

A dramatic projected increase in the need for LTSS in coming decades will confront significant constraints in the resources available to provide LTSS...

Now is the time to put these new approaches and efforts in place if the coming generations of Americans will have access to the array of LTSS needed to remain independent themselves ...

The need is great. The time to act is now.

September 2013
A New Urgency to Address LTSS

- Significant increase in the aging of the population due to baby boomers getting older and people living longer.
- Increased demand for an array of options allowing older people to live independently in their homes and communities.
- An anticipated decrease in the availability of family caregivers will place more pressure on formal systems to provide LTSS.
- Mainstream issue that not only impacts individuals and families but has implications for federal, state, and local budgets as well.
- Demographic changes, increased demand and limited resources have created new urgency to address LTSS policy issues.
Issues facing LTSS

- **Financing Problem**— there are limited options for paying for LTSS.

- **System Problem**—Uncoordinated, fragmented and difficult for individuals and families to navigate and access.

- **Workforce Problem**—lack of meaningful support for paid and unpaid caregivers.

- **Quality Problem**—lack the ability to collect data on quality of life and quality of care measures across all settings.
Long-Term Care Spending = $725 Billion

- $450B: Unpaid Family Caregiving
- $130B: Medicaid
- $64B: Medicare Post-Acute Spending
- $63B: Families’ Out-of-Pocket Costs
- $10B: Veterans, State, and Local Programs
- $7B: Private LTC Insurance
Most Americans Are Unprepared

1 out of 4 people age 45+ are not at all prepared financially if they suddenly required long-term care for an indefinite period of time.
Myth vs Reality

• Myth:
  – Most likely, I will never need it
  – It’s only for really old people
  – Most LTSS occurs in nursing homes
  – I don’t have to worry because Medicare will pay

• Reality:
  – 70% will need LTSS at some point
  – Disability affects all ages; Half are <65
  – Most get LTSS at home from family caregivers
  – Medicare does not pay for LTSS, only post-acute care
Framework for Assessing LTSS System Performance

High-Performing LTSS System

is composed of five characteristics

Affordability and Access
Choice of Setting and Provider
Quality of Life and Quality of Care
Support for Family Caregivers
Effective Transitions

that are approximated in the Scorecard, where data are available, by dimensions along which LTSS performance can be measured, each of which is constructed from individual indicators that are interpretable and show variation across states

Source: State Long-Term Services and Supports Scorecard, 2014
Impact of Improved Performance

• If New York improved its performance to the level of the highest performing state:
  o 42,521 more low/moderate-income adults with ADL disabilities would be covered by Medicaid.
  o 17,978 more new users of Medicaid LTSS would first receive services in the community.
  o 8,651 nursing home residents with low care needs would instead receive LTSS in the community.
  o 6,958 more people entering nursing homes would be able to return to the community within 100 days.
  o 9,850 more people who have been in a nursing home for 90 days or more would be able to move back to the community.
Goals For Reforming LTSS

• Address the risk of needing LTSS.
• Acknowledge that neither the public nor private sector can handle the rising cost alone.
• Enable people to remain at home for as long as possible through an array of HCBS options.
• Eliminate the institutional bias and reduce the variability in Medicaid.
• Improve the quality of care, flexibility and efficiency of the delivery system and encourage experimentation with new ways of organizing care.
Questions

• Considering the aging of the population, can we finance expected need within current levels of spending?

• What is the fundamental role of government? Is LTSS an individual or collective responsibility?

• What are the barriers to building and sustaining innovative models across all kinds of living arrangements to age successfully, not merely age in place, but to age in the community?
  - What role can public policy play in bringing these models up to scale?