

Providing More Long-term Support and Services at Home: Why It's Critical for Health Reform

- **Expansion of home and community-based long term care services (HCBS) can significantly help address the health care needs of many older adults.**
 - A vast majority (89%) of Americans age 50+ want to remain in their own homes as long as they can.
 - HCBS programs can often make that possible by providing assistance with daily living activities, like bathing, dressing, eating, help with medications, and other kinds of supportive services.
 - About 11 million U.S. adults need these long term services and supports. Many end up in nursing homes because HCBS services are often unaffordable or unavailable.
 - An estimated 34 million family caregivers help loved ones live at home. These caregivers provide and coordinate care at risk to their own health and financial security. Their annual unpaid contributions are valued at more than \$375 billion.

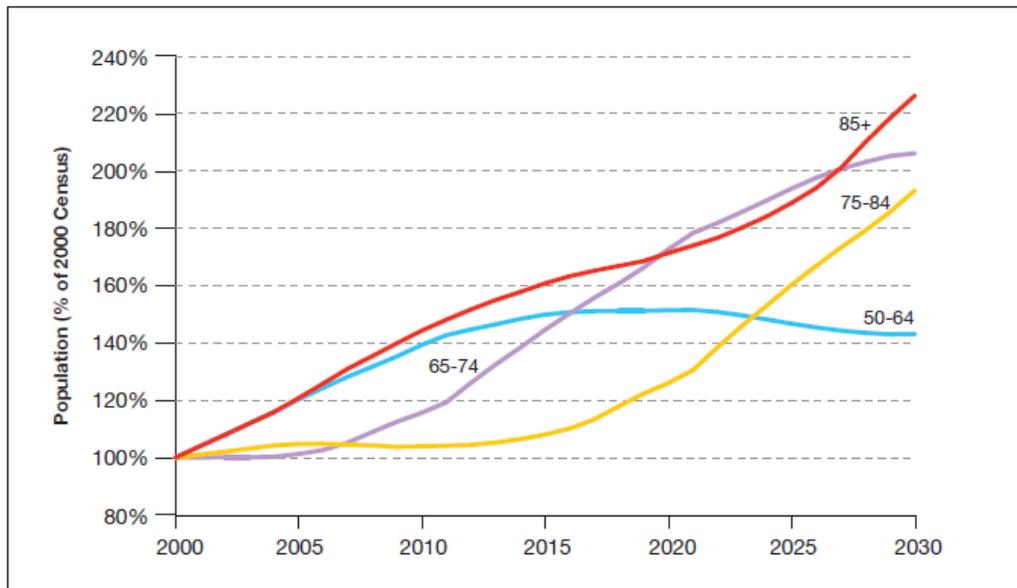
- **Medicaid—which pays for half of all long term care services and supports—has a strong institutional bias. Changing Medicaid priorities can be cost effective.**
 - Nationally, 73% of Medicaid spending on long term care services for older adults and adults with physical disabilities pays for relatively expensive nursing home care, while only 27% goes to HCBS.
 - Administered by states, Medicaid programs often deny access to HCBS because people are entitled to receive nursing home services if they meet the state's eligibility criteria, but states are allowed to limit the number of people they serve in HCBS.
 - On average, the Medicaid program can provide HCBS to three people for the cost of serving one person in a nursing home. Research shows that states that invest in HCBS, over time, slow their rate of Medicaid spending growth, compared to states that remain reliant on nursing homes.

- **Only a handful of states—New Mexico, Oregon, Washington, Alaska, and California—now spend more Medicaid dollars on HCBS than nursing homes.**
 - In 2007, nine states—**Tennessee, Indiana, North Dakota, Utah, South Dakota, Kentucky, Alabama, Connecticut, and Delaware**—spent 10% or less of their Medicaid long-term care funds for older people and adults with disabilities on HCBS – far below the national average of 27%.
 - In 2005, slightly more Medicaid beneficiaries received HCBS than received nursing home services. About 1.85 million received HCBS at some point during the year, while 1.7 million spent some time in a nursing home.

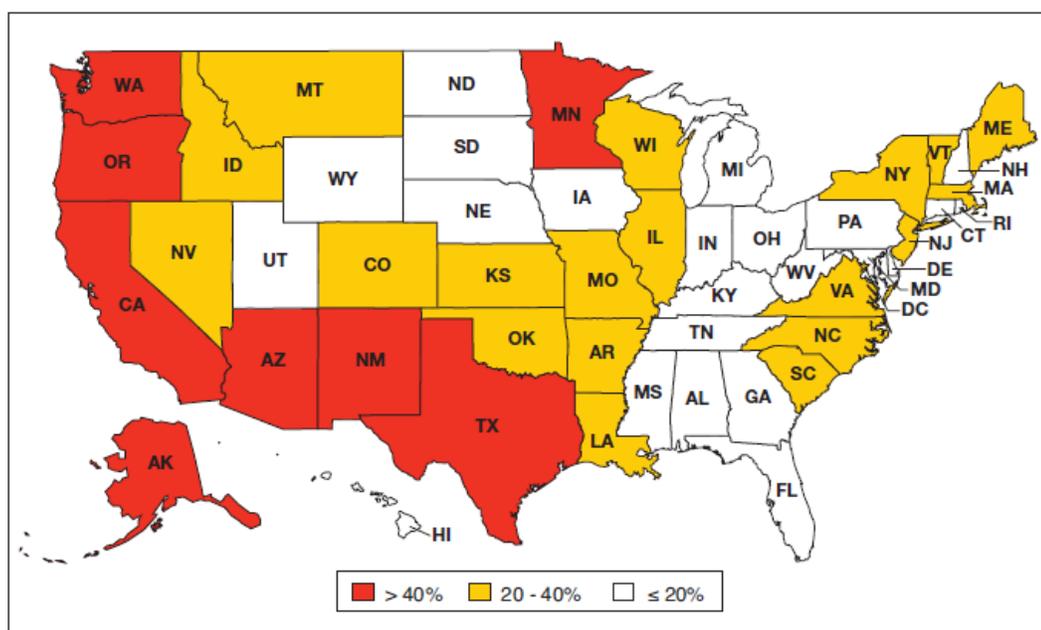
- From 2007 to 2030, the population age 65 or older is projected to grow by 89%, more than four times as fast as the population as a whole. The number of people age 85 or older—those most likely to need long-term care services—is expected to increase by 74% between 2007 and 2030. As the baby boomers turn age 85 between 2030 and 2050, the age 85+ population will skyrocket by another 118%.
 - The states with the greatest projected age 85+ population growth in this period are **Alaska, Nevada, Arizona, Wyoming and New Mexico.**
- **As part of comprehensive health reform, we can improve support for Medicaid HCBS and for family caregivers. Policy options include:**
- Raising the income eligibility level, broadening the scope of covered services, and making other improvements in the Medicaid HCBS state plan option. For example, require spousal impoverishment protection in HCBS.
 - Providing an enhanced federal Medicaid match to states to expand HCBS.
 - Allowing Medicaid HCBS waiver programs to serve people with lower levels of functional disability than those required for people in nursing homes. This could help to prevent people from deteriorating to the point of needing nursing home care.
 - Allowing Medicaid HCBS beneficiaries to retain more assets, so that they can pay for home modifications or health services not covered by Medicaid.
 - Establishing a state plan option or requirement to assess all HCBS beneficiaries' family caregiver needs and connect them to support services.

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**Projected Growth in the Older Population in United States
 as a Percentage of 2000 Census, by Age Group, 2000-2030**



Percentage of Medicaid Long-Term Care Spending for Older People and Adults with Physical Disabilities going to HCBS, by State, 2007



State	Percent to HCBS
New Mexico	61%
Oregon	56%
Washington	55%
Alaska	51%
California	51%
Minnesota	44%
Arizona	40%
Texas	40%
Idaho	39%
North Carolina	39%
Vermont	35%
Dist. of Columbia	34%
Kansas	34%
Nevada	34%
Missouri	31%
New York	29%
Wisconsin	28%
Oklahoma	27%
U.S. Average	27%
Maine	26%
Montana	26%
Virginia	26%
Louisiana	24%
Massachusetts	24%
Illinois	23%
Colorado	22%

State	Percent to HCBS
South Carolina	22%
Arkansas	21%
New Jersey	20%
West Virginia	19%
Georgia	18%
Michigan	18%
Nebraska	18%
Hawaii	17%
Ohio	17%
Florida	14%
Iowa	14%
Wyoming	14%
New Hampshire	13%
Maryland	11%
Mississippi	11%
Pennsylvania	11%
Rhode Island	11%
Delaware	10%
Alabama	9%
Connecticut	9%
Kentucky	8%
South Dakota	7%
Indiana	5%
North Dakota	5%
Utah	5%
Tennessee	1%

Source: AARP Public Policy Institute, Across the States 2009: Profiles of Long-Term Care and Independent Living, 2009.