

Reimagining Long-Term Care
Aging Matters screening & panel discussion
June 22, 2022
Slide Notes to Accompany Presentation

Slide 1 Welcome – Jim Powers, MD, Vanderbilt University Medical Center and TCBA Co-Chair

The Coalition for Better Aging is made up of many organizations across the state working together to ensure the wellbeing of older adults and family caregivers, and for the past two years, we've been convening conversations and engaging state leaders about ways to improve Tennessee's long-term services and supports. Today, we're pleased to continue that work by partnering with Nashville Public Television to show the Aging Matters "Reimagining Long-Term Care" segment and invite several panelists to share their expertise and insights.

Slide 6 Lance Iverson, TN Comptroller's Office

- Lance Iverson provides highlights of the 2022 Long-Term Care in TN report including key issues and opportunities/recommendations
- Lance is a Legislative Research Analyst for the Office of Research and Education Accountability (OREA) within the Comptroller of the Treasury. He has worked in Tennessee state government for almost 15 years with most of that time focused on the administration of state agency finances. Prior to his employment at OREA, he was a stay-at-home-dad for 5 years from 2016 until 2021.

Slide 7 Senior Long-Term Care in Tennessee: Trends and Options

- Our office was asked to update a 2017 report on long-term care trends in Tennessee which resulted in a written report that was released to the public two months ago. Today I will present a summary of that report.
- I am standing on a number of people's shoulders as I make this presentation including the lead writer of the report, Kim Potts, a co-writer Cassie Stinson, the director of our office, Russell Moore, and the Comptroller of the Treasury, Jason Mumpower.

Slide 8 Growth of the senior population

- First, the demographic backdrop. The number of Tennessee seniors aged 60 and over is expected to increase by 30 percent from 1.6 million in 2020 to 2.1 million in 2040.
- Maybe even more important from a public policy perspective, the number of seniors aged 80 and over is estimated to double during this time from about 260,000 to 521,000.
- This demographic reality will create greater demand for long-term services and support programs for Tennessee seniors.

Slide 10 TennCare CHOICES

- In 2008, the General Assembly passed the Long-Term Care Community CHOICES Act to rebalance long-term care by expanding the use of home- and community-based

services (HCBS) to fit alongside nursing facility care in order to provide more choice at lower per person cost.

- Eligible seniors for CHOICES fall into one of three categories – Group 1 receives nursing home care, Group 2 receives HCBS up to the cost of what their care would be in a nursing home, and Group 3 for people at-risk of needing nursing home care if they are not provided with some in-home assistance. All CHOICES recipients must meet certain income and medical requirements.

Slide 11 Graph

For the first few years after CHOICES launched, Tennessee experienced significant enrollment growth for HCBS, but rebalancing from nursing facility care to HCBS has shown little to no change since fiscal year 2015.

Slide 12 Chart

- This chart shows the numbers of people served that was represented in percentage terms in the last slide AND breaks out HCBS into the CHOICES Group 2 and 3 levels. Breaking things out this way allows us to answer why there has been little to no change in the split between nursing facility care and HCBS since 2015. The red line at the top shows the decrease of CHOICES recipients in nursing facilities over the years which was expected to occur with the expansion of HCBS.
- In Group 2, shown by the gray line, enrollment increased by about 16 percent between 2015 and 2020; but for Group 3 (the broken blue line) enrollment decreased during that same period by about 63 percent. So, group 3 is where the action has been as its enrollment began to decrease after a change was made to income eligibility in 2015 that restricted Group 3 to people receiving Supplemental Security Income (SSI).

Slide 13 Bar Graph

- Long-term services and supports are expensive in general but nursing facility care is the most expensive. It is less expensive to the state to provide support to people to help them stay in their homes for as long as possible. As this exhibit shows, nursing home costs not only exceed those for HCBS but are also rising at a faster growth trend.
- Although the types of HCBS available to recipients of both Groups 2 and 3 are generally the same, services provided to those under Group 2 are more numerous because Group 2 recipients qualify for nursing facility level of care while Group 3 services are for those who are assessed only as “at-risk” of requiring nursing home care.

Slide 14 Options for Community Living

- A second state program I will discuss is the Options for Community Living program, which was created in 1999 to serve Tennessee seniors who do not qualify for long-term care services under Medicaid. Options is administered by the TN Commission on Aging and Disability (TCAD) and through the nine Area Agencies on Aging and Disability (AAADs).
- You can see services included in the program here on this slide.

Slide 15 Options program – key stats

- The annual cost of Options per recipient is generally capped at \$5,000. Due to the COVID pandemic, the annual cap for services has been temporarily increased to \$8,500.
- In FY 20, expenditures averaged approximately \$3,300 per individual with about \$9.3 million in state expenditures.
- Options presently maintains a waitlist. In FY 21, 4,145 people were served while about another 4,000 were on the waitlist.

Slide 16 Older Americans Act services

- The third and final program I will discuss is the Older Americans Act (OAA) program that provides services designed to promote the independence of seniors aged 60 and over.
- The services shown on this slide are the direct OAA services to individuals comparable to the two other programs we just discussed.
- TCAD develops a State Plan within federal program guidelines to set priorities for the use of the funds and distributes funding to the state's nine AAADs to carry out the programs across the state.

Slide 17 Older Americans Act – key stats

- The OAA is financed with a combination of state and federal funds, but the recent federal share has been about 90% of the funding. In FY 21, OAA expenditures totaled about \$21.8 million in federal and \$2.1 million in state dollars.
- In FY 21, 24,000 people received direct support services under OAA.
- Tennessee has maximized its match for this program so it is unlikely that the amount of OAA services provided to Tennessee seniors or the number of recipients of those services will increase in the near future.

Slide 18 CHOICES, Options, OAA

- This chart compares the state's programs that I have just described in terms of the average annual per person cost.
- These programs can be thought of as a continuum of services for Tennessee's low-income elderly population, with the most intensive services at the left end and with decreasing gradations of service levels and costs as one considers the other programs on the continuum.

Slide 19 Issues of current concern

- Public opinion surveys suggest that seniors prefer to remain in their homes for as long as possible. Services for at-risk seniors such as Choices Group 3, the Options program, and certain OAA services are designed to save money in the long run by delaying or even avoiding the need for a senior to enroll in higher cost CHOICES Groups 1 and 2.
- Some people who might have been eligible for Group 3 under pre-2015 income requirements but are no longer may have sought assistance under Options and OAA, but these programs continue to have wait lists. Other people may be residing in unlicensed residential facilities, which has become an issue of increasing concern in the state.

Slide 20 Policy considerations

- We are pleased to report today that multiple policy considerations listed in our report were adopted in legislation and appropriation of public money passed by the 2022 General Assembly. Most significantly, CHOICES Group 3 eligibility rules will be relaxed on July 1 to provide services for an estimated 1,750 people at a cost of about \$20 million state funds and \$39 million in federal funds. Almost as importantly, the entire waiting list for Options is to be eliminated through the appropriation of \$10.4 million.
- Reimbursement rates paid to providers for Options program services were enhanced at a cost of \$1.25 million. This was done to be in approximate parity with rates that have recently been increased for CHOICES HCBS providers through the use of temporary federal pandemic relief funds. These rate increases are to mitigate the issue of low front-line worker pay.

Slide 21 Policy considerations

- Four items are left for further discussion and consideration.
- First is a rather technical question related to the types of community-based residential alternatives that are paid for by Medicaid through TennCare. Second, as the extraordinary COVID relief funding to TennCare and the OAA programs runs out by the end of 2024, the question of replacing that lost funding with state funding should be considered. Third is the issue of unlicensed residential facilities. TCAD was tasked by the governor to produce a detailed report about this issue. Our report provides a summary of that report and includes suggested actions the state could undertake to close existing unlicensed facilities, expand community-based residential alternatives and prevent the opening of new unlicensed facilities.
- Fourth is the critical issue of frontline workers pay - a perennially discussed issue that we follow up on in our report. Public Chapter 1138 establishes a task force to report on this specific issue to the General Assembly with recommendations due by December 31, 2023. However, given the reality of the price inflation we see today, this pay issue is a continuous challenge and it can be especially acute as applied to the decisions made by people that have careers providing supportive services for seniors. As general costs go up, these workers will often make a move to jobs that pay more money. The state can expand program eligibility more broadly but to get the intended effect there must be the direct care staff available to do the actual work.

Slide 24 AARP TN

- AARP LTC priorities & initiatives
- What We Know (data drives our work)
- As the Comptroller's updated report shows us, the number of Tennesseans age 60 and over is expected to increase by 30 percent from 1.6 million in 2020 to 2.1 million in 2040. And the number of adults age 80 and older is forecast to double during this time. That's a staggering increase, and it really underscores the urgency for preparing our long-term care system.
- AARP Research is constantly fielding surveys, both nationally and locally, to measure the needs of the 50+ community, especially as it pertains to Long-Term Services & Supports (LTSS). And that data drives our work – and explains why we work to create age-friendly communities, support family caregivers, and advocate fiercely at every level for policies that make a difference.

Slide 25 Key Findings: Strong Support

- In late 2021, AARP conducted survey of people over 50 and registered to vote in TN.
- Its findings reflect a need and desire to do more for our aging population. For example:
- Overwhelming support for policies that help people age in place, support family caregivers and make it easier for people to receive remote healthcare.
- Clear majority support for protecting jobs of caregivers and providing time off (paid and unpaid) for caregivers.
- And nearly unanimous support for people being able to choose to receive long-term care at home.
- If we don't improve the full scope of long-term care, Tennessee's seniors confront a system that lacks good choices, putting their independence and well-being at risk.
- Long-term care facilities cannot be the only way we care for seniors.
- Nationwide, only 33% of Medicaid and state-funded Long-Term Services & Supports (LTSS) spending goes toward Home and Community Based Services (HCBS) for older people and adults with physical disabilities.
- Yet AARP research shows 95% of Americans want to be able to age in their home.
- How do we move the needle?

Slide 26 What is Age-Friendly?

Age-Friendly Communities

- AARP is working with communities across TN to plan and implement age-friendly measures to make cities and towns more livable – not just for older residents, but for all ages.
- What does "Age-friendly" really mean? Essentially it's making service and infrastructure improvements that impact livability – and it breaks down like this:
- Access to transportation options for those who no longer drive.
- Affordable housing with universal design elements like zero-step and wider entryways to accommodate wheelchairs and walkers.
- Outdoor spaces like safe streets, parks & accessible buildings.
- Social inclusion to reduce isolation.
- Opportunities to work and/or volunteer.
- Access to communication and information in a variety of ways.
- Availability of adequate health services.
- So when I say AARP (which includes our wonderful volunteers) is working at the community-level, it's also working with community partners to build and amplify their initiatives. Like...
- Working with TCAD to help older home-bound residents across the state get the COVID vaccine at their home, or arranging transportation.
- Supporting volunteer driver programs – low or no-fee options for folks to get to medical appointment, the grocery store...even hair appointments.
- Providing grants to organizations who address food insecurity.

Slide 27 Age-Friendly Communities

- Currently, the focus of this work is in partnership with communities across the state who have committed to improving livability as members of the AARP Age-Friendly Network.

- As you can see from the map, this group is diverse in every way – geographically, population, demographically – they share a common goal of wanting their residents to age-in-place.Slide 28

Slide 28 990,000 Caregivers in TN

- Supporting Caregivers
- There are about 48 million individuals providing unpaid care to an adult family member or friend in the United States. Family caregivers provide \$470 Billion in unpaid care.
- Tennessee is home to an estimated 990,000 family caregivers.
- Here are some more TN-specific AARP Research figures:
- 45% of those surveyed are currently or have been caregivers. 54% of current caregivers are also working full-time.
- Nearly 8 in 10 caregivers report having routine out-of-pocket expenses related to looking after their loved ones, averaging about \$7,242 per year.
- Eight in 10 (83%) current and former caregivers have incurred expenses because of transporting their loved one for appointments or other places.
- 74% of caregivers experience emotional stress
- Perhaps not surprisingly, 81% of those surveyed were supportive of time off work (paid or unpaid) for caregiving purposes

Slide 29 Supporting Family Caregivers

- AARP is fully committed to supporting family caregivers.
- A dedicated website with helpful articles, tools and free resources. [aarp.org/caregiving]
- One of those being Prepare To Care: A guide to help people build a care team and fully support the needs of loved ones.
- AARP offers a dedicated, toll-free family caregiving line. Call 1-877-333-5885 Mon.-Fri. from 7 a.m. to 11 p.m. ET.
- And advocacy -- AARP is currently urging Congress to support a Credit for Caring bill, which would provide an up to \$5,000 federal tax credit for eligible working family caregivers.
- At the state level, we helped secure funding for a respite care pilot project (Bowden Memorial Act) that will hopefully lead to a permanent respite care program.

Slide 30 Reimagining Long-Term Care

- Reimagining LTC: HCBS Solutions
- Here are a couple recent examples of the progress being made to solve some of the HCBS challenges Tennesseans are facing:
- HCBS: During the recently adjourned session of the Tennessee General Assembly, AARP and our partners help ensure \$9.7 million from the state budget for the OPTIONS program, and \$1.2 million in recurring funds for home-and-community-based service care workers, both of which will allow Tennesseans to receive services in their home.
- Telehealth: The pandemic taught us how important a technology infrastructure is to aging-in-place. Telehealth was embraced by providers and allowed people to receive care through technology. Of course, broadband still remains a hurdle in some places, but we're working hard on expanding broadband access across the

state. And state lawmakers approved an extension of the policy that allows healthcare providers to provide medical services through telehealth.

- We will continue to urge more funding and support at the national and state level for HCBS services. As you can see, progress is being made, and fight goes on until we can adequately serve the long-term care needs of our neighbors.
- Ultimately, after a lifetime of hard work and contributing to our society, seniors deserve to live with independence, security, and dignity.